



Fourth Session - Thirty-Sixth Legislature

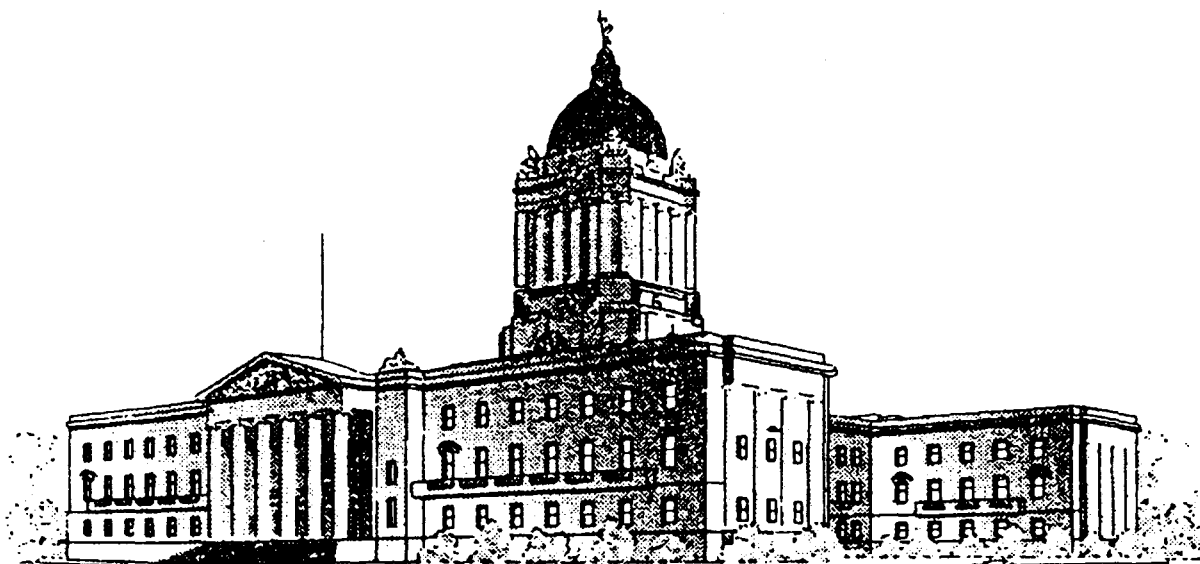
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 9, 1998

The House met at 10 a.m.

PRAYERS

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Madam Speaker, I move, seconded by the honourable Minister of Industry, Trade and Tourism (Mr. Downey), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to.

COMMITTEE OF SUPPLY (Concurrent Sections)

LABOUR

Mr. Chairperson (Gerry McAlpine): Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Labour. Does the honourable Minister of Labour have an opening statement?

Hon. Harold Gilleshammer (Minister of Labour): I do. It is my privilege to present the Expenditure Estimates of the Department of Labour for fiscal year 1998-99. I believe we had a successful year last year working with the labour-management community. I want to start by commending my staff, the staff in the department. They are dedicated and hard-working professionals who are under the very capable leadership of my deputy minister, Tom Farrell, and provide valuable services to the citizens of Manitoba. I would like to thank them for their efforts.

I particularly would like to acknowledge the appointments of two of my senior staff to national committees. My deputy minister, Tom Farrell, sits as the president of the Canadian Association of Administrators of Labour Legislation. Tom Farrell also participated as a member of the Canadian delegation to

the first co-operative activity organized under the Canada-Chili Agreement on labour co-operation. This activity took place January 7-9 of this year in San Diego and focused on labour standards and occupational safety and health.

Geoff Bowden, executive director of the Workplace Safety and Health Division has been appointed chair of the hazardous materials information review committee. This committee deals with issues under the hazardous materials legislation.

For 1998-99, the total budget request for the Department of Labour is \$13.139 million, representing an increase of 4 percent from the previous year. This increase largely reflects the salary increases for staff of the department under recently negotiated collective agreements, and the net increase in costs associated with the implementation of a government-wide desktop management strategy.

The Department of Labour will be one of the first departments to be transitioned to the new desktop environment that will eventually see all government computer users using standard computer work stations and related software. This desktop initiative will when fully implemented provide the Manitoba government with an infrastructure capable of supporting government-wide corporate initiatives in a reliable cost-effective, secure and flexible manner.

* (1010)

The Department of Labour recovers a significant proportion of its annual expenditures through its various sources of revenue. In 1998-99, the department projects to recover about 65 percent of its total budget as revenue.

As Minister of Labour, last year I had the opportunity to be part of an important international initiative with Manitoba's signing of the Canadian Intergovernmental Agreement on the North American Agreement on Labour Cooperation. This will enable Manitoba to participate fully and directly in the implementation,

management and further development of the North American Agreement on Labour Cooperation.

Manitoba's Wally Fox-Decent has been appointed chair of the newly established national advisory committee created under the Canadian Inter-governmental Agreement. The advisory committee will provide independent advice and recommendations on the implementation and further development of the North American Agreement on Labour Cooperation to the governmental committee of labour ministers which is managing Canada's involvement in the NAALC.

As members are aware, amendments to four acts were enacted in 1997. The Workplace Safety and Health Act was amended to provide for a tenfold increase in fine levels under this legislation. This change reflects the unanimous recommendations of the Advisory Council on Workplace Safety and Health. The council is comprised of members representing workers, employers and technical organizations.

The Pension Benefits Act was altered to clarify the legal responsibilities of administrators, trustees and agents as to the administration of pension plans and to enhance enforcement and penalty provisions of the act. These changes represent a positive step towards creating an environment that promotes the expansion and establishment of employer-sponsored pension plans, as well as ensuring that benefits of plan members are adequately protected.

The Retail Businesses Holiday Closing Act was changed to enable a more timely and efficient approach for special exemption permits by authorizing ways for establishments to obtain permits through special exemptions issued by the Minister of Labour without requiring the authorization of the Lieutenant Governor in Council.

The Steam and Pressure Plants Act was amended to eliminate the regular two-year inspection requirement for pressure vessels under the provincial act when these pressure vessels are subject to inspection under federal transportation of dangerous goods legislation. This has resulted in eliminating duplication of inspections without reducing safety requirements.

I also am pleased to inform you that a new Employment Standards Code has been introduced in

the House. This code will consolidate, streamline, simplify and update three existing, separate but related employment standards acts. These existing acts contain many provisions and procedures that are redundant, outdated or inconsistent. At times, this has made it difficult for employees and employers to understand their rights and obligations under the legislation. To address this situation, an undertaking to develop a new consolidated code was initiated in 1996, in consultation with Legislative Counsel. The new code restructures and streamlines the legislation to make it easier to understand, and amend or eliminate outdated provisions. As well, amendments have been made to enable more efficient and effective enforcement of the law. This new code also incorporates recommendations made by the Manitoba Labour Management Review Committee. I am very grateful to the committee for its hard work, dedication and advice which contributed significantly to improving this important legislative initiative.

I am also pleased to inform you that the government will be proceeding with the review of the general minimum wage in Manitoba. In preparation for this, I have already asked employer and employee representatives to provide nominees for membership on the Minimum Wage Board. Once I have received the names of persons to serve, I will be reconstituting the board, and asking it to meet to receive submissions from interested parties, and to make recommendations to me on changes to the minimum wage.

I would like to recognize the important work undertaken and contributions made by the department's external advisory committees such as the Advisory Council on Workplace Safety and Health, the Manitoba Pension Commission and the Labour Management Review Committee. The time and efforts of all committee members are very much appreciated, and on behalf of the province I would like to thank all the members for their advice and assistance.

Since 1989, the Department of Labour has been pursuing a strategy of change, improvement and innovation. One element of the strategy was the development of a performance measurement and reporting framework feedback measures. Measurement and results-based performance have become an integral element of program and service delivery within

Manitoba Labour. Last year the department built on its performance measurement efforts by addressing future strategic issues through a business planning approach. Manitoba Labour was one of three government departments to pilot Treasury Board's business planning and performance measurement initiative known as Manitoba Measures.

Another element of Manitoba Labour's commitment to change over the past several years has been its continuous improvement approach, which has assisted the department in focusing on both improving and re-engineering services and programs. Other examples of innovations last year include the redesign of workplace safety and health training courses and materials based on client feedback, more timely resolution of employment standards claims, sectoral targeting of program activities such as inspections, audits and public education and improved client and public access to program and service information through the Internet, and other on-line services.

Building on the successes of these initiatives, the department is taking further steps to be forward-thinking to serve Manitobans better. Senior department officials have been directly involved in the better methods and better systems initiatives which are designed to change government-wide business processes and systems. As part of the better systems initiative, the Department of Labour has established a team to examine and redesign its inspections processes in order to provide improved, more efficient services to Manitoba workplaces.

The Department of Labour is also a pilot department for the government-wide desktop management initiative. All these initiatives are in keeping with the department's vision, mission and strategic directions for the next three-to five-year period.

In summary, over the next five years the department will continue to pursue change that will result in improved quality, efficiency and relevance in programs and services, emphasized prevention, public education and dispute resolution strategies as a means to support effective administration of our legislative mandates, allocate resources on a risk assessment and value-added basis and increase emphasis on clarifying responsibility among stakeholders.

* (1020)

I would now like to highlight a few of the achievements and plans of departmental programs. The Workplace Safety and Health Division embarked on the business inspections project where it is looking at re-engineering its systems and data collection processes to make them more accessible and useful to field staff. The division is looking at how to place enhanced information about firms to be inspected on field staff computers to enable inspectors to have better client information available at the worksite. Program activities are being operated so as to encourage employers and workers to identify and solve their own health and safety problems effectively. Communications with clients are emphasizing the internal responsibility system and each party's role in ensuring safe and healthy workplaces.

More resources are being allocated to the high-risk, high-cost hazards in industries. Mechanical & Engineering Branch has catalogued all inspection violations for boilers. The branch is also in the process of reassessing its inspection workload by location and size of boiler. This will enable the branch to maximize its inspection activities with respect to higher hazard boilers and steam plants by isolating any high-risk trends that may be occurring and initiating corrective actions before problems occur.

The Workplace Safety and Health Branch has identified foundries as one of the sectors in manufacturing where a high incidence of accidents are occurring. Proactive programs which target the prevention of illness and injuries will be delivered in 1998-99 to improve the general awareness of safety and health issues. The program delivery will include meeting with safety and health committees, conducting audits and establishing a partnership with the American foundry society, Manitoba chapter.

The Mines Inspection Branch developed for all chief mine inspectors a national registry of mine rescue capabilities for Canada. This is being placed on the Internet and the information circulated to all mines in Canada.

The Occupational Health Branch is involved with hospitals and doctors in Manitoba as part of the

development of a national database on farm injury statistics. Manitoba's pilot was the model for the national system.

The Employment Standards Division continues to integrate a risk management approach into all of its functional areas. The division also continues to increase its efforts to resolve claims and issues quickly and in a nonconfrontational manner. The Employment Standards Branch's efforts to resolve claims timely and efficiently has been showing positive results: 35 percent of all claims are resolved in less than 30 days and 80 percent of claims are settled without the need for formal action. This has been achieved by providing alternative methods for claim resolution where appropriate. A quick resolution process is offered at the inquiry intake stage of a complaint, with 12 percent of all claims successfully resolved at this level. Another method used to resolve disputes is the Alternative Dispute Resolution process, which has resulted in a 50 percent decrease in the number of disputes which otherwise would have gone to the Manitoba Labour Board for adjudication.

Labour Board referrals are now down to less than 2 percent of all filed employment standards claims. Feedback from clients suggests that both employees and employers who use the Alternative Dispute Resolution service are highly satisfied with this service. These services have allowed the branch to reallocate more resources to high-risk areas and various preventative initiatives. As part of its Community Adjustment services the Employment Standards Branch has continued with labour adjustment services to Pinawa and expanded services to Bissett, Manigotagan and Seymourville areas. In supporting activities such as needs assessment interviews, regional labour markets sector analysis, investigation of retraining options and partnering in community health initiatives, the branch assists these communities in mitigating the effects of downsizing.

The Employment Standards Branch recognizes that youth are a higher-risk employee group. The branch is working with other jurisdictions of the Canadian Association of Administrators of Labour Legislation to develop baseline information in this area. This project will assist the branch in targeting preventative programs to young workers. The Worker Advisor office ensures

that workers and their dependents receive the benefits to which they are entitled under The Workers Compensation Act. The office continues to focus on providing more timely resolution of claims by concentrating efforts at the primary adjudication level of the WCB rather than the more lengthy levels of appeal. This effort has resulted in 76 percent of appealable issues being resolved at this level. The office has also been successful with their appeals where 58 percent of appeals to the review office were successful and 42 percent were successful at the appeal commission. A Worker Advisor office-client survey revealed that 70 percent of clients responding to the survey were satisfied or very satisfied with how the worker advisors handled their issues.

The Pension Commission continued its development of a risk management model for pension plans, which includes on-site inspections of administrative and financial systems used by the employer, third party administrator and actuary. Staff received training in risk management examination procedures from the office of the Superintendent of Financial Institutions. The Manitoba Pension Commission has struck a strategic partnership with Revenue Canada to save clients time and money and to allow for one contact for the clients for the purpose of processing annual information returns. Prior to the partnership, clients had to file similar information annually with both offices. Now clients only file one annual information return using the Manitoba Pension Commission as the entry point. Revenue Canada's information is processed by the commission staff and electronically transferred to Ottawa.

The Office of the Fire Commissioner has completed its second year as a special operating agency, and I am pleased to announce that the Office of the Fire Commissioner has achieved a balanced budget. The Office of the Fire Commissioner completed the construction of a new state-of-the-art practical training site located next to the Brandon Airport. The training site is built primarily for the Manitoba fire service. This will allow for the training of firefighters under real fire scene conditions. Live burn experience training is a requirement for the National Fire Protection Association standards. The private sector assisted in the financing of this training site contributing in excess of \$200,000. Several corporations donated products or

services to this project. With this private sector assistance, construction of the practical training centre was completed within budget.

Numerous partnerships have been developed over the years with opportunities for marketing both domestically and abroad. The Office of the Fire Commission has established marketing contacts in Chile, Brazil and Argentina. The Office of the Fire Commissioner signed a memorandum of understanding with the University of Santiago, Chile, on behalf of a consortium of educational institutions in Manitoba. The goal of the consortium is to provide the Chilean market with custom training offerings using the University of Santiago as the medium.

Conciliation and Mediation Branch has a long tradition of facilitating dispute resolution. The branch seeks to enhance harmonious industrial relations in the province. Its services are seen as vital by labour and management. During 1997-98, the Conciliation and Mediation Branch was active in 231 grievance mediation and 133 conciliation assignments. Over 95 percent of the conciliation assignments were settled without a work stoppage. The Manitoba Labour Board, as an independent and quasi-judicial body, serves as a forum for the resolution of labour relations issues in a fair and reasonable manner and in a way that will be accepted by labour and management.

The Manitoba Labour Board recently completed a review of bargaining structures in Manitoba's rural health care sector. The success of this process, due in no small part to the co-operative efforts of both labour and management, will create uniformity and bargaining units within rural facilities. The board is presently undertaking a similar initiative with the urban health care authorities. The board has also successfully managed the transition dealing with the voting procedures in the certification process.

Mr. Chairman, this completes my opening statement. I welcome a meaningful and productive discussion of the Department of Labour Estimates in the ensuing hours. Thank you very much.

Mr. Chairperson: We thank the honourable minister for those comments. Does the critic for the official

opposition, the honourable member for Transcona, have an opening statement?

Mr. Daryl Reid (Transcona): Thank you, Mr. Chairperson, for the opportunity to add some comments. I have listened very closely to what the minister said in his opening statement comments here today. To maximize the amount of time that we have towards the asking of questions of the subsections of the minister's department, I am going to be very brief in my comments.

I have a number of questions with specific areas. As the minister might expect, those comments will be relating to activities of the Employment Standards Branch, Workplace Safety and Health, Fire Commissioner. I have some questions with respect to the minimum wage and actions in that regard and also dealing with mine safety. That is not to limit my comments, because I have a number of questions.

* (1030)

I do note though in opening that the minister has indicated that his department is responsible, I believe he said, for the desktop computer initiative for the government. I believe, if I understand him correctly, that is what he said. We will be having some questions in the opening in that area as well, looking at the cost factor that is associated or tied to that for his department itself.

So my two colleagues who are here with me today also have a few questions that will likely be taking place in the opening sections of the minister's Estimates here this morning, so I would be giving them the opportunity to ask their questions as well. With those few comments, Mr. Chairperson, I am, with your will and pleasure, prepared to have the staff come to the table and begin the process.

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

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

Mr. Gilleshammer: Joining me at the table are Tom Farrell, who is the Deputy Minister of Labour; Jim Nykoluk, the Assistant Deputy Minister of Labour; and Jim Wood, Director of Financial Services. I have other staff from the various branches. If the questions are going to range into those areas, we would invite them to the table at the appropriate time.

Mr. Chairperson: I thank the minister for those introductions. We will now proceed to line 11.1.(b) of the Executive Support, Salaries and Employee Benefits, on page 102 of the Main Estimates book. Shall this item pass?

Mr. Reid: I want to start in dealing with the issue of the computer desktop system initiative that the government is now involved with. I have taken a look at the overall Estimates document for the Department of Labour, and there is a substantial cost associated with the involvement in this area. I would like to know—my questions will be regarding the savings, if any, that the department is going to realize as a result of this particular initiative. I would like to know of some of the capital costs that you have currently within your department dealing with computers, if you have an overall or a global budget figure for your department, that you would be involved both in the hardware and I would imagine the software side.

Mr. Gilleshammer: Depending on how much detail you want to get into, this initiative is housed in Government Services in the Desktop Unit. We are one of three departments that are involved in some pilot work. So there is a unit within Government Services that probably can give you in more finite detail what you might be looking for, but the Departments of Government Services and Labour and Culture are the three departments that are piloting the project.

Again, there is a Desktop Unit housed within the Department of Government Services, but there are some staffing changes that are reflected within our department. We have a net reduction of two full-time equivalents which results in a salary cost reduction of almost \$73,000. Then, a total of \$250,000 in additional

funding has been included within what is called Other Expenditures, and this allocation crosses various branches within the department to cover the net additional costs of implementing the desktop management initiative across the Department of Labour.

The total costs of the desktop management are estimated to be \$475,000 for '98-99, while offsetting cost reductions are estimated at \$225,000, leaving a net increase in expenditures of almost \$250,000.

So I do not know if that is the general sort of information you are looking for or whether you want to get into some detail with the Desktop Management Unit within Government Services.

Mr. Reid: I have done a calculation for the expenditures for the Department of Labour alone, of course, because I had the document available to me. The minister's total, at least what he is showing in his budget document here, is a little over \$472,000. So your budget, 475, obviously you are within that particular budget. You are saying you are having an ongoing cost of \$225,000, or cost, I should say, above and beyond—or \$250,000, pardon me, beyond what your anticipated savings are.

Are there ongoing costs associated with this on an annual basis? What is going to be your annual figure that you have to expend for this particular service?

Mr. Gilleshammer: I am told that there will be changes ongoing with the development of the Desktop Unit, but the estimate of ongoing costs will be around \$250,000.

* (1040)

Mr. Reid: So, then, on an ongoing, in perpetuity basis, the cost accrued to the Department of Labour is \$250,000. Is that just purely for systems? Is that dealing with staffing, or what is the breakdown for those particular costs, and how long will that particular cost be ongoing?

Mr. Gilleshammer: That includes updating of equipment, and it also is a portion of the cost of what is called the help desk that we would be responsible for within the Department of Labour.

Mr. Reid: So we have full-time equivalents, 203 staff people, and we are going to spend \$250,000 a year on ongoing computer costs for the Department of Labour. That is a heck of a cost. Would you have spent \$250,000 a year on your ongoing capital and software equipment costs for your department? Do you spend that kind of money in a year, and what is your historical expenditures?

Mr. Gilleshammer: I am informed that historically we have been spending in that neighbourhood on capital costs and salaries.

Mr. Reid: Well, the minister says salaries. Could you give me a breakdown, please? With the greatest of respect to the minister and his departmental staff, I have to raise this right at the beginning because last year I had asked for a number of pieces of information to be forwarded to me and the minister undertook to provide that information. To this point in time, I have not received that information on a number of areas within your department. I do not know the reasons why that information did not come to me, whether it was an oversight on the part of your department or on the part of your office or on your part, yourself, as the minister, but that information did not come to me here.

So I am hoping at the beginning here to get an undertaking that you or your department will follow through with providing us with answers to the questions that we raise for last year as well as the questions that we raise this year, where you make a commitment to provide some detailed information.

Mr. Gilleshammer: We are always delighted to make our information available from the Department of Labour. We are very proud of the work that we do. If there is information you do not understand or that you feel you are not receiving we would be pleased to supply that for you. I am not sure in your question what detail you are looking for, going back to the desktop management.

Mr. Reid: I just want to get an understanding here at the beginning, because the minister did make commitment on a number of fronts last year, and we can go get copies of the Hansard for you if you would like and provide you with some detail, but I am sure your staff is aware of it as well, where you provided or

indicated that you would be providing some information which has not been forthcoming to this point, a year later.

So that is why I am asking for some kind of an understanding here that when we ask questions throughout the process here where, in essence, I am trying to educate myself about the functionings of the Department of Labour that we would receive some information from the minister and that that would be forthcoming in what we would consider to be a relatively short period of time. One year seems to be quite excessive. That is why I am trying to get an understanding here up front.

Mr. Gilleshammer: Well, we would be pleased to have a positive influence in your education about the Department of Labour.

Mr. Reid: Will the minister define what this positive influence is and what kind of a time frame we are talking about here? Does he consider one year to be a reasonable period of time for me to be waiting for that information to come forward? It is in Hansard. I mean, I have asked a number of questions. You have undertaken to provide the information, and I do not recall receiving it. I have talked to staff. They have not received it either.

Mr. Gilleshammer: Well, if there is information that you feel you are lacking from previous years Estimates, we will try and identify that and provide that to you in a timely manner.

Mr. Reid: I will take the minister at his word. I did last year and, to be frank, I am disappointed that that information did not come forward, because each of us has our own credibility when we say that we are going to do or perform some certain service. If it is not followed through or carried through then it becomes more difficult for the opposition critics to undertake to understand the department, to ask hopefully intelligent questions about the workings of the department. That is why I was looking for specific pieces of information.

So when I ask about the desktop computer initiative, I would like to have a breakdown of the ongoing costs that you have. You said that you expend approximately \$250,000 a year in ongoing costs, and that is both for

equipment and labour costs. Could you give me a breakdown of that? If you do not have that information here, would you undertake to provide that, please?

Mr. Gilleshammer: Well, we will certainly get a breakdown for you. It is a number of individuals who spend a portion of their time doing technical work, and there are also capital costs. My deputy indicates that we can provide you some written detail that will go a long way to I think enlightening you in this very important area.

Ms. Maryann Mihychuk (St. James): I would like to go back to the desktop management program. Can the minister clarify, is this the deal with SystemHouse?

Mr. Gilleshammer: Yes.

Ms. Mihychuk: If I understand the program correctly, it includes an initial capital replacement. The computers will be upgraded to a certain standard, and then there is an ongoing annual basically maintenance cost where they replace certain capital components on a regular basis as well as provide service. Would that be correct?

Mr. Gilleshammer: Yes.

Ms. Mihychuk: Are the two individuals who were released from the department your computer staff people who provided that computer servicing?

Mr. Gilleshammer: I am informed that both of them are employed at SHL.

Ms. Mihychuk: For clarification, they did work for the Department of Labour and now are working for SHL.

Mr. Gilleshammer: I am told one is employed by SHL and one by the Department of Highways.

Ms. Mihychuk: I am not sure that I really understood whether these two individuals were the computer people for the Department of Labour.

Mr. Gilleshammer: I am told they were two of our group.

Ms. Mihychuk: The ongoing costs, which amount to approximately \$250,000, will be this service provision

that SystemHouse can provide on-line, I understand. Now, that is significantly more than the expenditure of those two staff people. Did the two staff people the Department of Labour had provide sufficient service to the department to service the needs of all 203 staff members?

Mr. Gilleshammer: They were certainly two people that were part of a team that provided technical service.

Ms. Mihychuk: Did the department have to contract out or bring in additional expertise to provide computer maintenance or technical advice?

Mr. Gilleshammer: I am informed that in the past we had two term people who were contracted to do some of that work.

Ms. Mihychuk: Has the department been offered the ability to service their own system? For example, if the department was provided with half-a-million dollars for this year and an ongoing grant or allocation of \$250,000, would the department be able to self-serve their computer needs?

Mr. Gilleshammer: It is a hypothetical question. There are costs as we get into a new system that are one-time costs. The servicing was not entirely based on two people. They were part of a team.

Ms. Mihychuk: Perhaps I could ask again. Was the department offered that option of providing the service on their own?

Mr. Gilleshammer: That was not part of the plan.

Ms. Mihychuk: Did the department feel or identify a serious problem in their hardware component that required a significant upgrading?

Mr. Gilleshammer: I am informed it is the view of the department that we did not have sufficient equipment or current equipment to work in a number of the initiatives that we are in the process of doing or headed towards at the present time.

Ms. Mihychuk: Perhaps the minister could articulate in some detail what those would be. The minister in his opening statement talked about this new desktop

management allowing the department to act in a corporate manner. What exactly are we investing in? What is this corporate manner that now the Department of Labour will be able to comply with?

* (1050)

Mr. Gilleshammer: I am not sure how much detail the member is looking for, but basically so many systems in government were independent of other departments, and the technology is changing so rapidly. We are part of a corporate view of government where we can interact with other departments with the new technology. There are a number of initiatives that I talked about within my opening statements, and I would be pleased to go back and articulate some of them, if that is what the member wants. I think there was a feeling that we needed to upgrade the technology that we had within the Department of Labour and be part of a corporate view of information systems.

Ms. Mihychuk: Well, I am not an expert, but I do have a PC and I am hooked to the Internet and am part of a network with other colleagues. Would it not be then feasible to pay \$40, like I do, to get onto the Internet and link with another department?

Mr. Gilleshammer: I do not know where my honourable friend wants to go with this. This is part of a government-wide initiative. I sense what the member is saying is that perhaps the Department of Labour does not need to be part of that, that we should continue to act and exist independent of other government departments. I do not share that view. I think the work we do is extremely important. I do not think that we need to take a back seat to other departments.

When you have a government-wide initiative, I think it is important that we be part of that, that we should not exist in isolation. I know my honourable friend, the member for Transcona (Mr. Reid), who is the critic of this department, shares the view that we do important work, that we need to have updated equipment, that we need the most modern technology just as other departments do. So we are part of a corporate government, and it is a government-wide initiative, and we are part of it.

Ms. Mihychuk: Well, the minister is suggesting that I am somehow suggesting the Department of Labour is

not useful. Hardly. What I am asking are serious questions about the commitment that this government has made with SystemHouse. You have gone into a program that is a massive undertaking of all government, that has significant expenditures, and I think that it is valid for the opposition to ask questions of the government's actions, and since the Department of Labour is one of the pilot projects, I would indeed like to continue on this.

The SystemHouse program, as far as I understand our analysis of it, has indicated that perhaps it could be done in-house at considerable savings. If that is the case, then the taxpayers of Manitoba need to know that. Is the government undertaking a program that is going to end up costing Manitobans a great deal more than had it been done in-house? Do we have to fire and lay off more civil servants just to hire and contract private corporations who are going to then gouge public citizens and taxpayers? What is the ultimate purpose of the SystemHouse deal, and if it is to interact with other departments, as the minister suggests, then I think the public needs to know that. Is that the purpose of the SystemHouse deal?

Mr. Gilleshammer: The member has put a lot on the record, and I did not get a chance to write it all down, but I will certainly review it in Hansard. It almost seems like we have a philosophical difference of opinion here. The member comes to the table bad-mouthing private sector corporations and uses words like "gouge." I cannot believe that the member wants to enhance the province of Manitoba and be proud of the work that is being done.

I mean, all of us noted with some delight that the unemployment stats are down to 5.2 percent in the province, and a lot of that is because of private sector development that is going on, an economy that is very hot at this time, and if comments like the one the member for St. James is making is that private sector corporations are out there to gouge everybody—you cannot trust them, that everything has to be done in government—that is simply not true. I am sad to hear those comments from the member for St. James. I thought she would have a more realistic view of the world than that.

If you want to get into the detail of the whole desktop issue, I would suggest you go to the Estimates of the

Department of Government Services where the desktop unit is housed. This is a government-wide initiative. The member is suggesting that the Department of Labour does not need modern technology, does not need new equipment, that we should put band-aids on the equipment we have and patch things together, and that is good enough for the Department of Labour. That simply is not the case. We do very significant and important work. When there is a government-wide initiative, it is incumbent upon us to be part of that.

You know, we have given you the details of staffing and costs within the Department of Labour. I sense that what the member wants to talk about is that this is a wrong-headed initiative, that she is opposed to the whole initiative, and I say she is wrong. We are part of corporate government and it is up to us to upgrade our systems and be part of a corporate-wide system to try and give the best possible service we can to the clients that we serve. I am sorry that the member does not share that view.

Mr. Reid: Mr. Chairperson, I want to ask the minister, you have mentioned that you have ongoing costs of \$250,000 a year for the new system of which you are one of the test departments. You have about 203 employees for your departmental operations. Is each one of these employees going to have a computer system available to them or assigned to them as individuals? Are you going to have 203 systems within your department? If that is not the case, can you tell me how many you are going to have?

Mr. Gilleshammer: I am informed that we will have in the neighbourhood of 176 pieces of equipment within the department.

* (1100)

Mr. Reid: Can you tell me, with this new initiative that you are part of and looking at computer life spans—I mean, for the purposes of my job as an MLA, we buy pieces of equipment from time to time—a computer life span of the technology itself is about six months, one year at best, before it is superseded by something that is superior by way of equipment.

In the contract that your government has signed, can you tell me, are there going to be upgrades to the

hardware equipment of the 176 pieces your department is going to be using? What type of upgrade process do you have within the contract itself that you have signed to keep these pieces of equipment current since you have ongoing costs of \$250,000 a year?

Mr. Gilleshammer: I have indicated before and I will indicate it again that the desktop unit is not housed in the Department of Labour, and if you want to get into that level of detail, that would be the appropriate place to put those questions when the Estimates for the Department of Government Services come forward. That information is not housed in this department.

I certainly agree with the member that technology is out there, and it is ever-changing. It is going to be a challenge not only in government but in the education system, in the private sector, if I can say that word in this room. They are all going to be challenged to make appropriate expenditures on technology and make those decisions at the appropriate time so that they can maintain the service that they need, whatever their functions are. So, if the member is asking do I think there may be further costs in the future as technology changes, I think, yes, there will be.

Mr. Reid: Mr. Chairperson, I am trying to get an understanding here. The minister says that his department is one of three departments to be involved in the government's new initiative, that I believe is going to spend some 35-million taxpayer dollars for this particular type of system. Government Services is one of those other departments as is Family Services. I believe Culture, Heritage—and you do not know. You do not have an idea what is in that contract and whether or not your people in three years from now are going to be working with antiquated pieces of junk that should be in the garbage. Is that what you are telling me?

Mr. Gilleshammer: Well, I am trying to understand what the member is asking. He is saying that equipment bought today is going to be, in a certain time span, junk. I guess, if that is his view of the world, it would be so whether it was bought by the private sector or by a government unless he feels there is specific technology that is independent and used only by government. I have indicated to him that I agree with him that technology is changing very rapidly. That change is going to take place not because of things

happening in Manitoba but things happening right across the world.

I have indicated that governments will face an enormous challenge, as will educational institutions, corporations, private sector companies, individuals, in trying to strike that proper balance of how much do you spend on technology, when does technology become obsolete, when do you reinvest. Well, my honourable friend says that all becomes obsolete in six months. So, in his view of the world, every six months there is going to be a turnover in all institutions using technology and that there is going to obviously be a tremendous cost. I do not think he is totally right. I believe that—[interjection]

Well, I certainly bow to his superior wisdom on this, but I am told that probably—at least people, what they are telling me—a lot of the equipment will be used perhaps for three or four years. So, if his view of the world is that all technology becomes obsolete in six months, maybe he is suggesting we should not get into it at all because the technology becomes obsolete too soon. I do not think that is the way the world is going, that we are going to have technological systems and we need across government to have some consistency. We need to be, I think, aware of what is happening in technology and be part of it, but at the same time, I suppose, we will be constrained by the number of dollars that we can dedicate to technology.

Mr. Chairman, he is absolutely right that these systems are going to change rapidly, and the challenge will be to make the appropriate changes at the appropriate times and spend the appropriate resources on that. I suppose I used the word “pilot” before. We are one of the pilot departments, and part of that is to ease our way into the systems to be able to test and pilot technology and hopefully provide good information for the decision makers within the desktop unit so that we can continue to update ourselves and update our department and make good decisions on technology.

Mr. Reid: One of the things I have learned since coming to this place is that technology does change very rapidly. I have indicated that six-month life span in the current technology that is on the marketplace now, and I know this from personal experience. I also

know it from the cost side because technology that you are using today, that you are paying a fee to operate—and use the Internet for an example. If you have staff that are working on the Internet, or an e-mail system that utilizes the Internet services, your costs of operation are going to be at one level today because the equipment operates at a slower speed.

But if technology passes you by and comes out with a new piece in six months or a year and you do not keep current with that equipment, your costs could be reduced if you went to the new equipment. There is going to be a cost saving that is involved with that if you are able to purchase your equipment on a planned basis to keep current. You even yourself talked about not having current or sufficient equipment within the department. I suspect and I hope that you want to keep your costs under some kind of control there and to, wherever you can, effect cost savings. But if you do not utilize the technology that is available to allow you to do that, the software and the hardware that would be available on the market to allow you to do that, you are not going to be able to effect those savings.

If you do not know, if you are linking yourself in with this SHL SystemHouse system that is going to have you a \$250,000-a-year ongoing cost, and you do not know whether or not you are going to have equipment upgrades at all or over what period of time, and the software changes that are coming on the market now that average about two to two to three years on upgrades for those particular software packages, it may be more applicable to the staff people that you have in this room and the people that work for them. You are not going to be able to take advantages of the improvements that are available in the technological side.

So I would like to ask you: since SHL SystemHouse is involved in this process and they are going to be setting it up, have they not told you, has Government Services not told anybody in your department whether or not you are going to see hardware upgrades over what period of time, if any? Who has licensed ownership of the software equipment, and what type of confidentiality of the records and the operations of your department do you have in place to protect third-party confidentiality that your department so often tells me is essential to the operations of your department?

* (1110)

Mr. Gilleshammer: It is the view of the senior staff in my department who work with this that we have ironclad confidentiality agreements, that they feel very comfortable with. You are right; we do have information, whether it is in the Labour Board or whether it is in Employment Standards. I am sure all departments of government have confidential information, certainly on the staffing side. I am assured by my senior staff that they do not have any feeling that confidentiality will be breached.

Part of the government-wide initiative to move in this direction is to be able to access and use contemporary software. One of the difficulties in government is the ability to employ technical staff and experts in the whole area of technology. I know that we have lost a lot of senior middle-management staff to private corporations simply because of the incentives and the pay scale that the private sector is offering. As a result, we have lost a lot of key people across government simply because we cannot compete with the wages that are being paid in the private sector. Part of the rationale for moving to this system is to be able to access that expertise in technology that we need.

It is not only within government that this is happening. I meet young people that were former students of mine or young people that have grown up in my communities who are very mobile, that are able to access jobs, high-paying jobs in the U.S., across Canada and here in Winnipeg, simply because of the demand for the expertise that they have. Government does not want to find itself vulnerable that we no longer have enough expertise.

One of the ways of mitigating that is to outsource some of this from companies like SystemHouse. There will be software upgrades on a regular basis. As I indicated earlier, the hardware upgrades will be on a three- or four-year renewal cycle. What I hear my honourable friend saying is in the work that he has done in this technological field, that everything becomes obsolete in six months and that systems will have to be replaced every six months. I do not think he is right there, although he perhaps has more knowledge in this area than I do, but I do agree that the changing technology will be a challenge, not only to government

but to the private sector and others as well. We will do our best to stay as current as we can with both the software and the hardware.

You know, I do read a bit about it in the paper and about the challenges of the year 2000, and in journals and so forth. Sure, there is a nervousness across the world. Are we going to meet that challenge that is coming at us in the next short time? A lot of money is being spent by corporations and governments all over the place to try and meet the year 2000 challenge, and we will continue to have those challenges after that to try and keep current, to manage our resources so that we can make the appropriate decisions and appropriate expenditures when necessary.

Mr. Reid: I am still worried about the confidentiality, because the department does do work that is quite sensitive. I know I have personal friends that are in the computer business for one of the employers right across the street from this building here, works out of his home, works on a PC, but he is an employee of the company, and he does troubleshooting within the systems that that particular company has.

I take it that with the contract that the government has signed with SHL SystemHouse that you are going to have the same type of activities, people working external to this building, because government offices are spread around, they are not just here in the Legislature, that the SystemHouse people are going to be working external to your operations and tapping into your operations if necessary to do any kind of troubleshooting that they have. So there is the possibility of security breaches.

You say you have an ironclad agreement that is in place. You are not going to stop a hacker from coming into your system and accessing your personal data files. You could, if it was internal to your own operations in your own office itself, have that security system built in, but you cannot give an ironclad guarantee that you will not have somebody external coming into your systems, because I do not think there is a system yet that has been developed. Even the military of North America has not been able to stop people from accessing their computer systems. So you cannot say that it is an ironclad agreement that you have of confidentiality, because I do not think there is a system

yet that has not been broken. So I am quite worried about the files and the information that you have that is confidential being put on that and being put into the hands of a third party to access that equipment, perhaps from a remote location.

You still have not answered the question with respect to the software. You say a regular update. What is regular? Five years, 10 years? Do you have any idea what is in the contract here that your department is now one of the pilot departments for?

Mr. Gilleshammer: Well, I guess the member says that he is concerned about confidentiality, as we all are. Yes, there are hackers from around the world that I understand access the information from the FBI and the CIA and CSIS, the military. What the member is saying is maybe no system is safe, that all of us would be subject to having somebody access information no matter what our system is and, to some degree, that is true.

My senior staff who sit with me at the table say that they are comfortable with the systems that have been put in place to ensure confidentiality. I do not know whether the member would ever be satisfied that you would have absolute, total control of all information. Heavens, I understand sometimes even briefing notes end up in the NDP caucus room, and I do not know how that happens. But—

An Honourable Member: Thanks, Harold. Thanks for sending them.

Mr. Gilleshammer: Well, he says somebody sends them to him. Well, that is unfortunate. If these are confidential documents that are handled by professional staff we have to have a lot of trust and faith in them. So I guess no matter who is in charge of the system, people are going to be concerned about confidentiality. I have indicated that my staff who are working with the changes within the system are satisfied that the system will provide confidentiality but, having said that, someday maybe some of this information will fall into the wrong hands.

* (1120)

I can remember back in the mid-'80s when there were health records found in a back alley somewhere in the

city of Winnipeg, hard copies of information on individuals who were accessing medical attention at hospitals and clinics. I guess there were people in charge of that and something went wrong. So perhaps I should not have used the word "ironclad." All I am saying is, my staff who have been working on this are very comfortable that the safeguards have been put in place.

If somebody working with that information chooses to release it to you, contrary to what they should be doing, that would be unfortunate but, whatever system you have, and you have referenced some of the major spy agencies of the world who occasionally have some information get out on them from what he termed hackers. I recognize that is true, but that does not sort of freeze us into suspended animation that we do not go ahead with this. We are part of a government-wide initiative; we are one of the pilots; work is progressing nicely. I have indicated that we will not be renewing our total equipment and our software every six months, as the members suggests, but that the generally accepted thinking within government is that hardware will be on a three- or four-year renewal cycle and that there will be regular software upgrades. I think my honourable friend is wondering what "regular" means.

Mr. David Faurshou, Acting Chairperson, in the Chair

Well, as new software comes onto the market and becomes available, it will be incumbent upon staff to look at it, evaluate it, and determine whether it is appropriate to make those changes. We have said that there are going to be ongoing costs, both for staffing and for hardware, for technology, and, within our department, we would be setting aside a certain number of dollars to be sure that our systems are compatible and modern in doing the job we feel we need to do.

Mr. Reid: Well, do I understand the minister correctly, Mr. Chairperson, when he says that the staff is going to evaluate new hardware, then I take it that the SHL people are not going to be responsible—for the software, I should say—if the staff are going to evaluate the new software in the department. Can you talk, as part of your contract, to the supplier of this software and hardware equipment and say that this is the type of equipment or software we would like to have in place

for our particular operations because it would better meet our needs? Do you have that flexibility under this contract?

Mr. Gilleshammer: Well, I really hate being redundant because your time is so valuable and this committee's time is so valuable, and the member for Wolseley (Ms. Friesen), of course, is here, too, and we know how valuable her time is, but I have indicated that the Desktop Management Unit will be co-ordinating the needs of departments and the direction this is going. I have suggested to him twice or maybe three times that if he wants to get into the detail of this whole initiative, the more appropriate place would be to sit in on the Estimates of Government Services and the Desktop Management Unit and pose those questions.

But if the member is asking are staff from our department going to occasionally or often interrelate to staff within the Desktop Management Unit, the answer is yes.

Mr. Reid: Can the minister tell me—and I may have misspoke myself really when I said \$35 million, I believe it is much higher than that, around the \$85-million range for this overall contract. This particular contract I take it is not in perpetuity, it is not going to be there forever, and governments obviously builds option clauses into the contracts that they sign so that they can re-evaluate based on needs.

Can you tell me, the equipment you have in place now—and I take it you must have some equipment in your overall operations that is fairly current—what happens with the equipment that you have, both current equipment and perhaps some pieces that are not so current? Do you still retain responsibility for that, or where does the responsibility lie for that equipment, or what is going to be the disposition for that equipment?

Mr. Gilleshammer: The final decisions on the future of that equipment have not yet been made.

Mr. Reid: So, you have built money into this year's budget. You have got an ongoing cost of \$250,000. You have got two staff people who have been pulled away from your operations as a result of the decision to get involved in the desktop initiative. You do not know

what is going to happen with your equipment in your operation or when you are going to get the new equipment to come into your department. Is that what you are telling me?

Mr. Gilleshammer: No. We have the new equipment now. What you asked, or one of the parts of your question, is what is the future for the old equipment, and I indicated that the final decision on that had not yet been made.

Mr. Reid: So then the 176 pieces that you have talked about, or the 176 systems that you have talked about for your staff, are new pieces of equipment that have come in. You are not using existing or current pieces of equipment that were currently or had been used by the department prior to the decision.

Mr. Gilleshammer: Yes, I am informed that we have 176 pieces that have been transitioned into our department, and this is new equipment. I think the member earlier referred to old equipment as garbage; I do not see it that way. There is going to be value in that old equipment, and there are some issues around its disposition that have not been totally resolved at this time. Again, that will be done on a government-wide basis, and the Department of Labour will not be working in isolation.

Mr. Reid: I understand you will not be working in isolation, because you are part of a pilot project for the overall government involvement in this area. Can you tell me if this contract was to end, who has ownership of the equipment, the hardware equipment?

Mr. Gilleshammer: The member is getting into the world of "if" and asking hypothetical questions, and I do not know whether he wants to go there or not. We will own the equipment.

Mr. Reid: It is built into the contract then that all government operations that are going to be supplied with computer systems, including the 176 units or pieces that Labour has, will be owned by the department when this contract ends. Can you also tell me what happens to the software licensing agreements that go with the hardware equipment? Who has ownership of those?

Mr. Gilleshammer: Again, the contract is housed with the Desktop Management Unit within the Department of Government Services. They will have the ownership of that software that the member asks about.

Mr. Reid: Okay, so that the desktop initiative unit people, which is an arm of government, will be responsible for all of the computer systems and software systems that the government will be using, and they will be responsible for the ownership of that equipment and the maintenance of that equipment.

Mr. Gilleshammer: Yes, we are unanimously agreed that you are right on that.

* (1130)

Mr. Reid: I thank the minister for the information. I am trying to get an understanding here of what happens, because I do not want to see the Department of Labour or any other government department caught short, if somewhere down the road there is a change of heart, because a particular contract does not meet the needs of the department or their overall government operations.

That is why I am asking questions here to get an understanding on what flexibility you built into the process that you are now setting up and of which you are one of the pilot departments, and, also, what the future holds for the department itself with respect to hardware and software flexibility in the future. Having bought equipment in 1990 for the operation of my own office—and the government knows, anybody that works with computers knows, what the value of a 386 computer is today. I have seen them used as doorstops when you go into some of the computer shops. So it tells you how quickly that technology can pass you by. Even more current equipment is used as doorstops today.

I am not saying it cannot be used somewhere, because the older equipment which is still functional can be used in some cases for educational purposes to allow school systems in the province of Manitoba to utilize that equipment to train our young people. Perhaps I should ask the question on whether or not your government, your department, is involved or has provided advice to this desktop initiative group and

whether or not that equipment should be allocated to the various school divisions in the province if it is functional still to allow the school children the opportunity to make use of this equipment.

Mr. Gilleshammer: I agree with the member, what he referenced as garbage to government might be useful somewhere else. I would—[interjection] Well, sure, that is right. I remember when we moved from manual typewriters to electric and electronic ones and it was—

Mr. Reid: That is way before my time.

Mr. Gilleshammer: Well, some of us will remember that. I remember officials from the Department of Education having to tell school divisions that probably they would make good boat anchors, because there was no longer any use for them.

Mr. Reid: Do you still have them?

Mr. Gilleshammer: Well, the member knows that this becomes obsolete, but the school system certainly could benefit. I know many corporations take some of their obsolete equipment and donate it to schools, school divisions, and if it is, to use his word again, garbage to them or garbage to government, maybe it has some use for other people.

Mr. Reid: It is not my word though. Check Hansard; I did not use that word.

Mr. Gilleshammer: I believe the member did use the word “garbage” and we will check Hansard, sure. It will, I am sure, find good use somewhere, that if there is value in it, certainly somebody else should be able to benefit from it.

Mr. Reid: I will leave that with the department then. I just do not want to see this equipment, if it is still functioning, not put to some good use. It is in the sense of the minister's word of garbage to him and his department. If he wants to call it garbage, I mean, that is up to him. He can do that, but it may be useful and serviceable to other areas of the people of the province, whether it be school systems or other nonprofit agencies that may want to make use of that equipment. So I will leave it with the department, if you are talking with the desktop initiative unit people, to make sure

that the serviceable equipment that is now surplus to your operations would perhaps be turned over to some worthy operations to give it the opportunity to make use of that equipment.

I want to ask questions with respect now to some of the things that have also been happening in this area. I know the minister has struck the minimum wage review board to take place. Can the minister tell me, because when I had asked him in Estimates this time last year, he said there was not a need to have the minimum wage review board struck. In fact, I think he said that no stakeholder had asked him to convene the board to look at the minimum wage in the province. At that time—just before that time, in fact, I think currently Manitoba is third last or tied for third or tied for third last in minimum wages in the country.

Can you tell me why you have had a change of heart to now strike the Minimum Wage Board to review that when, last year at this time, you chose that it was not a priority for you, your department, or the government? Why have you had a change of heart with respect to the Minimum Wage Board?

Mr. Gilleshammer: Just going back to the previous topic, I think we are on the same wavelength as the honourable member, that the technology that is obsolete to government I am sure still has tremendous value, and the Desktop Unit I am sure will bring forward recommendations. I would be very much assured that it will be put into the hands of people who can use it and the appropriate thing will be done.

Now, my honourable friend wants to talk about the minimum wage and characterized our discussions last year, I think, in a kind of negative light. I would say to him that the history of the Minimum Wage Board is that it is called from time to time and not on a regular schedule. I do recall saying, and my honourable friend would remember that I had just been in the department for a couple of months at that particular time, and quite correctly the issue had not been brought forward by any group at that time, as I was getting to meet some of the labour and management people within the province of Manitoba.

Since then, I have had the time to review the issue with my staff and take a look at it, and I am of the

opinion that it is appropriate to strike that board at this time. I have sent letters to the Manitoba Federation of Labour and, I believe it is, to the Winnipeg Chamber of Commerce, to provide me with some names of people who would serve on that board and do a community consultation.

I have just received some response to that in recent weeks, and I anticipate additional response in the near future. As soon as I have received that information and have been able to designate a chair, we would be reconstituting that. I anticipate what we would do is probably do a press release indicating as much information on how the board is constituted and where they are going to be and try and make interested parties aware of the process. I am anxious to proceed with that.

Mr. Reid: Mr. Chairperson, can the minister tell me—because last year he said that none of the stakeholders had requested, and he has referenced the Manitoba Federation of Labour and the Chamber of Commerce representatives. Has either one of those asked you as stakeholders to review the minimum wage, and, if so, will you identify which one?

Mr. Gilleshammer: Numerous people including the member for Transcona has brought it to my attention. I know that I indicated in the House one day in a question that he asked me about this issue. I told him at that time that we had recently had a very positive meeting with the MFL, it was one of the issues that they raised, and I responded in a positive way to that.

Since that time other individuals who are part of organizations have also asked me about it, and it is generally understood that the Minimum Wage Board is going to be called. I would hope that we have them functioning in the near future.

Mr. Reid: Can the minister tell me: have representatives from the Canadian Federation of Independent Business or the Chambers of Commerce for the province of Manitoba asked the minister to review the minimum wage in the province of Manitoba?

Mr. Gilleshammer: I am sorry, you said the Manitoba Chamber or the Winnipeg Chamber?

Mr. Reid: Manitoba Chambers of Commerce. All of them.

Just for clarification, Mr. Chairperson, the province of Manitoba has many Chambers of Commerce in it. I know they are represented by one body, the Manitoba Chamber of Commerce, but not to exclude others in the province of Manitoba, to find out which, if any, of those may have requested as stakeholders in this process, whether or not they have requested the minister to review the minimum wage level in this province.

* (1140)

Mr. Gilleshammer: I will indicate that my honourable friend from Transcona was the very first person to raise it and it was last year in Estimates. Secondly, it was raised by the Manitoba Federation—

An Honourable Member: In the year before.

Mr. Gilleshammer: Well, my honourable friend says the year before. I was not the minister the year before. We have only been through this process once, and this is our second time. But I do give the member total credit. He was the very first Manitoban, the very first member of the Legislature to raise it, and I took it very seriously, and we have indicated that we are going to proceed with that.

It was secondly raised with me by the Manitoba Federation of Labour, and in my response to a question that you asked me in December, I believe, I indicated that we were going to start the process. Since then, because other people knew about it, they have certainly inquired and they have certainly talked to me about it, so it has not been a secret. I think it has been covered in the press in December. I think I heard it in the electronic media, and I am prepared to give my honourable friend full credit. He was the first one to ask, and I am pleased that we have been able to respond positively to him.

Mr. Reid: Just for the minister's information, I did ask him to strike the minimum wage review board, but I did so at this time last year, a year ago. I did not ask in December, although my concerns would still be relevant in December. I have asked the previous

Minister of Labour, as well, to have that situation under review.

Instead of having ad hoc minimum wage adjustments, has the minister and his government given any consideration to attaching the minimum wage of the province to the average wage composite index for the province of Manitoba, so that we do not have to have these ad hoc adjustments, so that there would be an orderly process that would be in place so that people who are working at minimum wage jobs in the business community would be aware of changes that would be coming and that it could be done in an orderly fashion. Has any consideration been undertaken in that? Are you looking at many changes in that area?

Mr. Gilleshammer: Well, first and foremost, we are going to follow the process that is in our current legislation, and I am sensing that what the member is asking is for us to bring forward legislation to make amendment to the minimum wage act.

We are not planning that this session. If I have not indicated to my honourable friend before, we are bringing forward only one piece of legislation this session, and it was tabled the other day. I think the member has a copy of it, and we have offered to spend some time with him. I know that it will not be next week, but I think that what our discussion yesterday was, that when you have time you will let me know, and we will set up a meeting within days to brief you on the legislation. So we do not have any plans at this time to make any amendment to that legislation.

Mr. Reid: So then the plan of your government is then to just continue to do ad hoc adjustments to the Minimum Wage Board, and as we have seen historically through the performance of your government, that it was done just prior to or around the 1990 election time. It was done just prior to the 1995 general election, and we are now approaching the 1999 provincial general election if you follow historical voting patterns for the province.

So it seems like just before every election, you strike the minimum wage review board for the province, and you are starting to develop quite a history here of timing with respect to the provincial general election. Is there not some way that we could have a more

orderly process in place so that this could be tied to the performance of the economy of the province of Manitoba that would take this away from ad hoc adjustments done purely for political purposes?

Mr. Gilleshammer: Well, I was not here during the 1980s when the member's party was governing this province and where rates such as Autopac were set at the cabinet table. Maybe that is where the member gets this idea that these things have some connection to political exercises in the province.

I have never seen it that way. In fact, because of the way that his party managed issues such as the government auto insurance, where the entire province was in an uproar because of the way those rates were fiddled with at the cabinet table, one of the first things we did was turn that over to an external third party to review them. So, I mean, our history is very clear that a third objective party should review rates like that.

The history of setting Autopac rates was not a very good one. I think in this case we have legislation that we live by, that the previous government lived by. They did not see fit to change it, but I would make a commitment to have my staff bring forward for discussion internally the current legislation and to look very closely at it.

I am told that there is not a jurisdiction in Canada that has indexed rates. Now, that is the advice I am given from my staff, so I do not believe the province of Saskatchewan or British Columbia or wherever socialist governments are in power follow that practice. I do not think Liberal governments follow that practice. I guess what my honourable friend is asking us to do is to pioneer a new way.

An Honourable Member: Hmm, that would be an interesting concept.

Mr. Gilleshammer: Well, we followed your good advice last year, so, you know, I have given him the commitment that I will review the legislation with my staff, but I can tell him very clearly we are not bringing it forward in this session. We have tried to table the majority of our legislation early in the session, and other legislation we have indicated to critics, at least I have, what we are doing, bringing forward a particular bill.

That is the only bill that we will have this session, but my commitment is to spend some time with staff to look at the existing legislation and I think look at existing legislation in other jurisdictions. I am told that nobody else indexes it. Maybe the member has information from his fellow travellers in Saskatchewan or B.C. that they are going to do this. I am not sure.

Mr. Reid: I take it you mean life's travellers; we are all life's travellers down the road. I have talked with other jurisdictions about their minimum wage. It is interesting you note the social democrat provinces in your comments, Mr. Minister. Saskatchewan is still considerably ahead of the Province of Manitoba in minimum wage. In fact, I suspect that when you have your Minimum Wage Board, you will just barely meet or slightly exceed the minimum wage of Saskatchewan, but purely for political reasons. The province of B.C., the minimum wage is \$7.15 an hour.

An Honourable Member: Their economy is ramming through the floor, is it not?

* (1150)

Mr. Reid: Yes, and you have got an out-migration of a significant number of people in the province here in Manitoba. They cannot find jobs here, so they are going elsewhere in western Canada. While they were the best performing economy in Canada during the recession, Manitoba was in the toilet, but the Minister of I, T and T did not see fit to make comment at that time. You can tell that he was not too worried about the B.C. economy when they were steamrolling along, as your Minister of Finance (Mr. Stefanson) likes to talk about.

So your minimum wage in your social democrat provinces of this country is doing quite well, and no doubt they will be making some adjustments to their minimum wage in the not too distant future. If it is a good idea to have the minimum wage tied to the average composite wage for the province of Manitoba—I always thought that your government, or at least you like to tell us that you want to be leaders in initiatives in the country, so I do not know why you would not give some consideration to this.

An Honourable Member: And, indeed, we are.

Mr. Reid: Well, that is not what the Minister of Labour (Mr. Gilleshammer) has just said here a few moments ago. I know you want to inject yourself, Mr. Minister of I, T and T, want to inject yourself into the conversation here today, and you are more than willing to pull up a chair at the head of the table here and inject your comments and ask about the labouring people of your province, but I am sure you are not too worried about that. You have other interests that you are taking care of to make sure that you have feathered the nests of your own friends.

Mr. Chairman, I digress, and I want to get back and ask the minister with respect to the minimum wage. What is his implementation time line with respect to the changes and the recommendations that would come back from the review body that he has now struck, since it is an ad hoc body only at his call?

Mr. Gilleshammer: Well, what I heard the honourable member say—and I am sure he wants to listen because he does ask from time to time thought-provoking and intelligent questions—he stated that he thinks that we should be compared with Saskatchewan, and I do not think he is wrong there. I know that when we look at many comparisons, it is unfair to look at, say, the cost of living in Toronto compared to what it is in western Manitoba. We do have many comparisons with Saskatchewan, and I know that we have in some ways similar economies. We have similar sized populations. We both tend to lead the country in terms of the unemployment statistics. I did not see the figures that came out today, but I did hear on the radio early this morning that our unemployment rate is now 5.2 percent, and I know Saskatchewan has always been very low too—[interjection]

I can tell the member that the stats that came out today had Manitoba with the lowest unemployment rate in the country, and I know that he would share my pride in that, being a fellow Manitoban.

Mr. Chairperson in the Chair

Any comparison that we have with the province of Saskatchewan tends to be relatively valid because we do share the same part of North America. I heard very clearly the member suggest that the Minimum Wage Board should perhaps look at what Saskatchewan is

doing, and I will say very clearly I do not intend to interfere with them. I think that they should have public hearings and that they should hear any and all people who want to have some input and give advice to government on the minimum wage.

I would think that a natural part of their deliberations, besides hearing from Manitobans from all corners of our province, from the city of Winnipeg to the North, to the rural areas, to our growing cities like Steinbach and communities like Morden, Winkler, I think it is incumbent upon them to hear from Manitobans in all areas to have some input on what they think the current minimum wage should be. I would say that I expect them to be totally unfettered in the process that they follow, and I would direct them and encourage them to consult as widely as possible. It would be quite natural to look at interprovincial comparisons, as well, that reflect what other jurisdictions are doing. So I would hope that in the near future we can get the process started and give them the appropriate time to listen to Manitobans, to have their deliberations, and to bring back a recommendation to government.

I am informed by my deputy that historically the Minimum Wage Board would take about four months to hold those hearings and present that information to government. I know that just the time frame we are in that this may encompass the summer holiday period in Manitoba which might affect them one way or the other, but historically it has been about a four-month process, and historically governments have taken about two months after that to address the issue.

Mr. Reid: So it is going to be some time down the road later this year when you will make your announcement, likely early in the fall, with respect to the minimum wage, and the timing will be there for January 1. It just happens you have another budget coming out in April, and it will be the four-year mark for the government which has historically been the time for the provincial general election. I guess it is just coincident again, for the third time, third consecutive time, that you have adjusted the minimum wage dealing with the—coincidentally in timing with the provincial general election. So I guess it is just a pattern that is developing for your government, and it is nothing unusual, I guess, that we should not expect for you now, as we have seen develop in the past.

Just to let the minister know with respect to the unemployment stats for the country here—and we want to do comparisons between Manitoba and the province of Saskatchewan—Winnipeg's unemployment rate just came out today. Winnipeg is at 5.8 percent; Regina is at 4.9 percent. If you want to do comparisons, Mr. Minister, on the unemployment rates for the provinces overall, Manitoba for the first time tied Saskatchewan. We were both at 6.2 percent. So you have not beat Saskatchewan this time, and do not let the Minister of I, T and T or yourself put unfactual information on the record about the performance of the province in comparison with the province of Saskatchewan.

Yes, we are happy to see that your unemployment rate has for the first time matched Saskatchewan.

An Honourable Member: “Our” unemployment rate.

Mr. Reid: Yes, I stand corrected. Our unemployment rate in the province of Manitoba has matched the province of Saskatchewan who has been a leader in the country with respect to employment of the people, and we are happy to see for the first time that I can recall in my memory that you have actually matched Saskatchewan, since I have been in this building.

An Honourable Member: Why is that?

Mr. Reid: Why is that? Because you also have an out-migration in the province here, which probably says that you have less people available for the workforce.

Mr. Chairperson: Order, please. I would remind all honourable members that any comments that they are going to make that they do make their comments through the Chair. That will eliminate any discussions back and forth and keep things in control.

The honourable member for Transcona, to finish your comments.

Mr. Reid: Thank you, Mr. Chairperson. You are absolutely right, and I apologize to you for not directing my comments through the Chair, as has been my practice in the past.

I want to ask the minister with respect to his department—last time, I believe, in this area I had made

some requests from him about the cost recovery for his department, and I think you had indicated last year at 63 percent—any changes contemplated within the fee structure? Are you contemplating any changes with respect to cost recovery for your department's operations overall?

Mr. Gilleshammer: Well, you know we have really had a pleasant discussion this morning, and I am pleased that my honourable friend shares the pride I have in Manitoba and the fact that the unemployment rate is so low. I think it bodes well for the future and the future of our province. We have worked very diligently to attract industry to Manitoba to provide jobs for Manitobans, and I know that there have been many initiatives in the city of Winnipeg here that are employing thousands and thousands more Manitobans. I would—[interjection] Well, the member interjects. On the one hand he says congratulations for having great numbers and tying Saskatchewan, and then in a breath shortly after that, he says why are your numbers so bad. You cannot have it both ways, you know.

I distinctly heard the member for Transcona say that he was pleased that the unemployment rate had gone down, and I would hope that is true, because surely he would not represent a fine constituency like Transcona and have some glee if there is unemployment in the province. So, again, I share that pride with him, and I think we can all brag about our province. I would even encourage him to come out to rural Manitoba. I know the member for Wolseley (Ms. Friesen) was out there recently in Brandon, and there are tremendous things going on out there. It is unbelievable the energy and enthusiasm in the city of Brandon these days. It is not just the Maple Leaf development but many other factors out there and developments which contribute to this unemployment rate.

I would urge the member for Transcona to take some time on a weekend or intersessionally to get out to rural Manitoba. I would even invite him to the fine constituency of Minnedosa to see the developments that are going on there. [interjection] He has been there. We have a railroad there, too, and I am sure he would have some interest in that. But it is a booming community, and we honour, of course, the history of the railroad in Minnedosa. I know that my honourable friend would feel quite at home there. You know, you

do not even have to go that far. You could just slip out to Elie and see the Isobord plant which is developing the product that they have ready to go, and other developments happening there.

One of the trends that the member should take note of is that the population in many areas of rural Manitoba is growing. We had been through decades where the city of Winnipeg—and a very unique part of Canada, where the city of Winnipeg continues to grow and is the only metropolis of that size within the province. It is heartening and encouraging to see rural communities, the growth they are having and the economic activity that is happening. That is part of the good news of these statistics that the Minister of I, T and T was communicating to you earlier.

So again we share a common cause I think and take pride in the fact that Manitoba is growing, jobs are being created out there, the unemployment rate is going down and the circumstances of Manitobans are improving.

Mr. Chairperson: Order, please. The time being 12 noon, I am interrupting proceedings, and the Committee of Supply will resume sitting this afternoon following the conclusion of Routine Proceedings.

HEALTH

Mr. Chairperson (Ben Sveinson): Order, please. Will the Committee of Supply please come to order. The committee will resume consideration of the Estimates of the Department of Health.

When the committee last sat it had been considering item 21.1.(b)(1) on page 71. Shall the item pass? The honourable member for Kildonan was posing some questions.

Mr. Dave Chomiak (Kildonan): I wonder if the minister might outline for me—we talked about planning to have some individuals here today. Maybe perhaps he could outline what the arrangement is thus far.

Hon. Darren Praznik (Minister of Health): Yes, Mr. Chair, we have Mr. Potter and Mr. McCormack, who have been dealing with the Betaseron issue. They are here and available today. We also have Heather

McLaren from the legislative unit if we wanted to discuss legislative proposals. Mr. O'Neill is here with respect to health information. So those were the areas you had requested for today and our staff are here as requested.

Mr. Chomiak: We are going to have a morning session and an afternoon session, so perhaps since staff are here we should deal with the individuals who are here and then this afternoon we could deal with a sort of pot pourri of issues that were remaining from the last session and talk about a couple of other issues that have arisen.

Perhaps we should start with the Betaseron issue?

Mr. Praznik: Yes, I have Mr. Potter, who is my Associate Deputy Minister for Internal Operations, which includes the Pharmacare program, and Mr. Tom McCormack, who has actually been the staffperson who has been working directly on this since Ms. Deborah Vivian departed from the provincial government to take on other responsibilities elsewhere. She had been initially the individual who had taken on this particular project.

Mr. Chomiak: As has been reported and is fairly obvious with respect to the Betaseron and, I might add, Copaxone issue, which I would also like to query on today, the question of delay and the question of the up-and-running nature of the program is, of course, paramount to everyone in the system, particularly those who are suffering.

So maybe we could commence by the minister outlining specifically from the provincial perspective exactly where the program is at and also as much indication as possible when we might see the actual flowing through of benefits to the individuals.

Mr. Praznik: Mr. Chair, I will deal with the first part of the question which is the general perspective. Then I will let Mr. Potter or Mr. McCormack update you on the specific details as they can of the program, because they have been involved with the committee and the MS centre clinic which will be hosting the pilot project.

When this matter was first brought to my attention, by way of background, it was brought to my attention

because our pharmacal economic committee which advises on whether or not drugs are included in the formulary and I believe, as well, interchangeability of drugs within the formulary. When Betaseron had first come to their attention, they had recommended it not be included. That had been the general recommendation of similar committees across the country.

Several provinces then did overturn that, either their committee did—or I am not familiar with the specific details—but several provinces did develop programs, some on a limited basis, to start using the particular drug. At that time because of the public interest in this and, certainly, I know the member for Kildonan had spoken to me about it, both formally and informally. I think we both shared some concern about was this a fair treatment for the drug. In fairness to all involved, this is one of those drugs that is in the early stages of its formation. Yes, it is approved for public use, but its effectiveness or the amount of effectiveness, I guess, or what it does contribute to improvement of the relevant patient's life has been, particularly during that period, a matter of great debate over its effectiveness.

* (1010)

If numbers serve me correctly, the initial information I had was that it prevented one relapse period in a three-year period, with a cost during that period of about \$17,000 a year, so putting it close to \$50,000 per patient for the prevention of one relapse without making an impact on the longevity. It was felt it did not prevent the further development of MS, et cetera. I think on that basis and on the basis of that information, the committee had recommended that its cost versus its very limited medical value did not make it a worthy candidate for inclusion on the formulary.

Needless to say, as drugs develop, often the first generation of a drug product has more limited value. As drugs are used and utilized and refined further, the value of that drug in terms of the outcome, the medical outcome, improves, and I think that is the history of many, many products in the pharmaceutical industry. So the concern was where is this? It is a developing product. I did make some effort as a minister because, as a new minister wanting to understand how my Pharmacare approval process worked, were there shortcomings in the process.

I want to say very firmly—and I have never had the member for Kildonan occasion to challenge this particular point. In fact, I believe, sincerely, if he were in my shoes, he would be supportive of it. Governments and ministers should not be making decisions on individual drugs and be the ones who decide whether there is a value or no medical value in that drug. We are not equipped for it technically, and there should be some committee of experts who provide that advice and we rely on that advice. The question always, of course, is what is the process for that committee to operate; what is the process and options for that committee to decide? That is what I was interested in very much, as a minister, is the process involved in those approvals. I know I had meetings with representatives of the MS Society in Winnipeg, the MS Society of Manitoba, MS Clinic.

I met with our pharmacal economic committee that makes these recommendations, and we recognized a number of improvements I think we could have made to our process. One is our process traditionally has only involved paper reviews. Often a drug, because the evolution of a product is one that is going on, it is not static, sometimes a drug may be used on an experimental basis in the province or in some program where there are much different results or improved results or better information that may not have made it into the literature yet at the time of the decision making, and there is a lag period there.

So we felt it was important that the committee who had the power, on occasion where it deemed appropriate, take technical representation or information from people involved in using the drug as opposed to just a paper review. Of course, one did not want to open that up that any particular lobby group or interest group would be able to come in and make a case based on anecdote. It has to be scientific information, but certainly allowing those who are qualified to provide that information to be part of that process and make an oral presentation seemed reasonable as long as it was done in a scientific-based manner.

So we talked to the committee about doing that. The other thing is the committee had traditionally done what I called the red light, green light approach. It was a yes or a no for inclusion in the formulary. I felt, and

particularly as we see more drugs developed and go through this process of their value and improvements in their value, that it was important not to give such a stark or have such a stark set of choices that there would be occasions when a drug was in that gray area, that it was not really clear, that it had limited value or it had great value but it was in a developing sense, a gray sense, and have just a standard that it had to be proven of certain amount of value, or it did not get approved to have what I call a yellow light process, a yellow light option where the committee could recommend on a limited basis, a time set basis, a trial program or a test program with that product to determine exactly if the medical benefits were sufficient to warrant the value of the product.

So this is the first time with Betaseron that that new yellow light process is taking place. We asked the committee to reconsider the drug in light of the process changes that we thought would be good. I should tell members that in the meetings I had with the MS Society, they were fully supportive of this approach when they met with me, because they recognized that there would be other products coming down the tube, including copaxine which we will discuss. That would be in that same category, and rather than having stark choices and a more limited process, having this option would mean at the end of the day that it would allow, I think, for better decision making and improving products.

One of the ironies of this I share with the member and we might want to pursue is when I met with the physicians from the MS Clinic. They said in the two or three years that will be needed to do a fair assessment on Betaseron, other potential products that are now in the development stage or coming onto the market may overtake Betaseron and its value. That is something too we have to be cognizant of that some of the drugs that go into this product may not ever end up on the formulary, because other products may overtake them in medical value.

So it is an interesting and dynamic process, but we did not want a process that saw Manitobans in need of the benefits of new pharmaceuticals disadvantaged by the generally slow pace that takes place in the development and approvals and acceptance and understanding of pharmaceuticals products. So that is

what we have done by way of process. Betaseron went back to the committee. I think the committee was not able to meet until the early part of January. They considered and stuck by their position that based on the evidence that they had received, they viewed it was of more limited medical value for the cost involved, but they did recommend that we test this in the yellow light process.

We agreed to do that with a pilot—actually, I would not say a pilot, a yellow light test process. It is a pilot for us in doing the first one, so we want to make sure we learn as much as we can from those who have been before us and do it in a manner that we can repeat on other products. When we did discuss doing this, we agreed that the product would be available to all Manitobans who met the medical criteria for using Betaseron. So, I want to make this clear, no Manitoban who would meet the medical criteria for trying the drug will be refused access to the first pilot or test program.

So this is not a test in saying we are taking 10 percent of the sample community and we are only giving it to 10 or 15 percent and the rest have to wait for the results of the program.

I did have opportunity to visit the group in British Columbia who brought in their pilot. I think it took them three-four months to set up their particular program. Saskatchewan I think was five-seven months, something in that range, to get their program. So we have learned, contact has been made, we have learned what others have done. With the MS Clinic as hosts, and I want to indicate that the Manitoba government's role really is to be the funder of the drug under the pilot and to make sure that the evaluation process is acceptable to us so that we can have that information for our committee.

The financial parts are in place; they have been approved by Treasury Board some time ago, in fact. That was the easiest and fastest component to have in place, the dollar support. The evaluation tool is being developed with the MS Clinic and, if I may, Mr. Chair, allow Mr. Potter and Mr. McCormack to update committee exactly on the technical information, I understand that they met yesterday with the MS Clinic, and they certainly would want to update this committee.

* (1020)

Mr. Don Potter (Associate Deputy Minister, Internal Programs & Operations): Basically, the project, the pilot project is being managed through a steering committee process, a steering committee that is chaired by the Department of Health, but it includes representation from the MS Society of Manitoba. It includes representation from the MS Clinic; it includes representation from our Drug Standards Committee.

This group is developing the pilot program. There is a great deal of work that is being done to put the pilot program in place. The MS Clinic itself has agreed to be the host for this project, but, of course, we have to put staffing in place, and right now the MS Clinic is in the process of putting that staffing in place to operate it. We have been working on the criteria, and the steering committee has agreed on the criteria for the program. We have also been working in terms of the evaluation process, and the committee has just recently approved a proposal for an evaluation coming from a Dr. Colleen Metge at the University of Manitoba, who is a doctor in pharmacy.

The proposal, we believe, is very solid and will provide the type of information that is required as we proceed through the program. So the project is underway. Obviously, we are not in a position yet to provide the drugs until the MS Clinic is up and functioning, but we are working towards that end.

Mr. Chomiak: So just to sum up so that I understand, the steering committee has been set up, criteria have been established, evaluation process is established, funding is in place, MS Clinic is to be the host. Essentially the two major issues remaining, I presume, are for MS Clinic to staff itself up and secondly to begin the application or screening procedures. Is that correct?

Mr. Potter: Mr. Chairman, that is correct. The protocols have been developed for the program as well, so now we are in a case of getting everything operational, and that is what we are working on at this point.

Mr. Chomiak: This might be difficult to answer, and I will not hold anyone to this, but if I were an MS

patient who met the criteria, when would there be a likelihood that I would be in a position to be able to obtain Betaseron?

Mr. Potter: The steering committee has established an implementation date of May 4 as the date that the facility will be open for business, if you like. As you say, it is very difficult to guarantee, but that is a target date that has been set by the steering committee with all of the groups participating in the discussion. That is recognizing the timely need to get the staff on and to put the other supports in place for the program.

Mr. Chomiak: I appreciate that answer and I appreciate also that the May 4 date is, of course, conditional and subject, but I appreciate the fact that there is some time line that can be sort of looked forward to.

Can the minister advise me whether or not he can table the protocols and the criteria for the program?

Mr. Praznik: Mr. Chair, I understand that there the process or the final touches are being put on them, and I have no problem sharing this with the member as we go along. I think he appreciates it and, by the way, I appreciate his comments about the time frame, because there are so many factors beyond anyone's control, but I think he gathers that there is a great deal of work involved in setting this up for the MS Clinic, that they have been moving I think at fair speed to get this done and that it is a new process that we are developing on the evaluation.

So, I think it is in everyone's interest to be able to follow this very closely and to fine tune it as we go along, because what we do here, what we learn from this yellow-light process is one I hope that we can use in the case of many other products.

So when we have that in place, when we are in a position to provide you with a complete copy of what we are applying, I will be prepared to do so.

Mr. Chomiak: Mr. Chairperson, can the minister indicate, in terms of the staffing in MS Clinic, what are we looking, is it new staff years, is it additional physicians or additional clerical? What is the issue with respect to staffing?

Mr. Praznik: It is, as I understand it, clerical support and also nurse support. The nurse support, if I may just comment on this, when we were in British Columbia, one of the points that they made to Ms. Vivian and myself very, very strongly was that it was important to have, I think they used a nurse in British Columbia, if I am not mistaken, who actually works with the people on a regular basis, because many of the side effects of using Betaseron can be very difficult, and having a person involved with the clinic to be able to work with people through this process and be supportive of them ensures, I think, a greater success on the program.

A comment they made to us, that by having good prescreening, and that is not just the medical side of are you eligible for this drug, could this drug be helpful to you, the understanding of the side effects that can take place as well are important because in British Columbia, if I remember correctly, and it has been some time since we spoke to them, but by having a good prescreening where people are aware of the side effects, they make their decision at the beginning so they tend to have a higher retention rate of people who will remain on the product over a period of time. Those who are not prepared to deal with the side effects tend to make that decision at the outset. That was one of the things we learned, and it was important. So the staffing goes along with the clerical part of keeping track of everything, and also providing that kind of hands-on, day-to-day support for the people who are on the program.

Mr. Chomiak: Can the minister indicate what the cost of the program will be?

Mr. Praznik: Yes, Mr. Chair, somewhere between \$1.5 million and a little over \$1.7 million on an annual basis.

Mr. Chomiak: So has this funding now been appropriated to the pharmacare line in the budget and will be appropriated on an annual basis, based on that figure?

Mr. Praznik: Yes, that is my understanding of it, and I know when I was part of a meeting with the doctors from the MS Clinic, they made the point that this program would probably need two to three years, if I remember correctly, three years to do a proper

assessment, something in that range. So we know we will have to budget for this period.

One of the comments they did make to us, which was interesting, was within that same period some of the other drugs that are coming on the scene may, in fact, overtake Betaseron, but you never know on these things. Certainly, we want to proceed with this study on Betaseron.

Mr. Chomiak: And the funding to the MS Clinic for the additional clerical help, where and how will that be funded?

Mr. Praznik: That is part of the Pharmacare side, and it is included in that particular total. As I have indicated, this is somewhat new for us, a new process, so we are learning a lot about how we are going to be doing these kind of allocations and these kind of issues, because we may have again other products that require a pilot project. For a pilot to work well, in many cases, it is important—not all—but in many cases it is important to have a host facility, clinic, et cetera, to be able to manage it on a consistent basis, so that we remain consistency in measurement. I think the members recognize that.

Mr. Chomiak: Mr. Chairperson, which does bring us to the issue of Copaxone and which I think probably we could use as an example. Certainly in the early stages of Copaxone, and in some cases, appears to be overtaking the effectiveness of the Betaseron. I do not think any of us want to go through with Betaseron what we went through with Copaxone. I wonder if the minister might outline for me what the process is in place, and I appreciate there will be other drugs, but let us use Copaxone or other drugs as an example as to what is going to happen from here on in.

Mr. Praznik: Mr. Chair, Copaxone was also raised with us at the time I had a meeting with the MS Clinic with Ms. Vivian and Mr. Potter, and we wanted to ensure that—the committee I think initially had rejected it. One of the benefits that I have learned in this process is allowing the committee to receive evidence from experts in the field gives us a chance to check our own internal administrative process of the committee as to what information is provided to the committee. I am not pointing fingers and saying someone is at fault, but

it is a very dynamic, pharmaceutical development is a very dynamic area of science and of industry, and there is lots happening all the time. So we want to make sure as many avenues as possible are there to ensure the most up-to-date information comes forward for consideration.

I was advised that with the case of Copaxone there had either been new information or a piece of information that had not originally come to the committee. That has now been provided administratively, and the drug is going back to the committee, I take it, at their next session, and we will await their recommendation with that new information.

* (1030)

Mr. Chomiak: Mr. Chairperson, I appreciate this is hypothetical, but let us take it one step further. Assuming that Copaxone, if this red light, green light, yellow light process is in place, let us assume that the same thing happens with Copaxone as happened with the Betaseron, that there is a rejection or there is a tentative approval, a yellow light. Is it the department's intention then, therefore, to go into a similar process whereby Copaxone would be made available through the MS Clinic funded, et cetera, and how would that work?

Mr. Praznik: Mr. Chair, I know it is always difficult when you get into hypotheticals, but I gather the member is asking if we had another yellow light recommendation. Because this drug obviously, it is my understanding, covers the same group of people and there is quite a bit of overlap, a huge amount of overlap, I do not know how such a process would work, but we would obviously, if we had that recommendation, would want to be sitting down and dealing with those in the medical community about how we would handle such a project, because they do obviously overlap. So I do not want to speculate on that today, but obviously if that is the recommendation, we would have to then deal with the appropriate medical people to see how we would handle it.

Mr. Chomiak: Mr. Chairperson, I will come back to that, but I want to go back to the therapeutic drug committee at this point. Do we have a list of who is on that committee?

Mr. Praznik: Mr. Chair, we are going to see if we have that list today. Just a caveat I put to that, and I have no problem sharing the list with the member, but I met with members of the committee and—I believe the members get an honorarium, but this is becoming a very more involved process. One of the things they did flag with us when I met with them—and, again, I am sure the member can appreciate the difficulty in attracting experts in this field to be on the committee.

Mr. Chomiak: Can we have a list?

Mr. Praznik: We do not have one here, but we will get it this afternoon for the member. One of the difficulties they flagged with us is that they do not want to be in a position where every particular group—and I have seen this and I know the member has seen it—that people who are suffering from an illness hear of a drug. If one is in very desperate medical circumstances, the hope that drug brings can—and I would be in the same position if I were in their shoes, so I do not offer this as a criticism.

I think it is a reality of human nature and of life. We all want to live and if we feel we are dying, we want to go after whatever possible cure could be out there. One of the things they flagged with us is they do not want to be in a position where they are individually lobbied at their homes or their offices with respect to their decisions, that what makes the committee work is that their decisions are based on scientific evidence. I think it is in the public interest that that happen. So the only reason I flag that with the member, I have no problem providing that list, but I ask for some discretion in how he shares that list, because I would not want to be in a position some day where individuals with their own circumstances lobby members and I cannot get members for the committee.

Mr. Chomiak: I certainly appreciate that difficulty. Can the minister, because this actually is the fundamental question, outline the guidelines and criteria that are utilized by the committee in reaching its decisions?

Mr. Praznik: Mr. Chair, one of the things I have learned as we have developed this process on the Betaseron issue—and I am very thankful for it—is in a plate that is more of a platter than a dinner plate of

issues. As a Minister of Health, you only have so many hours in the day, and this issue allowed me to get into the Pharmacare process. I know in meetings I have had with them, we do have guidelines for their approval, and we will bring those for you this afternoon. Mr. Potter thought we would only be discussing specifically Betaseron and does not have that information. So we will make sure we get it for you for this afternoon's sitting, but we do have guidelines.

One of the things that we are working on developing is to refine those further. I shared this issue informally with some of my provincial colleagues from across the country, and they have the same problem. On a national basis, there is a need to be developing some criteria, more in-depth criteria for the assessment and approval of pharmaceutical products. It is somewhat a hodgepodge. Now we have the general guidelines; they are relatively similar. Some of the principles are similar, but many of the criteria for establishing whether or not those principles are met, pardon me, are not very well defined, and it is the case in Manitoba, too, and so somewhat the committee sometimes feels that they need more sense of direction. I am a great believer that within the nation, there is a need to be doing this on somewhat of a consistent basis across the country.

So there is a lot of work still to do in this area, and when we provide you with those guidelines, I indicate very clearly, they are not as complete or in-depth in terms of criteria as, in fact, the committee would like. One of the charges I have given them, and we will be working with it nationally is to refine those further, because this will become a growing area within health administration. As the pharmaceutical industry continues to grow, more research is being done.

The value of products, often high-cost products, is going to become a big question in health care, and I share with the member this very brief story. I visited a pharmacist who lives in my constituency who works in a rural hospital and regularly is inundated with drug companies dropping by him products. He made the observation with me that often a new product on the market will have minimal medical value but have a considerably higher cost, but it will be the next generation of the product that you can say is a little bit better.

I think the member agrees, if we are going to have public health care and it is going to survive into the next century, we as the administrators and funders of that system have to ensure that we are getting value out of the products that are developed for the dollars we are paying for them. How we do that is still a matter of a great deal of work and refinement, but that general principle certainly is one that we must be looking at.

Mr. Chomiak: Some of the issues that I wish to pursue are contingent on some of the documentation that is going to come back this afternoon, so the minister has indicated they will be here. The other tie-in with this, of course, is, we probably are going to have a more in-depth discussion on Pharmacare in general when we get to that line or when we schedule it. Maybe I will cease this line of questioning at this point. Perhaps we should move on to the legislative portion. We can come back to this when the documents come this afternoon, something along those lines. Does that make sense?

Mr. Praznik: Yes, it certainly does. I know the member appreciates this as a very important area, I think, the future of the Pharmacare program and some of these principles.

Mr. Chairperson: The honourable minister might want to introduce another staff member.

Mr. Praznik: Yes, Mr. Chair, I would like to introduce Ms. Heather McLaren, who is a barrister and solicitor by trade, and manages our Legislative Unit. She is responsible for the development of legislation, including many of the private acts that this ministry is responsible for, as well as all of our regulation, which is fairly extensive.

Mr. Chomiak: I thought we would commence by perhaps discussing the legislation that is coming forward, that we discussed at a previous occasion that we met, that is coming forward in terms of this session.

* (1040)

Mr. Praznik: Within this year's legislative agenda, as we move forward, as the member knows, I introduced The Medical Amendment Act, Bill 20, yesterday into the House. We are also committed in this session to

bring forward The Mental Health and Consequential Amendments Act, which we discussed, which is an important piece of legislation. I would have liked to have done it last year, but it was not far enough advanced in the detailed drafting and, given the resources available in an extensive legislative session, it was not physically possible to bring it forward but, following the session, we worked very hard over the fall to have it completed. There are still a few little pieces that we are finalizing before we bring it forward to the House.

The Pharmaceutical Amendment Act is one I plan to introduce and have authority for from cabinet. It basically involves a number of housekeeping issues, some related to some changes in federal legislation that the Pharmaceutical Association has brought to my attention and wants us to move forward. There are some issues in The Prescription Drugs Cost Assistance Act, by and large, housekeeping, if I am not mistaken with respect to delegation and fees and those type of things that need to be dealt with.

I believe The Addictions Foundation Amendment Act—I am looking here. The Prescription Drugs Cost Assistance Amendment Act I believe already is Bill 13 listed on the Order Paper. The Addictions Foundation Amendment Act is Bill 12 on the Order Paper. Also we will be bringing forward the Regulated Health Professionals Acts Amendment Act which is to tidy up some of the issues with respect to confidentiality that comes out of general trust privacy legislation. The Health Services Insurance Amendment Act, I intend to bring forward, which will deal with the licensing of personal care homes in terms of empowering the establishment of that scheme which is necessary.

The member and I have talked about that. Some issues around the Manitoba Health Board and the appeals that it hears—I just say to the member, if we are going to have a licensing scheme for personal care homes, we have to have an appeal function from those decisions. I also would like to change the name of the board to the Manitoba Health Appeal Board, because that is primarily what they do and it leads to some confusion. We have some issues around the Canada Health Act and tray fees that we would have to address in this piece of legislation.

I can tell the member we are still working away on how to manage that within our general legal scheme for the administration of health care, so that would generally be the agenda for which I have authority to bring forward. I know the member had flagged two days ago some professional acts with respect to nurses, and I wondered where he was coming from. Yesterday I received on my desk a request for some legislative amendments from the Licensed Practical Nurses Association, but they have certainly missed our deadlines for advancing those issues and this year, given staff, in fact, actually wanted to meet with me in May. So I would expect that we will. If there are any amendments that arise out of that, they would have to be in the next legislative session.

Mr. Chomiak: So the minister is saying definitively—there is never anything definitive in this line of work—but they are not anticipating amendments to The Licensed Practical Nurses Act this session because the deadline has been missed in terms of legislative drafting.

Mr. Praznik: Yes, that is correct. I need some time to sort through. The member well knows because we as elected people always get brought into—wherever you have a profession with a number of professional organizations, there are always the issues of where those organizations butt up against one another and whose turf is being regulated and what effects on other organizations. I hate to say it, but one always feels when you get into professional legislation, in whatever profession, you are getting into a hornets nest, and before one jumps into it, it is a good idea to check if the hornets are home.

So I always make it a practice in dealing with that of ensuring that before I recommend we make an amendment, unless it is an extremely minor one, that there is a good consultation with various professional groups. I would imagine he does the same thing before he offers criticism of it because it really is a hornets nest for us as legislators.

Mr. Chomiak: Can the minister indicate what the thrust will be of the amendments to The Mental Health Act and; secondly, have the amendments been circulated? Have the proposed amendments been circulated to the community at large?

Mr. Praznik: Mr. Chair, this act will be a resubmission—actually pardon me here, I am just checking my notes. A commitment was made I believe in 1992 in a consultation paper entitled Building the Future of Mental Health Services in Manitoba. The proposal called for the repeal of the current act, and it is really rewrite because it was difficult to follow and did not accommodate the shift in emphasis from institutional care to community mental health care. As well, the proclamation of The Vulnerable Persons Living with a Mentally Disability Act and changes to The Powers of Attorney Act, as well as significant consequential amendments would be required to the current act if we carried on. So it was felt it was much better to redraft this piece of legislation in light of all the amendment that would have to be made. There was a fairly extensive review of this Mental Health Act, the recommendations coming forward, and this act comes as a result of that process.

The member knows very well that in many of these communities there are always debates about process, debates about theory of care. I have no doubt that there will probably be people who are on two sides of an issue and will come forward during this, and I expect that will probably be the case. It always is when you are dealing with these particular areas. But these changes really result from a pretty extensive consultation and the practical need of having to make so many amendments to the old legislation that our draftspeople felt it was better just to rewrite the act.

Mr. Chomiak: Mr. Chairperson, am I not correct in assuming or indicating that there was a draft of this proposed act that was circulated in the community within the last two years?

Mr. Praznik: Mr. Chair, that was, I understand, the recommendations of the review committee, as opposed to a draft act.

Mr. Chomiak: Mr. Chairperson, so the review committee was comprised of members of the public and members of the government, or simply public representation.

Mr. Praznik: Mr. Chair, I am going to ask Ms. McLaren to advise the committee of the composition of this committee, because she was very much involved with it.

Ms. Heather McLaren (Director, Legislative Unit, Department of Health): Mr. Chairperson, the committee was very broadly based with representatives from pretty well every aspect of the mental health community, and the representation on the committee I think was as broadly based as you could get.

Mr. Chomiak: Mr. Chairperson, does the minister have a time line as to when this legislation might be introduced?

Mr. Praznik: Mr. Chair, I would hope, with our normal negotiations, et cetera, by House leaders—we have an expectation that the member will need some time to study it, but I would hope by the end of this month we will have it into second reading and circulated. I know there are just a few issues yet that have to be sorted out on some matters that came up in the last few months that I have to have clarified and checked. Otherwise, it would have had it in already.

Mr. Chomiak: Mr. Chairperson, the minister made a reference to the act dealing with licensing of personal care homes. Can the minister indicate: what act is he going to be amending and what are the criteria? Will there be regulations, as well, filed with that, and is it possible to have a look at those?

* (1050)

Mr. Praznik: Mr. Chair, last year, as the member and I had to deal with, from our respective vantage points, the Holiday Haven situation, it brought to I think both of our light, and I know to my surprise and I believe to his, that the power of government in regulating and dealing with health care facilities was extremely limited. It came to my great surprise, I must admit, but it was extremely limited, and one of the reasons I think is because the historical development of health care in Canada was private providers and government as insurers.

Personal care homes which are relatively, I guess, new in some ways but come out of the old nursing home concept were originally and continue to be licensed under The Public Health Act as opposed to The Health Services Insurances Act. The consequence of that licensing provision is we granted a licence, we can repeal a licence, and there was very little power to

make regulations around the licence, so you either said you are or you do not have a licence.

So all of our personal care homes in the province are licensed under that very narrow limited licensing provision. We also discovered, whether it be a hospital, a personal care home, whatever, that was independent of government, its own governance base, we had no power to step in if patient care was at risk, and we learned that at Holiday Haven. We had no legal authority to walk in and take over.

We had a similar problem in Dauphin at one particular point where they were some months away from not being able to make their payroll because of decisions of their governors, and if that had reached that point, surely to goodness the member for Kildonan would have asked us to step in and take over the facility. Legally we could have only done it if their governors had not agreed when a receiver was appointed because they could not take payroll. Well, that is just not acceptable, so we made changes to The Regional Health Authorities Act that give the minister the power to appoint interim management for a facility to straighten out problems so patient care is there. As part of our review, we also recognized that our licensing scheme for personal care homes in Manitoba I guess goes back in decades—was before '73 actually, goes back a long way—has been in place and is really inadequate.

So what we will be putting into The Health Services Insurance Amendment Act are the powers to create the necessary regulations around a licensure scheme for personal care homes, and once that is created, Ms. McLaren and her staff then will be working on the development of those regulations. So I do not have those to share today. We are far from that point, but at this particular point it was important to develop the legislative framework and the legal scheme to empower that regulation, so that is what this is about.

Mr. Chomiak: Mr. Chairperson, I am dealing with a bit of a gray area here because of circumstances, but I attended, as much as I could, the inquest with respect to the Holiday Haven matter, and during the course of that, there were officials from the Department of Health who testified and, as well, to the surprise of the

presiding judge, there were concerns expressed about the licensing provisions with respect to personal care homes.

I was under the impression that the official from the Department of Health had in her custody a draft regulation with respect to licensing which she referred to in terms of potential changes in terms of licensing now, and I guess, unless my memory is faulty on this point, because of the public interest involved, I am wondering if those are accessible.

Mr. Praznik: Yes, I am asking Ms. McLaren to provide me some information on that. She believes that the documents being referred to were draft standards that would—in fact, I might get her to explain this technically to the committee.

Ms. McLaren: Mr. Chairperson, although I was not in attendance at the inquest, what the official may have had is a draft of a standards regulation in which there was some reference to licensing. However, we have a legal opinion that you cannot put something like that just into a regulation. You need to have an empowering provision in an act for something like that. So it was a preliminary draft, and the licensing will go into the act, not into the standards regulation.

Mr. Chomiak: So, if I understand it correctly, the amendments that are coming forward are going to be amendments with respect to licensing and empowering the minister or the governing body to have the licensing authority, and there will be underneath that authority the regulatory control to set standards. Is that correct?

Ms. McLaren: Yes, that is correct.

Mr. Chomiak: Will we be seeing that regime effectively in place this session?

Mr. Praznik: Mr. Chair, yes, if the legislation, I assume, will become law with this session or be passed by the Legislature, it will become effective upon proclamation. Our staff are working away at the regulations. When those are ready, we will want time to share them with the personal care homes and have a transition period before we proclaim the act and the licensing process.

As the member appreciates, for the vast majority of personal care homes in the province, they have been operating for many decades under the old regime and sort of look at us and say: well, what is all this about?—we have not had a problem. They are right, but there have been problems in one facility in particular and, from time to time, in some others of a different nature. So, as a consequence, we believe that it is important to have the scheme in place to modernize our governance and regulatory schemes for personal care homes. But we certainly want to have some time to work with them before it is proclaimed into law. The first step, of course, is to have the legislative authority in place.

Mr. Chomiak: I just want to correct the minister on one point in fact. Certainly, the recommendations for this occurred prior to the Holiday Haven matter and were as a result of the task force that was established by the previous minister in 1993, arising out of some incidents in personal care homes. The task force recommended that the licensing and standard procedures be put in place along these lines. That is what I assumed when I attended the inquest that the standards and regulations being dealt with by that particular department official were as a result of that process.

Mr. Praznik: Yes, I stand corrected. The member is right. My involvement with all of this started shortly after my appointment in January 6 of 1997, and my first encounter with this whole issue was the Holiday Haven issue. So that was because of my reference, but he is quite correct that much work had gone on prior to that.

Mr. Chomiak: Can the minister give us any indication in terms of the thrust of the issue relating to health care act and the tray fee issue and how it is going to be resolved in legislation?

Mr. Praznik: Mr. Chair, I cannot do that today because we are working through a number of options and some difficulties that we had not foreseen. I am still seeking some counsel and advice on our process, but we recognize—and I think the member has; his leader has raised it in Estimates with the Premier—that we are losing some 60,000-plus a month from the federal government as their allocation of the tray fee issue. We would like to be able to deal with that—and

I think the member would agree—in a manner too that does not in any way compound waiting-list problem issues. So we are attempting to do it in a manner that allows us to keep a surgical capacity in the province but does not create the tray fee issue. Of course, that raises the spectre of two-tier health care, which is not something that I am supportive of.

So we have a number of options. We have encountered a few difficulties we did not anticipate. I know I have had some meetings on it this week with Ms. McLaren as a couple of these problems arose in the legalities involved, and we are attempting to work through them.

So I do not want to get into that detail today on the public record, because I am not quite sure how they are going to be resolved yet. But I would hope we would have them done in the next couple of weeks and the bill before the Legislature by the end of the month.

* (1100)

Mr. Chomiak: Mr. Chairperson, so basically, the commitment is, barring some major unforeseen event, this legislation will be brought forward before the end of the month to deal with the relationship of the Canada Health Act and tray fees. Is that correct?

Mr. Praznik: Yes, Mr. Chair, and we are particularly interested in dealing with many of those surgical procedures for which we have waiting lists, and certainly we have seen that with cataracts and a number of other things. It has been a point of issue, and it needs to be dealt with. I think there has been some stabilization now on the federal position and a little more co-operation, and it is a matter of being able to deal with it. So we are trying to figure out the legal mechanism to do that.

Mr. Peter Dyck, Acting Chairperson, in the Chair

Mr. Chomiak: Mr. Chairperson, the legislation is going to be brought in to deal with the licensing and standards of personal care homes.

Will it be confined only to personal care homes or will it be broadened to include other institutions and other organizations?

Mr. Praznik: Mr. Chair, at this point, just personal care homes.

One of the difficulties we find is that because of the nature in which health care is developed in Canada and in Manitoba, the development of institutions, appropriate legislation, health insurance schemes, the Canada Health Act, et cetera, one on top of the other, we really do not have the kind of clear legislative authority. So we are correcting them in the sense of a bit of a hodge-podge of the status quo.

But I appreciate the member's questions and, as we advance and see changes in health care delivery, we recognize that a great deal of this legislation will need to be standardized and brought forward so that the ministry does have the power to license facilities that are doing various procedures and that part of the licence is that they meet an acceptable standard. So personal care homes to start, and we are continuing to do an ongoing review of this. So I suspect next year, if required, we would be bringing a licence scheme for other facilities where that may be needed.

Mr. Chomiak: Mr. Chairperson, will the regulations in licensing also include, and I know this is slightly out of jurisdiction, but, in fact, it is in jurisdiction, residential care sectors and other care sectors, or is it going to be confined only to the Department of Health and the personal care home sector?

Mr. Praznik: Mr. Chair, I am advised as we work this through that we in health are dealing only with personal care homes because they are an insured service. The current provision in The Public Health Act, I am advised, will still remain in place with respect to residential care facilities that Family Services license.

Mr. Chomiak: So the minister is not aware of similar regulations, regulatory change taking place on the other side in terms of Family Services.

Mr. Praznik: As the member would appreciate, that is a matter within the Ministry of Family Services which they have to assess and deal with, and we are managing the issues on our side. That is a question or an issue best raised with my colleague.

Mr. Chomiak: Will these regulations and standards also apply to those centres that are housing or

maintaining individuals who are panelled but not yet specifically in personal care homes?

Mr. Praznik: Mr. Chair, I am trying to envision which facilities we are talking about. Hospitals would be one, and they obviously have a responsibility with the regional health authorities and again, if they are not meeting up to those, we have the power to administer them.

If within a hospital there is a designated personal care home space, as is currently the case at Concordia, it would govern them as well. If it was simply a holding bed in a hospital, it would not be. They would be part of hospital care in that regime. If they would be a Level 1 or Level 2 licensed facility, this would also include being covered by the licensing, so I am not sure what other facilities the member would be addressing.

Mr. Chomiak: You did cover them, but I did not hear what the minister said about the Level 1 and 2 situation.

Mr. Praznik: Well, Mr. Chair, if a facility is a Level 1 or 2, it still would be a personal care home, and so it would fall within the licensing provisions here.

Mr. Chomiak: Other than the issues we have discussed, the minister is not planning any other significant legislative changes, is that correct?

Mr. Praznik: No, I am certainly not planning that. That is the agenda for this session. The vast majority of it, I would think, is housekeeping. The licensing is obviously a new area in terms of empowerment. What becomes critical there, of course, are the regulations. The Mental Health Act, as I said, is one that brings with it by its nature its own controversies within the mental health community. I am just going over this agenda. Unless there is something that I am fundamentally missing, that some organization or group has trouble with in the housekeeping issues, I do not view this as any major policy issues at this time. I stand to be corrected. One always learns as you go through the process, but that would be our agenda for this session.

Mr. Chomiak: Just returning to the licensing of personal care homes, et cetera, will the Long Term Care Authority in Winnipeg be responsible for the implementation and review of this, or will it be retained

with the Department of Health through some other regulatory capacity?

Mr. Praznik: Mr. Chair, in the new world of health care delivery, I think it is very important that those who administer a facility on a day to day, are not the people that ensure the enforcement of standards. That, I think, is just not a good scenario. So, as we divvy up responsibilities, the vast majority of health care delivery is now in the hands of regional health authorities. They are the administrators and delivery of care, and one of the functions that I want to keep within the ministry is the enforcement of standards, so that it is the ministry who is ensuring standards are met, and they are not delivering the service. They can deal I think more effectively with those who are dealing with the service.

Self-regulation works very well in many ways, but ultimately the ministry has that responsibility to ensure that facilities and regional health authorities are meeting the standards and regulatory regimes that require of them. So within Mr. Potter's operation currently, and that may change somewhat as we redefine the department, but within the ministry, the internal operations of the department, the standards, enforcements and checks, and those types of things should remain within the ministry.

Mr. Chomiak: So for clarification, and we will probably get into this more in-depth when we get to personal care homes, but the inspectors and those who carry out the standard evaluation enforcement and follow-up will be maintained as employees of the Department of Health, as opposed to the various regional health authorities.

Mr. Praznik: That is correct. The only—just not to be proven a liar at some point—qualification I would put on that is if we are going to be doing spot inspection programs, we may, in fact, retain a services contract with individuals, say, who, for example, are experienced in the operation of facilities and are retired.

The only reason I say that with the minister, as opposed to having direct employees in the department, is that if we are going to have an effective inspection program, particularly an effective drop-in, if you are going to check out personal care homes, you want to drop in at hours of the day when things sometimes are

the most difficult, evening meals, for example. Those do not often co-coincide with office hours for our people and also being able to have a cadre of inspectors to do a number of inspections a year in different parts of the province, et cetera.

It may be a way we do it, but the function and the people doing the function will be with the Ministry of Health and not with the regional health authorities, so their reporting relationship will be to the Minister of Health.

* (1110)

Mr. Chomiak: So the reference that the minister made to Mr. Potter's operation I assume is under Program Standards, Evaluation and Monitoring.

Mr. Praznik: That is correct.

Mr. Chomiak: So then I can assume that when a complaint or a concern is raised with respect to, say, a personal care home and that complaint comes into the department and/or a spot monitor is done, that comes out of Mr. Potter's operation at this point?

Mr. Praznik: Mr. Chair, perhaps one of my staff may want to explain the process today. Last year, as a result of some of these issues that we discussed, we did put in place in personal care homes a complaint process modelled very much as a collective agreement grievance procedure with different levels for dealing with complaints and paper routing so that there was assurance of follow-up. I think Ms. Hicks may want to describe that process and some of the results in the last year.

That is important. The ministry obviously has to make sure these things are followed up and dealt with, and that is part of the paper routing in any grievance procedure. I think what one has found is often the first level of the grievance at the local level resolves a lot of issues, and, of course, the tracking has to be there to make sure that is done.

What concerns myself more somewhat—that is an important part of the process to deal with complaints—but it is the spot check. I think that is very, very important that we as a ministry have a number of

people, who understand and appreciate the issues of administering a personal care home, their operation, that we have available to us from time to time to just drop in at different times of the day and night, that we will be able to walk through a facility to see how things run.

One of the complaints with processes of value standards, evaluations and accreditations is that people know they are coming. They set up for them, et cetera, and you are not catching people during the worst times. We started recently doing these spot checks. We are kind of testing how we are going to be doing them and what kind of criteria and reporting, and we still have some work to do there, but I think it is a very important tool. You learn things about the operation of a personal care home. Sometimes you learn things about the needs that they have at stress times that need to be filled in terms of our funding or our support or how we administer, so it is a good process, and we are starting to build up. But I am going to ask Ms. Hicks, with the indulgence of the committee, to just go through that grievance procedure and indicate what has happened with it over the last year.

Ms. Sue Hicks (Associate Deputy Minister, External Programs & Operations, Department of Health): Mr. Chairperson, we have two processes really, the unannounced visit process and also the monitoring process. The monitoring process or the complaint process, sorry, is one where we have an individual who sits in the Seniors Directorate at this point in time. Calls can come in to this individual anonymously or identified, depending on what the individual wishes, then they do a screening of this, and it is then determined how best to handle it.

In some instances it is just a matter of relaying information to the individual. In other instances it requires a follow-up, either through the department or directly with the regional health authority. It is then referred into the department, and between the department and the regional health authority they will deal with it. But as the minister indicated, in most instances the complaints are dealt with at the regional health authority and usually dealt with very effectively, but if someone wishes not to do it that way they have the option and they have the other process available to them.

At this point, we are getting about three or four calls a month only into the Seniors Directorate, and they are all being dealt with effectively. The unannounced visits is the other process that we have. To date we have done 21. We have instigated this, as indicated, with a team of people who are co-ordinated through our department but a couple of people are put on contract to do this for the purposes of doing it. We involve the RHA in this visit and so if there is any need for follow-up or problem-solving with the personal care home the regional health authority is always involved with this. As I said, we have done 21 so far and, to date, they have been very amicable and they have been able to work with the personal care homes very effectively.

Mr. Chomiak: Does the department have staff, specific staff dedicated to inspections? If they do, how many do they have?

Ms. Hicks: Mr. Chairperson, we have one person who co-ordinates it in our department in the long-term care area, and then we have hired I believe it is two people on contract to work with this person. So we have one person in the department and two people on contract.

Mr. Praznik: If I may just add, one of the issues in terms of staffing levels and gearing up is, as we move forward with delivery moving to regional health authorities, another issue we had in our Long Term Care Branch is we had a number of employees who reached the age of retirement. So we had quite a number leave within a very short period of time. So how we replace them and gear up, it has given us the opportunity to look at what do we want that shop to do and to be able to staff it appropriately. So in some ways we are sort of feeling our way around as to where this shop is going to be, what are their responsibilities going to be.

One of the changes that I just flag for members opposite is that, prior to regionalization, every personal care home in the province dealt directly with the Ministry of Health so that our Long Term Care Branch was continually dealing with issues with personal care homes with everyone across the province. By going into regional health authorities, those facilities, even if they have retained their own board, in the case of Winnipeg, now deal with the regional health authority.

So the nature of the work in that branch has changed dramatically. It really has a policy function, I guess, in terms of determining standards and care. It has an evaluation inspection function to carry on dealing with complaints that come to us, and only, in fact, administratively very, very small, if any, because the dollars flow now through the regional health authorities. So with the retirements and the change in function, we are now sort of in that transition of shifting that branch over and figuring out what do we need there and how many staff. As we sort of get a feel for what we will need then we will make sure it is staffed appropriately with not only the right positions but the right skill sets and tool sets to be able to do that changed job.

Ms. Diane McGifford (Osborne): I just have a brief question. I understand then in the matter of complaints, that complaints are sometimes received at the Seniors Directorate and I think it was indicated that there are two or three complaints received a month. I am wondering how the public knows that there is a person who receives complaints at the Seniors Directorate.

Mr. Praznik: Mr. Chair, I think the bit of information that was missing here is that we have a 1-800 line that is advertised in each personal care home. We developed a poster that we require personal care homes to display in prominent places so that family members coming in to a personal care home who detect a problem or note an issue, the 1-800 number is well displayed. I believe the Seniors Directorate in their information publishes or advertises the 1-800 number, and the recipient of the information on the 1-800 number is housed in the Seniors Directorate. That is why that connection is there.

Also, as part of the poster is a form that can be torn off and taken with the individual, which allows them to actually, with the information they need, write down their complaints. So they can access the system either directly at the personal care home, and it indicates that on the material, or they can call the 1-800 if they require anonymity. That was a concern that was raised, I think, by members of the opposition, the member for Kildonan (Mr. Chomiak), that there was a concern that people felt if they complained at the facility, then their loved one could be at further risk for reprisal. So we set it up both ways.

* (1120)

Ms. McGifford: So it would appear, then, the public is well informed as to this number, and I wonder, just before the minister responds, if it would be possible to have a copy of the poster.

Mr. Praznik: Yes, Mr. Chair, I am even going to do one further. I am going to ask my staff to provide one, I do not know if we did it last year or not, but one to every member of the Legislature because I am sure you would want to have it in your constituency office.

Mr. Chomiak: I can indicate I will be pursuing this line of questioning when we get started dealing with personal care homes, but I wondered if we might return to some of the issues that we left from the previous occasion, which were some of the issues surrounding the—documents were going to be tabled, am I correct, outlining some of the activities as discussed under the appropriation dealing with the planning policy and special projects, or am I mistaken?

Mr. Praznik: I understand Mr. Berry has been away the last few days, so we have not been able to prepare that for you, but when we do, we will provide it. I am sure we will be here for a while.

Mr. Chomiak: I guess I am just debating out loud here.

An Honourable Member: Do you want to take a five-minute break?

Mr. Chomiak: Yes, perhaps that will make some sense. Perhaps we will take a short break and then determine—I am just debating whether I deal with a few short snappers, as it were, until 12 and then start information services right after lunch—

Mr. Praznik: That would be fine.

Mr. Chomiak: —or whether I can do the short snappers now. Well, perhaps we will take five minutes.

The committee recessed at 11:21 a.m.

After Recess

The committee resumed at 11:29 a.m.

Mr. Chomiak: Mr. Chairperson, I guess what I am sort of planning to do is ask a few generalized questions at this point and then perhaps this afternoon we can either commence and deal with the Betaseron issue or then start the Information Services and deal with Betaseron later, or something along those lines and move things along.

I guess we are still planning on Tuesday, when we next meet, at least to deal with the USSC issue, if that is acceptable. I am thinking ahead, I am assuming we are not going to meet on Wednesday. I am thinking ahead that perhaps Thursday we could deal with the capital issues, if that would be—I am not sure if the minister has another capital report that he wants to submit, but would that be an acceptable or rough agenda?

Mr. Praznik: The only difficulty I foresaw is our head of capital has been away on a two-week leave, and I believe has been overseas. She, I understand, gets back on Tuesday, but I will advise the member on Tuesday. If all available, Thursday would be fine.

* (1130)

Mr. Chomiak: Mr. Chairperson, I just want to ask a few general questions to the minister, some general policy-related questions. There has been a concern brought to my attention concerning the capital issue and the 20 percent allocation, and I wonder if the minister might outline specifically what the policy is in that regard. Is it only new capital, old capital, what the criteria are and how it applies?

Mr. Praznik: Mr. Chair, if the member would indulge me just for a moment, by way of logistics, I was just reminded of the fact that Ms. Hicks will be leaving on the 24th of April. She will be away for some time on an educational program. If the areas in which she is responsible, if in the member's planning, the two of them may actually like to talk after our meeting today to ensure that the areas that he would like her available for that we could cover before her departure. It would be very much appreciated.

With respect to the capital program, the reason we got into this, I guess, is twofold; one, obviously, it stretches money a little bit more, but secondly—and I have found this in my tenure as Minister of Health—that very often when you are going into a community, particularly in rural Manitoba where there is a greater community focus on a facility and municipalities have been involved with health care, that when a new facility is requested, if all of the funding, other than say the land and the add-ons are coming from the province, there tends to be a tendency to increase the expectation level as to what that facility will do.

For example, in many rural hospitals that have been based in recent years, they have been set up with operating facilities that often are never used or so rarely used that they are not justified being there because to the traditional thinking of a hospital having an operating room, even if there is not a surgeon available or an anaesthetist and, of course, because all of the funding has been coming from the province other than land and the add-ons and changed work orders, communities have an expectation that these things will be there.

So one of the main purposes I think of this policy, which, by the way, is widely used across the country and was in place in Manitoba to the mid-'70s, is to have the community focus on what do they really need in a facility, and by having some of their own dollars on the table, it tends to focus the mind—because we are paying for this too—is this something we really need to go through. I know my own community of Beausejour is having to go through that process now as we look at putting a new facility onto our personal care home in terms of hospital or renovating an existing facility, and we are doing some of that research now. But it tends to focus all the players on what do we really need in our community. I am sure the member would agree that it is important we use our health capital dollars to build what communities really need, as opposed to what may appear to be wants and desires.

So having said that, having this kind of policy in place is a very effective tool and I have seen it happen. Just one example is in Shoal Lake where their hospital is 20-plus beds, time expired, and there was an expectation of building a new hospital. We need a hospital in Shoal Lake. I have visited that community

with the RHA and their doctor—they have three doctors who have now settled in the community—and they said to me what they really needed was six to eight acute care beds to maintain their practice.

They do not do surgery in that facility; they will not be doing surgery. There are hospitals that are larger half hour to an hour down the road, but they needed those beds for observation, they needed them for certain medical, acute care purposes, they needed them for palliative care. Six to eight beds for them would provide the bed support, the hospital support they need to carry on their practice in a community—Shoal Lake, I think there are just over a thousand people in the village and the surrounding area might be 1,400, 1,500 people.

So we said you do not build a hospital for eight beds. I mean, it just does not work. So we looked at options and the option, because they would be helping to pay for this, it focused their mind on it as well, and the option that works is to do what we call or are starting to call an integrated facility where we would add eight, I believe it is eight, six to eight acute care beds on to the personal care home where they could share a nursing station that deals with the overstaffing, in essence, for a number of patients, for evening shifts in particular, have an examination room, emergency room as part of that. So the staffing level, in combining it with personal care home facility, means your staffing is well managed, you get an efficient use of space and you are able to have six to eight beds to service the medical community in that area, their needs, the community's needs in an efficient manner. That happened, I believe, because the community was at the table with money. They focused on what do we really need, what can we afford, what works.

So having said that, and the member's question is a very good one: what is our policy with respect to contribution? If our goal is to have people focus, it is not to prevent facilities from being built for want of community support. We came out with an initial proposal of 20 percent plus land and the add-ons and certain things like chapels. We recognize that there were some issues with that, and we have been refining the policy as we have gone along. I think that is fair because you want to see how it is going to work. We have done some changes in it. For example, we now

include the land and the total cost. So the community provides its land. The change orders we are now including in the 20:80 split instead of being 100 percent community, and we have a few others that have come out of some specific problems and issues in terms of financing it with municipalities, some of the credits that we provide.

I know when I visited The Pas recently, they raised the fact that if their municipalities were going to do a levy for the community contribution that they did not want to have to levy for the First Nation, they could not levy for the First Nation that use the hospital or the Northern Affairs communities. So obviously there has to be some credit in there so the taxpayers of The Pas and council are not bearing the costs of others. The Department of Northern Affairs has a role to play, so we have prepared a list of further refinements that I am in the process of getting approval on and I hope to be able to make public in the next week or so as municipalities look for that information. I think what the member will find is that it is refined further.

Our goal was to have people at the table, communities at the table with some money to focus on what, in fact, their community needed. Even if we had all the money in the world, that is still worth doing so that we do not overbuild in our system because that is a waste of valuable dollars. We do not want the policy to be so onerous that it prevents a facility from being built. Getting the details right takes a little bit of trial and error, and we have been going through that with the new capital announcements, and I would think within a very short period of time we will have a further refinement that I would be delighted to bring to this committee for discussion.

Mr. Chomiak: So the minister is indicating that he will table definitively the policy with respect to capital within a week, give or take a few days.

Mr. Praznik: We have had done, as I indicated, some further refinements on this policy, and I am in the process of having those approved within the general government system. I know I have to have that done very quickly as people are waiting for that information. So when I do, I will be putting that out. I will be bringing it to this committee—I think he can look to it for next week or the week after at the latest.

One clarification I would make is that safety and security issues—and provincial programs do not require the community to raise the capital. That is paid for 100 percent by Manitoba Health. I should just add, the Chair of this committee has been anxiously looking forward and very much involved in the refinement of this policy.

* (1140)

Mr. Chomiak: Mr. Chairperson, yes, I intend to pursue this line of questioning in a lot more detail when we get to the capital end, because I do have some very specific questions on some specific facilities and the like which are obviously more appropriate at that time.

The minister recently outlined a blueprint for activities that would be taken in the future in terms of health in Winnipeg, and I have a copy of the article here which I will share with the—[interjection]

Mr. Praznik: Mr. Chair, you know what I would like to do on this area and I know we are using up some time briefly, but much of the content of this issue is within the planning of the Winnipeg Hospital Authority, and I think, to have a very thorough discussion on this—we can discuss it in some generalities—but I want to make available to this committee Dr. Brian Postl, on whose planning and work I rely for my comments, to be able to attend here with Mr. Webster as part of our discussions in that area.

Mr. Chomiak: Yes, I have no problem with that. That makes a lot of sense, and I guess the issue, depending upon how things develop next week, whether or not we achieve some of the issues that we are going to deal with, I guess I was sort of contemplating commencing the following Monday, perhaps in that area and which probably would then meet with the—gosh, I do not know the dates any more but that would deal with that. So I have no problem with that.

Having said that, I guess the legislative issues and the issues relating to some of the policy and planning we are going to wait on. I guess we could start on Information Services or we can adjourn the committee and just start again on Information Services. There seems to be a consensus that we will recommence. I am prepared to do do that.

Mr. Praznik: Mr. Chair, I think the member for Kildonan and I have been around here long enough not to beat dead horses in terms of time, and 15 minutes or additional time before preparing for the House is always welcome. I thank him for that indulgence and certainly am agreeable.

The Acting Chairperson (Mr. Dyck): The time being 12 noon, I am interrupting proceedings. The Committee of Supply will resume sitting this afternoon following the conclusion of Routine Proceedings.

RURAL DEVELOPMENT

Mr. Chairperson (Marcel Laurendeau): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Rural Development.

Does the honourable Minister of Rural Development have an opening statement?

Hon. Leonard Derkach (Minister of Rural Development): Yes, I do, Mr. Chairman. Mr. Chairman and members of the opposition parties, it is a privilege for me on behalf of Manitoba Rural Development to present the Estimates for the 1998-99 fiscal year.

I would like to begin today with my thanks to the staff from my department. I have to make a special point of this. I believe it is important for the people of Manitoba to know. It is also important for the members present to understand the kind of special effort that the staff have put forward on behalf of rural Manitobans everywhere. I have worked with a lot of good people over my time in government in the field of education and in my farm business life and also in my business life, and so I have worked with many, many people. I mention this today because I truly believe that the dedication and commitment of the staff in my department is second to none. I have had the pleasure of working with some of the best people in the civil service, or for that matter, the workforce in general. I believe that together with the outstanding efforts of rural Manitobans throughout the province, they have had a direct hand in the strengthening and the growth of our rural communities.

I have been fortunate for the past six years to watch them accomplish a great deal. They have never backed away from a challenge. In fact, on many occasions they have uncovered not only the solutions but new opportunities for building our province even stronger. You will meet many of them over the course of the Estimates, and it has been my pleasure to witness their efforts and achievements.

In Manitoba, the Winnipeg Free Press will tell you it ain't so until it is so. In other words, if it is not in the Free Press, then it is simply not happening. I refer you to an article in the Sunday, March 15, edition of the Free Press in which the paper finally conceded in its headline that there was an economic boom taking place in rural Manitoba. Now, the paper went on to say that nobody quite knew when the boom started, but that in fact there was one currently taking place.

I accept the fact that the Free Press is just waking up to the success that is taking place in rural Manitoba, but for the rest of us this resurgence and revitalization of our rural economy began to take hold six years ago or even a little less time than that, perhaps four or five years ago, but let me share with you what the Free Press has discovered.

The researcher at the University of Manitoba acknowledged that the rural economy is going crazy. Along with a tremendous amount of new economic development taking place, the article reported that 72 of Manitoba's registered towns have seen an increase in population reversing the trend established in the mid or late '80s in rurality population. There is a spirit that runs through the province. It is steeped with pride, and it is blended with hard work and determination, and, Mr. Chairman, it is alive and well in rural Manitoba and in the Department of Rural Development.

I will always thank Premier Gary Filmon for the opportunity to serve this department, but I do remember the challenge we all faced back in the early 1990s. Mired in a deep recession and barely able to meet the most basic of obligations because of the excessive taxes, high interest and lack of direction during most of the 1980s, rural Manitoba, and for that matter all of Manitoba, was suffering. Our pride, our resourcefulness and our will has been challenged to the fullest. Today it is clearly a very different story. The

hard work, the hours and hours of extra effort, the absolute refusal to give into the old excuses that there is not enough hours in a day or it cannot be done on time were replaced with a new attitude and a whole new approach. Every challenge became an opportunity. Negativity gave way to finding a solution. Individually, the pride of helping people help themselves became a motive and the end result.

The accomplishments and achievements of the past six years are many, and I would like to give you just a few highlights. New assessment legislation, the computerization of assessments, the introduction of market value assessments, province-wide reassessment and the introduction of public access to assessment information, the review and improvement of a Mobility Disadvantaged Program. Mr. Chairman, this is a very important program in rural Manitoba because more and more today we are seeing people who have disabilities live in rural communities, and with the increased emphasis on providing the mobility disadvantaged people with transportation, we are seeing that they are taking their rightful place in our society in our small communities.

* (1010)

The revision and the improvement to the transient traders legislation is certainly an important piece of legislation that was pushed for by many of our communities and today it is in place.

We have a new policing agreement. This was an issue, Mr. Chairman, that was before us for, oh, I would say 20 years. Municipalities were complaining about the fact that the policing agreement was not met. Finally, about four and a half years ago, we were able to accomplish that. The three-year review and the public consultation processes to produce a new Municipal Act was certainly an important achievement. I would have to say that it was a positive document because of the efforts of rural Manitobans who came together and decided on the type of legislation that was important for them with regard to the municipalities in this province.

What is important to note with regard to the accomplishment I have just mentioned is that in almost every case both the Union of Manitoba Municipalities

and the Manitoba Association of Urban Municipalities said that they had been requesting changes that dated back to the early '80s, and that nothing had been done.

Mr. Chairman, let me just touch on a few more of the accomplishments that have happened.

The natural gas expansion program that began in 1994. Today we have many communities across rural Manitoba who are fortunate enough and who have been blessed with the expansion of natural gas to their communities and are enjoying the benefits of the infrastructure and also of the service because it allows them to have their community grow.

A total of 21 Grow Bonds have leveraged over \$23 million in capital investment in rural Manitoba, money that would have gone outside of rural Manitoba, and has maintained and will create more than 400 new jobs in this province.

The Rural Economic Development Initiative, or commonly known as REDI, has leveraged over \$80 million in capital investment and has created over 2,000 full-time jobs. It is in part, through REDI programs like the Community Works Loan Program, that the Rural Entrepreneur Assistance program and others that the rural economy has begun its resurgence.

During the last fiscal year, we also introduced an entry-level marketing seminar to help small businesses improve their marketing techniques. The seminar was delivered at five locations around the province during Small Business Week and was attended by more than 210 participants.

REDI's focus on youth is also why more and more of our young people are choosing to build their careers in their hometowns and their local communities. The Green Team and Partners with Youth programs have created more than 3,000 part-time positions for rural youth. The Rural Junior Achievement Program has been delivered to over 15,000 rural students in over 100 communities since 1993, and volunteers have created more than 10,000 hours of personal time to deliver over 560 programs.

Mr. Chairman, as I said earlier, you can see in all of the accomplishments what we are really doing is

helping rural Manitobans to help themselves. It is rural Manitobans who are really getting the job done.

If I can just for a moment talk about the youth in this province, I was encouraged this morning to hear on the radio that in fact Manitoba now can boast of the lowest unemployment rate in all of Canada. What that means is that this province is leading the rest of Canada in creating jobs, in creating opportunities for people.

I would have to tell you that two evenings ago I met with the Rural Advisory Committee to my department, which is made up of people from across rural Manitoba, and they told me that one of the initiatives that we have to look at clearly is how we can begin the process of attracting back those Manitobans who left us in the 1980s, because indeed this province is becoming an attractive place for people to invest and to grow.

Mr. Chairman, as I said earlier, you can see that these accomplishments are not the result just of government working on its own, but indeed it is the result of partnerships that have been built. The proof is that the Community Choices program, which employs the community round table concept is getting local communities together to sustain and grow their local areas. This program has worked beyond our wildest dreams. Today, there are 87 round tables that encompass more 140 municipalities. These people, who come from all walks of life, have come together to plan the vision for their towns and their villages, and their success is all around us. It is evident in the success stories you can see as commonplace in our province, and it is the kind of community dedication and spirit that will ensure rural Manitobans a strong and prosperous future.

The showcase for much of what has been accomplished over the past years has also been put together by staff of the department. The annual Rural Forum in Brandon, which this year is set for April 30, May 1 and 2 in Brandon's Keystone Centre, is entering its sixth year and has drawn over 23,000 people to see the best of what rural Manitoba has to offer. The forum has come to symbolize the success of rural Manitobans. This year will mark the sixth annual event, and we expect it will be the best yet. Nowhere else can Manitobans experience under one roof the best in business exhibits, food, and entertainment that rural

Manitoba has to offer. The Rural Forum is just another example of what we have been saying all along that rural Manitobans have a lot of which to be proud of. I invite all of the members of this House to attend what truly has become the province-wide celebration of rural success.

Other accomplishments include such things as the water and sewer programming that has assisted more than 90 rural water projects over 100 municipalities and water co-operatives; the expansion of the Conservation Districts program; and, the Infrastructure Development assistance that aided in the McCain expansion in Portage la Prairie and others throughout the province.

A recent involvement with the Canadian-Ukraine Business Initiative, the MOU with Nunavut, the soon to be newest territory in Canada, the Maple Leaf Hog expansion in Brandon, and the successful creation of Winnport are more recent examples of the efforts of the department's initiative and staff.

I am not exaggerating when I say we have skimmed the surface of our achievements. Before I go any further, I might recognize many of our partners who have helped us over these past six years: UMM, MAUM, the Manitoba Municipal Administrators Association, the Manitoba Chamber of Commerce, Junior Achievement of Manitoba, the Economic Innovation and Technology Council, the University of Brandon, the Assiniboine Community College, the Manitoba Women's Institute, Manitoba Food Processors Association, and the Manitoba Community Newspapers Association. These partnerships have been invaluable in helping to revive the rural economy.

The year ahead promises to be a very good year for rural Manitoba. As a province, our fourth consecutive balanced budget means Manitoba's finances are healthier than they have been in the last 25 years. Our government continues to spend taxpayers' money wisely. Our focus remains on health, education, and the needs of families. We are providing better ways for Manitobans to prepare themselves for economic opportunities, and, Mr. Chairman, more Manitobans are working than ever before. In fact, as I just said, our unemployment rate is at its lowest since 1981. For 10 years our government has been rebuilding our economy. Our job now is to ensure that all Manitobans

share in the benefits of balanced budgets and an even stronger economy.

Mr. Chairman, I now want to address how our new budget impacts on our department for 1998-99. I am particularly pleased to announce that for 1998-99, funding appropriations for the department have increased by 2.5 percent from \$48,987,200 to \$50,231,800. Of the total, Local Government Services division will increase from \$10,476,300 to \$10,871,300. Increases have been provided for programming areas within the division, most notably, our municipal support services such as Transit Grants and Municipal Support Grants. Grants in Lieu of Taxes will receive a substantive increase. Assessment Services will also be increased. Funding increases will also be provided for the Economic Development Services division. The increase will allow staff to extend service delivery into more northern communities.

We are also pleased to announce an increase in the funding for Rural Economic programs. The funding increase will net us a number of positive results. It will help provide employment for more youth and help them to pursue entrepreneurial activities. It will expand and diversify business opportunities. As you know, this has a snowball effect as we have seen in our province. Once the economy gets rolling, whatever inducements or incentives we can provide only helps it to keep moving forward.

Specifically, some of the increases will be for Unconditional Grants to support community development to \$6 million from \$5.5 million last fiscal year. Conservation Districts funding to reflect the growth in a number of districts to nine districts will increase by \$150,000, and funding for infrastructure projects will amount to about \$8.34 million. This funding increase will be used for several priority projects such as the expansion of regional water supplies to Pembina Valley, water co-operative and the development of the Cartier regional water supply system. All of this spells extremely good news for rural Manitobans who will benefit directly from an improved level of programs and services that the department will be able to deliver.

Mr. Chairman, in 1997, the department was privileged to assist communities and municipalities

affected by the flood. During the flood of 1997 an enhanced Green Team program was launched. As a result, an additional 139 students were posted in 13 locations affected by the flood to help the cleanup efforts.

* (1020)

In closing, I want to once again acknowledge the dedication of staff to helping rural Manitobans and, in turn, drive the determination of our rural citizens to help themselves. These remain the cornerstones that will help to set the course of our department for the coming fiscal year. Manitoba Rural Development will strive to maintain the building blocks to allow rural Manitobans to move forward.

I want to thank, once again, members of this House. I would also like to mention that the co-operation that we have had from the critic for Rural Development has been appreciated. I know he has attended many of the events in rural Manitoba, and I know over time when there are problems that exist in the rural communities he has come forward and we have tried to work these out together. So, with that, Mr. Chairman, I conclude my remarks.

Mr. Chairperson: We thank the minister for those comments.

Does the official opposition critic, the honourable member for Interlake, have an opening statement?

Mr. Clif Evans (Interlake): I do have a few comments and I will be brief, but I want to make some points with respect to rural development. First of all, I would like to also say that, in being a critic for Rural Development now for the past four or five years, it has been an interesting four or five years in seeing rural Manitoba as a whole. Having the opportunity to meet with mayors and reeves and the communities themselves through the past five years has given me an enhancement as to what the needs are and how rural Manitobans are making plans for their areas and trying to make their own communities a good place to live and a place to be.

The minister mentioned the programs that are in place and have been in place, how they have helped

and how they are there to help for the future. He talks about youth unemployment being down. He talks about water and sewer; he talks about policing; new assessment Municipal Act. All those have been a part of the process for the past few years, and in some ways they have been successful.

I understand that rural development is a very important part of our province; however, I also understand that rural development can only be a success, an economic success and a success for people moving to rural Manitoba and living in rural Manitoba if they have the services that are required to be and to work and to live in rural Manitoba.

For economic development in areas, we need the other services, services that do not necessarily comply or are within the scope of the Rural Development department, but are an integral part for the survival of rural Manitobans. The minister mentioned the health and the education and how important that is. Rural Manitobans and rural development cannot survive if those services are not provided, if those services are not there, if the health services are not there.

Young people or business people in rural Manitoba are not going to be able to sustain the viability in a rural community without having these services. Education, infrastructure, these are all important parts of the livelihoods of rural Manitobans in this province. Granted that we have all these programs available, granted that we have the new initiatives that have been created within the Department of Rural Development, but I ask the minister, and I will be asking the minister, throughout the process of Estimates: How better can we improve rural Manitoba, not just specifically with the programs that his department has in place, but what about the Department of Rural Development encouraging the services that he talked about be better provided for our rural communities? That, I think, is a very important piece of this puzzle.

The minister comes from a small community, as I do. He understands how important it is not only to have economic development within, not only to have the entrepreneurship, not only to have the opportunities for young people to be working in their own communities and not having to move out for jobs. He understands that I think. I believe he does, as I do, and what I have

seen, and the minister can argue with me on that all he wants, and being a part of going to all these different events and programs that the minister's department has in place, and I look forward to going to the Rural Forum again, and I will mention that, but it is those services that will make rural Manitobans better.

Putting in and having the initiative for a community to put in, as in my community we are looking forward to the peat moss operation coming in there the next few years. But is the Rural Development department—they are encouraging the process of having that operation come into the Riverton and Bifrost area, but the government as a whole, the minister talks about how great the government has done things, but for rural Manitobans, we also need and I am going back to it, but I want to emphasize how important that is. If you have an operation such as the peat moss operation in an area, what do you need with those? You need people to be employed there, you need the services, you need infrastructure, you need health, you need the schools to be able to educate the young people and the kids of the parents that hopefully will move into that area to work.

What I am trying to say is that I want to get the support of the minister and his department in not only just dealing with the programs and the issues that he is dealing with within his mandate. There are the others that I would like to see this minister go and encourage his colleagues in cabinet, his Health minister, his Education minister, Highways minister, to be a part of the rural development.

To be able to provide what his department is attempting to do, you cannot necessarily do it if you do not have all those other services in play, good services. We have to be able to, in other words, encourage. For a community to encourage a business or an opportunity to come into its community, you need those other services. They are too important. Someone is not going to look at a community to expand or to come in and build something and start something. They have to look first at the infrastructure. They look first at the water and sewer system. They look first at the education system provided within that area, the health care service provided within that area.

So we encourage the minister's department in some of the programs that he is responsible for, the department

is responsible for. We support it, I support it, but what I do not support is the lack of initiative in making our rural communities a better place to be and live because of the lack of services that are being provided to rural and northern areas. Some success stories, yes, in certain areas of the province, and I am pleased to see them. I am pleased to see some of the initiatives through the Grow Bonds and through the REDI program and such that there has been the opportunity given to some of the communities in developing an economic boost for their areas.

Natural gas, very important. As the minister is aware, the natural gas program is now being dealt with in the Interlake region with the different communities coming into play hoping to come to some sort of a positive conclusion as when we can get going with that. I believe that the natural gas—and I have been a proponent of it for many years—will be an integral part. That is a service. That is where the services need to be provided for rural Manitobans to be able to get on and benefit and become a success.

During our Estimates process we will be asking the minister, we will be reviewing the different programs that are in place, have been put in place and those that are successful, those that perhaps have not been so successful, but we will be asking specifics on some of these programs. I will be dealing with The Municipal Act. I will be dealing with some of the issues that were brought to my attention at the last UMM convention.

* (1030)

Now I made notes, and I will go by some of the notes that I have made and had made at the UMM convention. Some of the things I heard—Rural Development, the minister talks Rural Development. Yes, it is his department, but at the UMM convention, at the bear-pit session, if the minister would remember, what were the issues? What were some of the issues that were important to the rural communities, that they asked? Did they ask the Minister of Rural Development about drainage, about health care, regional boards, highways, roads, education system, education taxes? No, at the UMM convention, our community leaders were asking the government of the day about the services that are there other than Rural Development.

So what was that telling the minister? Maybe the minister does not remember that, but I do.

An Honourable Member: He has been doing a good job.

Mr. Clif Evans: Well, the minister says that he is doing a good job. The minister may think he is doing a good job, but what about the rest of the government. I must say, too, issues that were there and spoken to were the other services in the other departments, so I want to let the minister know that even though we here believe that Rural Development can be an integral part of the province, and is an integral part of the province, there are the other services that can make Rural Development growth and strength become better, can bring people out to rural communities, can enhance diversification, can enhance sustainability, can enhance all those things.

I want to see the rural communities grow. I do not want to see people moving out of Riverton, out of Arborg, out of Moosehorn. I want people to stay. I want the young people to stay, and that is part of it. We cannot maintain and we cannot encourage if we do not have all the services that are in place to make our rural development grow and the department become even more successful. It needs all the other aspects.

I will be dealing again, as I said before, issues about The Municipal Act. I know that The Municipal Act has been in place now for two years, it will be two years or just about two years. I know that during the process of committees and dealing with The Municipal Act, there were questions asked, and I know that the minister had indicated that as those questions would be asked and points brought out about The Municipal Act, that he would be dealing with them. We will question as to whether that is happening.

We will also be dealing with the Water Services Board. We will be dealing with pretty well all the aspects.

But, Mr. Chair, I would like to, in closing, say that the department, I will support, we will support as long as the minister—and we will raise that—if the minister, from his chair, will not support rural Manitobans and our initiatives in what I have said here in my opening

statements about the other services. I do not want this minister to sit back and say my department is doing everything it can. Yes, perhaps it is, but can it do enough if his government continues to take away a lot of what is needed in rural Manitoba. The minister shakes his head. Things may be rosy in some areas but things are not totally rosy everywhere. So rural Manitobans need the support of this minister in encouraging his government to provide all the services for rural Manitobans that will make rural Manitoba a thriving community.

I would like to also in closing just say that I have had and I am sure my colleagues have had some positive dealings not only with the minister, but I know that the staff in many, many situations have been more than supportive and helpful and have provided all the necessary information and support and work towards any issues that I have brought forward. I encourage that and hopefully it will continue, and I am sure it will. If it does not, the minister will certainly be reminded that his department is there for rural Manitobans if an issue is brought forward.

We will be dealing with numerous other issues and, Mr. Chairman, I thank you for the opportunity to provide my opening remarks.

Mr. Chairperson: We thank the critic of the official opposition for those remarks. I would remind members of the committee that the debate on the Minister's Salary, item 13.1.(a), is deferred until all other items on the Estimates of the department are passed. At this time we invite the minister's staff to take their places in the Chamber.

Is the minister prepared to introduce his staff present today?

Mr. Derkach: I would like to first of all introduce my deputy minister, Mr. Winston Hodgins; along with him, we have Director of Human Resources Ms. Marilyn Robinson; as well, our Executive Director of Finance and Administration, Denise Carlyle; and also the Chief of Financial Services, Administrative and Human Resource Services, Mr. Brian Johnston.

Mr. Chairperson: I thank the minister for that. At this time we will be dealing with item 13.1.

Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$420,400.

Ms. Rosann Wowchuk (Swan River): I want to begin by thanking my colleague the member for Interlake (Mr. Evans) for allowing me to have a few moments at the beginning of Estimates, because I have other commitments that I will not be able to participate a little later on in the Estimates process, but I have a few areas that I would like to ask the minister a few questions in.

One of the first areas that the minister mentioned in his opening comments is the expansion of natural gas to rural Manitoba. He talked about the successes of that. One of the areas that is near and dear to my heart is the expansion of natural gas to the Swan River Valley. The minister knows that we have been trying for many years to get gas into the area. It was part of the government's election announcement in 1995 that the expansion would take place. Louisiana-Pacific built their operation based on natural gas coming to the area. It is now three years. I know a lot of work has been done, but nothing is happening.

* (1040)

I would like the minister to indicate where that whole process is. In particular, I would like to ask the minister why Swan River is being treated differently than other parts of the province because it is my understanding, according to the committee, that Louisiana-Pacific has been asked to be a contributing partner in the funding of the expansion of natural gas, but in no other part of the province, I am told, has the corporate section been required to be a partner. It has been the three levels of government that have been the partners, not the business. If that is the case, it seems unfair to this company because we are anticipating that once we have natural gas there are going to be other opportunities for business to establish in the area. We are very hopeful of that, but it appears that there would then be an unfair advantage to the other companies that come in if Louisiana-Pacific is required to be a partner and put money into the project while other companies that are coming in will not be required. So that is a fairly broad-ranged question, I realize, but it is a very important issue, and we are very anxious to hear the announcement that natural gas will be coming to the Swan River Valley.

Mr. Derkach: The member for Swan River is quite correct in that this is a very important initiative for her area, but it is also very important for the province of Manitoba. As I indicated in my opening remarks, the extension of services like natural gas to rural communities is not unlike the extension of hydro and telephone to rural communities in the past. This is an essential service that is required by any community if it is to attract growth and attract industry and attract business.

The member is also correct in that this was a commitment that was made by government to extend the service to Swan River. As I recall, when we launched the gas initiative some years ago, one of the first communities, and one that looked most viable, was the Swan River area, but there has been a lot of history with regard to the extension of that service to the Swan River area. I am not going to repeat it all, but there have been some challenges that have been encountered as a result. For one reason or another, there have been times when we have backed away from the initiative because of a variety of circumstances, where there were not enough sign-ups or an approach was taken that was not quite adequate to meet sort of the requirements that were established or the criteria that were established.

So we are still in the process of doing some very diligent and very hard work with the community, with the potential users of the service. We are probably closer now than we have ever been to actually getting that service in place, and I am very optimistic that will happen this year. The member knows that it is not just the province that is the provider of the service. As a matter of fact, it is a partnership. The partnership is between the users, whether they are commercial or residential, the federal government, the provincial government and, of course, the local government.

The member asked the question about why Louisiana-Pacific is asked to contribute. Mr. Chairman, when we build infrastructure to—and infrastructure is not just natural gas; infrastructure may include a variety of things, whether it is roads, whether it is water and sewer. It could be rail connections, it could be sidings, spur lines; all of those types of things are considered infrastructure. When we enter into agreements with communities and companies that are looking to locate, we as a province try to make sure that

we do not disadvantage other entities by providing direct dollars to a company, and that is not our purpose. Our purpose is to help provide those services and the infrastructure that is required to make the entity viable and provide whatever services are required for it to operate.

In the case of Louisiana-Pacific, when Louisiana-Pacific was indeed locating in Swan River, there was an agreement struck that there would be a participation of a certain level by the company as well, and it was on that basis that we proceeded to approach the federal government through the infrastructure program for funding for the project. It was with the participation of the four entities that we were able to divide the portioning of how much each party would be putting in. To that extent, we have been negotiating on that basis. Louisiana-Pacific has been negotiating with us in terms of how they can participate over a longer period of time rather than putting their money in in cash, and that is exactly where we are at right now.

But in order for them to be able to participate over a period of time, it is going to require some funding for the interest costs that are going to be incurred. They have asked that those be absorbed by the community and also the other two partners, being the federal and provincial governments. At this point in time, we are awaiting word from the federal government in terms of their participation in an equal share, if you like. What it will do, with the federal government's participation, is it will lower the commitment that has to be made from the other partners. So we are hopeful and we are looking forward to a response from the federal government. Once that is in place, I do not believe there are any hurdles that I foresee that would stop us from proceeding with the initiative. So I am looking forward to that response coming back shortly and our being able to actually see some positive physical work, if you like, happening during the course of this construction year.

Ms. Wowchuk: I, too, am looking forward to that construction commencing. The minister indicated that they were going back to the federal government for what I believe he might be saying is additional funds. One of the concerns was that there was a deadline where federal funding through the infrastructure program could expire. Have negotiations taken place to

ensure that that infrastructure money does not expire, and is the money that the minister is talking about, as far as covering off the interest, additional money that the government is looking for from the federal government?

Mr. Derkach: Mr. Chairman, I guess we still have some time before the contractual deadline comes up—I think it is March 31, 1999—for the spending of the infrastructure dollars, so we still have this construction season to be able to fulfill our obligations or to spend that money. She is quite correct in that this is additional money that we have requested, and we are hoping that the response will come quickly and that we will, in fact, be able to get on with the work so that the money can be used effectively this construction season. The federal government could extend the deadline, and it has done this in other cases. So if, for some reason, we found ourselves in a position where we cannot proceed with construction this year, I would certainly be approaching the minister to see whether or not we could extend the deadline for that. I do not want to see this initiative lost. We have invested too much time and energy and money, and I think it is very critical to the area that we get that service in as soon as possible.

* (1050)

Ms. Wowchuk: I am pleased that there is the opportunity to extend the length of time that the money will be available. My concern was it was my understanding from local people that the deadline was up in 1998, and things are not going along as quickly as we would like. We will continue to pursue this and hope that natural gas will become a reality in the area. It is very important to the economy of area. There are opportunities for, as I said, different industries. There is a feed mill that is looking at coming into the area that we need natural gas for. So I encourage the minister to pursue this on behalf of all the people of the Swan River Valley.

I want to ask only one more question on this. I would like to know and I do not expect the minister would have these numbers at his hands, but what the additional funding is that is going to be required from the federal government. If the minister could provide that at some point, and also can the minister tell us where the plans are at this point, where is, at the present

time, the plan for natural gas to be coming from? Are they still planning to bring the natural gas up from the Roblin area or are they once again looking at Saskatchewan from the Norquay area? Has that plan changed, and can the minister indicate where we are at on that and where the gas will be coming from?

Mr. Derkach: With regard to the additional costs, I cannot give her a specific number on that because that is based on an interest rate that can be negotiated, so it is a third, if you like, of that that we are looking for. But the interest rates are somewhere in that 6 percent, 7 percent area.

With regard to where the gas is coming from, we had thought that the most inexpensive route would have been from Norquay, Saskatchewan; however, in the last plan that was put together and the numbers that were put together, it appears that it is less expensive to bring gas from Roblin rather than from Norquay. So that is Centra Gas who is really responsible for giving us those numbers and giving us the best routes, so they, in conjunction with the entire project, have decided that the Roblin route is the one that they will be taking the gas from.

Ms. Wowchuk: I am sure we will have further discussions on this issue. I hope that the next discussion that we can be having is the announcement that the project will be on and then I would be very pleased.

Another very important service in all of Manitoba, but in particular in the Parklands is transportation. The minister is well aware that in the area that he represents, as well as the area that I represent, we have had a loss of service of transportation through railway and a tremendous shift over to road traffic, for which our roads are not constructed for.

Can the minister indicate whether his department is playing any role in putting towards a transportation strategy, some looking towards the future about transportation patterns and where we would see traffic moving and whether or not railway plays an important part in this, or whether he envisions that it is going to be road traffic that is the important routes that we have to use, and whether or not his department is playing any role in developing a strategy as to which roads have to

be upgraded and whether or not he sees the rail still playing an important role?

Mr. Derkach: It is a good question because I think it is a very important issue for rural Manitoba. I may say to the member that I had the opportunity last night of being part of a ceremony where another high throughput grain facility was announced for the community of Shoal Lake by United Grain Growers' ADM. This, once again, is going to add another significant strain on the roads of that western side of that province. That is the side of the province, Mr. Chairman, where we have lost, I think, the largest number of kilometres of rail line in the entire province.

That is why when the Crow rate benefit was being negotiated and was being debated, we emphasized very strongly that that money we felt needed to go to roads, and it was somewhat sad to see that only a million dollars out of that total package had been dedicated to roads, and that happened to be a road in the Dauphin area. It was actually 366, and we are not sure where it is. It is a provincial road and that road, instead of pavement, needs to be rebuilt, as the member will know.

In fact, we have been involved in terms of working with municipalities to make sure that they identify what their priorities are in terms of routes, truck routes especially, within their municipalities connecting to our PRs and our major highways. There has been some response by municipalities where they have actually come out with plans, with maps, with outlined routes that they would like to see upgraded and maintained as truck routes for the heavy traffic but, having said that, this province cannot by itself try and upgrade to the necessary standards the road infrastructure.

The Minister of Highways (Mr. Findlay) and I were in Shoal Lake last night, and one of the concerns in that area of course is a piece of road that was just completed two years ago and is starting to show signs of deterioration already because of the increased demand and heavy traffic that has been placed on these roads. The Minister of Highways is more in tune with what is happening specifically in terms of highways in the province, and I would have to say that we are trying to address the situations as best we can. However, we do need the participation of the federal government. I

believe—and the numbers can be verified with the Minister of Highways—there is something in the neighbourhood of \$200 million that is collected by the federal government by way of fuel taxes. That money is not coming back to our province, and it is having an impact on our roads.

So within the restraints, we do work with the Department of Highways and their limited amount of funds to address the situations. We have put together committees to look at all aspects of development within a given area. I refer to Maple Leaf in Brandon where we have a working committee which brings together several departments to look at all types of issues including transportation and what areas need to be upgraded to provide access to the facilities that are being built around the province.

But I think if the member would, I would encourage her to discuss this issue specifically when the Minister of Highways' Estimates come because he certainly has much more information and much more clarity on things of this nature than I do.

Ms. Wowchuk: I did not mean to put the minister on the spot asking questions about highways, but what I am looking for, what I think would be a good idea, and I am looking for the minister—whether he would support a concept where we would have a strategy committee where we would look at the whole province and look at where we are going as far as transportation of goods, because there are changing patterns and we have more transportation going on roads now, and get this plan in place. Then you can then go to the federal government and say, look, this is the impact of your changes here; we are going to need more money to upgrade these roads in the province.

I think that Rural Development has to be involved in it, as well as the Department of Highways and various departments of government to put in place a plan as to where the government thinks transportation patterns are going to change and put in place a strategy that says, okay, over the next 10 years we can see that there is going to be a lot more traffic on these particular roads, and then take this plan to the federal government. I have to agree with the minister, it is disgraceful on the part of the federal government to be taking this much money, millions of dollars in fuel tax revenues, and not

recognizing their responsibility to upgrading roads when it has been the federal government that has allowed for rail line abandonment and a change to the transportation subsidy. So the federal government does have responsibility.

I think we have to put together a plan, a strategy to the federal government to say: look, this has been the impact, this is where we see we are going to need some help. That is what I am looking for from the minister, whether he supports the concept and whether there is any combination of various departments at the present time looking into the future about where our transportation is going.

Mr. Derkach: Mr. Chairman, there are several approaches that are taken with regard to the improvement of infrastructure in the province, specifically highways. I know the minister has a working group, a committee that he uses fairly effectively, and it is made up of various players in the province, including such organizations as KAP and UMM and MAUM. We also have a sectoral committee which looks at how we expend dollars and how we can more effectively share resources to ensure that as much as possible our dollars are utilized for infrastructure and highways, because that is a critical area.

* (1100)

We have, as I said, a committee made up of staff within various government departments who have an interest and a responsibility in this area, who work together to put cases forward, work together with the federal officials, and I would have to say that I am looking forward. We have been told that the Minister of Agriculture federally is coming to the forum this year, and we will be looking forward to meeting with him and impressing upon him the importance of addressing these issues.

I have to say that through UMM and the municipalities, there is a constant, I guess, effort being made to look at how we can more effectively address those transportation issues that are before us, because they are huge, and we certainly are not backing away from that. It is just that a province like ours has limited resources in terms of how we can address some of these areas that should have some input from the federal

government, and I am not trying to pass the buck here. I am just saying that we are aware of it. We are pooling our resources provincially. We do have several working committees and we are moving ahead as much as we can.

Ms. Wowchuk: Just to clarify to the minister, I know that the government cannot afford to do this and we have to, the federal government has to have some responsibility in transportation. Manitoba has lost to a great extent and by planning together as various departments I think that hopefully we can put more pressure on the federal government to live up to their responsibility. That is what I was getting at.

Mr. Derkach: I thank the member for that. I just want to put on the record that the prairie provinces as a result of the loss of the Crow have had about \$720 million taken away from rural communities on an annual basis. That is why we were so emphatic about the fact that some of this money had to be returned to the highway system. So we cannot forget about that. We have to keep re-emphasizing the fact that somehow some of this money, which helped to balance the books I guess at the federal level, needs to come back to the services that are so critically needed in the West, and that means whether it is rail service or whether it is road services. We need those desperately to ensure that this part of the world does not suffer more than other parts of the country.

Mr. Leonard Evans (Brandon East): Since at this juncture in the minister's Estimates review we seem to be on various miscellaneous topics, I wonder if I could take the liberty to ask the minister whether he is considering bringing in an amendment to The Municipal Act, the newly passed Municipal Act respecting people who wish to run for municipal council, who happen to be municipal employees.

This issue was dealt with when the legislation was brought in, I realize, but I believe the minister has received correspondence from the City of Brandon on this matter. I was wondering whether he could comment on whether he is prepared to take some action on this. I appreciate the amendment that was brought in, and what it was intended. I am not really debating that, but I do think there may be a case for so-called grandfather or grandmother approach to sitting

councillors to enable them to carry on, particularly, if all the evidence shows that they have made a great contribution, made a significant contribution to their council, have support in the community, and could easily be re-elected presumably if they ran again. I believe the mayor has made this point well in a letter to the minister.

I was wondering whether the minister could comment on whether he is prepared to—I think it would require an amendment to existing legislation, and this could be done of course through the statute law amendments legislation approach, if he so desired.

Mr. Derkach: The member mentioned that we are kind of floating around the various sections of the Estimates. I just want it noted that is not our choice. We will do whatever the opposition would like us to do, so I am hoping he is not thinking that we are sort of leaving that.

An Honourable Member: No, it is our choice.

Mr. Derkach: Secondly—

Point of Order

Mr. Leonard Evans: Just on a point of order. It is simply because of the fact that the official critic member from the Interlake (Mr. Clif Evans) unfortunately had to be away for a short time, and some of us had some miscellaneous questions, and since the minister was very co-operative, we thought we would take this opportunity. At some point, we would like to ask that question. In the interest of efficiency, this is as good a time as any, I would think.

Mr. Chairperson: The honourable member did not have a point of order—just to dispute over the facts. We had agreed to this previously when the official critic was here.

* * *

Mr. Chairperson: The honourable minister, to continue.

Mr. Derkach: Thank you, Mr. Chairman. I have been contacted by, or our department has been contacted by

not one but several individuals regarding this issue. When The Municipal Act was brought in, it was brought in on the basis of consultation that had occurred throughout the province. This was issue of some debate at the time, and it was a fairly strong feeling by the committee and by most municipalities that those who worked for a municipality could not, should not also be eligible to sit as councillors.

I would have to say that feeling was almost unanimous in most municipalities, but they felt very strongly that if you were going to sit as a councillor, you could not also be an employee of the council, whether it was with one of the agencies of the municipality or whether it was directly for the municipality. So we honoured that, and we came in with the amendment. Since that time, as the member knows, there is a case—there is not one, there might be two cases in the province where this issue is causing some difficulty.

However, we have checked with legal counsel to see whether or not you can grandfather beyond another municipal election. We are advised that that is not possible. We did grandfather that provision until the next election which is this fall, and beyond that we would have to change The Municipal Act to allow members to run who are employees of a municipality. I do not believe that that would be supported by municipalities in general. So it is a difficult situation. We are still looking at whether there are ways in which we can accommodate this. It seems to be an issue in, specifically, I think, one, maybe two places, but, because of the contributions the individual makes, he seems to be a good councillor, one who is supported by the community and yet at the same time he is an employee of the municipality, even if it is an indirect employee and, so, I do not know. I cannot give you an answer right now on specifically how that can be addressed or if it can be, but I have asked staff to look at all possible ways in which we might be able to accommodate at least in this instance, but I cannot give you an answer whether that will be able to be accomplished or not.

Mr. Leonard Evans: I gather that what the minister is saying is that there had been some grandfather provisions but that they terminate effective this coming

municipal election period, which is October this year and therefore these one or two cases you mention would be affected by that as things now stand, but the minister, as I understand, says he is continuing to look into it with the possibility of being able to accommodate, because this is a very limited situation. So the principle is in effect anyway but with a slight proviso for a couple of instances, I gather, but I do not know, I would ask the minister how he expects to do this without some amendment to the legislation. I do not know how that would be possible unless there is a way of interpreting it to get a different conclusion.

Mrs. Shirley Render, Acting Chairperson, in the Chair

* (1110)

Mr. Derkach: Madam Chair, as I indicated, we are looking for solutions. It appears that if a change is embarked on it would have to include an amendment to the legislation at this time, but I have not had a full report from staff at this time, so I really cannot go beyond this. Once I learn whether there are opportunities I will be able to react at that time.

Mr. Leonard Evans: I wonder if the minister could give us some sort of a time frame.

Mr. Derkach: Madam Chair, this would have to be done in the next week or two if we are going to bring in an amendment because, if we wait much longer than that, it will be too late, but I am expecting that staff will be able to come back to me within the next week with some indications, and I would be happy to sit down with the member at that time and outline what our findings are.

Mr. Leonard Evans: Just in conclusion, I want to thank the minister for that and just reiterate my understanding that it could be done very simply if there was agreement and if it were possible through an amendment brought in in The Statute Law Amendment Act. In other words, you do not have to bring in, as I understand it, the minister does not have to bring in a new Municipal Act amendment unless he has a number of other changes, of course, but if it is just one or two isolated matters this can be handled in this omnibus approach, the law amendments legislation approach.

Mr. Derkach: We have explored that part of it, to see whether it could be brought in through statute law amendments or whether it has to come in through an amendment specifically in the act. The advice we have to this date is that it will probably have to come in as an amendment to the act.

Ms. Wowchuk: The minister indicated in his opening comments that under REDI, it spent about \$80 million. I understand that some of this money is used to provide communities to do studies of different projects. I would like to ask the minister if when studies are done, when these studies become public documents, who has access to the studies?

Mr. Derkach: We contribute to feasibility studies for various projects across the province. As the member knows, we contribute only a limited amount, so the feasibility study is not entirely ours because we do not contribute the full amount to the feasibility study. The feasibility study is the property of the company. However, if the company does not proceed with the project, for one reason or another, there is a limitation as to how long that document or that work becomes the property of that company. After a period of time—and I believe it is a year, but I can research that to confirm that—if the company does not proceed with a project, then it becomes accessible to the public, provided that it does not compromise any commercial activity or any commercial enterprise.

Ms. Wowchuk: Madam Chair, I am particularly interested in the operations of the Cowan subline, the railway line. I know that there was a study done on that particular line, and an offer has been made on the line. There are difficulties in the negotiations at the present time. I do not expect the minister to have the figures with him, but I would just like to request if the minister could direct me to where I would go to find out, or he could provide me at a later date, the amount of money that was provided for that study. My understanding was that REDI funded the whole study. It was not funded by the company, that REDI paid for it, and if it is, whether or not the dates are close enough where we could have access to it.

It is important to the economy of the area, and I want to know what the results of the study are so that we can also be involved in encouraging the development of

that line. So that is what I would look for. If it could be provided to me at a later date.

Mr. Chairperson in the Chair

It was through the village of Ethelbert that was asking for the study to be done. I believe the railway line is called the Canadian Northern Railway. As I say, I do not expect the minister to have those numbers at his fingertips, but if he has not, if he could direct me as to who I could go to to get some detail on the results of the study.

Mr. Derkach: Mr. Chair, to the member, I do not have the numbers with me, but we can research that. I am sure that this afternoon we should be able to have the information that she has requested.

Ms. Wowchuk: I look forward to that and, as well, if I could be provided with the name of a person that I could have discussion with on it. I am not quite sure who is in charge of that area. If that could be provided, I would appreciate it.

Another area that I would like to talk to the minister about where his department is going or what they are doing with it is the planning. With the expectation of large expansions of hog production in the province, many municipalities are looking at zoning by-laws, planning districts. Many municipalities are not doing anything. Is there any direction being given by the government to municipalities at the present time that they should be doing their zoning by-laws and doing some planning, because I think it would be a good idea. If you do planning, things go much more smoothly. If you do not do planning, you end up running into difficulties. I am looking to the minister to see what direction his department is giving to municipalities. As I understand it, about a third of the municipalities at the present time have their zoning by-laws done and the balance do not. So where is the department going on this? Is there encouragement to have the zoning by-laws done?

Mr. Derkach: Mr. Chairman, this is an important issue. Planning districts were not that important in times when there was not a lot of economic activity occurring in the rural part of the province, but now with everything just booming, municipalities are finding

themselves in a position where they have to make decisions, and they are realizing the importance of planning districts. As a matter of fact, we just approved a planning district this week, but there are at least eight or nine areas of the province that are now looking very seriously and pursuing the development of a planning district and development plans.

Now this take some time; you cannot do it overnight. We have redirected staff to work with municipalities who are looking at development plans. We are trying to streamline the process as well, and when I say we are trying to streamline the process, it means that we are trying to make sure that some of the things that we have been doing in the past that take five or six weeks, and when they are straightforward, can be done in less time, and this will help municipalities to make decisions, as well.

* (1120)

So there is an extremely significant amount of work going on in the whole area of development plans and planning districts. We are also working with municipalities who have development plans who need to have them revised and upgraded, and there is a process that is in place to review those and to make sure that they are current and upgraded and meet the needs of the community.

So there is a lot of sensitivity about how development is taking place in some communities, not in all but in some. We, as a province, want to make sure that indeed we are not moving ahead with development in areas that are sensitive or areas that perhaps cannot sustain a particular activity. So we are working with municipalities as closely as we possibly can. We are working with individual companies, as well.

We are trying to make sure that information, that communication is out there correctly so that people who are looking at development know that if you enter into a process early before you begin construction, it is far easier for you to get a development project in place, rather than starting the project and then having to go through a whole series of hurdles before you can continue or before you can conclude the project.

So there is a lot of activity out there. We do have staff who have been redirected to work in areas where

there is a lot of activity, and I would have to say that, together, we are certainly achieving some accomplishments right now.

Ms. Wowchuk: As the development in rural Manitoba can take place in any part of the province, it is important that we have development plans, that municipalities take this challenge. I would like to ask the minister whether the Department of Rural Development can say you must do a plan, or whether it is just encouragement, and if you do not have the ability to say that you must do a development plan, what steps can you take to ensure that we do not have conflicts and that the development that takes place over the next few years is sustainable and does not result in the conflicts that we have seen in some parts of the province, because there has been conflict because of lack of planning.

What direction—if you cannot say you must do a development plan, what steps is the department taking to encourage municipalities to do some forward thinking in this respect?

Mr. Derkach: Mr. Chairman, through UMM and through MAUM and through many of the regional meetings that occur throughout the province, whether they are mayors' and reeves' meetings or whether they are the regional meetings, we have staff there almost—I should not say almost—we have staff at every one of those types of meetings to ensure that municipalities know that this, in fact, is what we are encouraging as a province. We always have been, but in many instances municipalities were not interested. This is not something that we can force down the throats of municipalities. It is something that we want to encourage them to do, and we would work with them in partnership.

As municipalities see what is happening in terms of rapid growth, rapid expansion and development, they see the need to organize how their communities are going to grow, and they see the need for business plans, development plans, planning districts. We also have a committee that is looking at this whole issue. It is not just a single window, if you like, because there are many areas that one has to look at. You have to look at such things as guidelines for how development occurs, guidelines on how you—for example, manure guidelines

in the hog industry have now been strengthened. So all of those areas have to be looked at. In terms of land use, I can tell the member that municipalities today are much, much more aware than they were even two years ago about the need for proper land-use policies.

We have provincial land-use policies that are in place and give guidance to municipalities. Where there are no development plans, they use our provincial policies to ensure that there are the proper kinds of issues looked at before development goes ahead.

In most instances, I would have to say that there is more emotional feedback on development than there is factual feedback from communities. So we have to work with communities as well and make sure that they understand some of the procedures that have to be undertaken in order for development to go ahead. It is a communication effort as well. I would indicate to the member that everything possible is being done to work with municipalities as a partnership in approaching development in the province.

Ms. Wowchuk: Can the minister indicate whether or not there is adequate staff within the Department of Rural Development to do this planning, or is it going to require bringing outside people in to help with this planning, and are there any plans to bring in additional people on staff to ensure that we can do long-range planning and there are enough people there to work along with municipalities and also with communities?

I have been out and talked to a lot of people who feel that there just is not enough information out there. They seem to feel the departments are willing to work with proponents of proposals, but the people who have concerns about water and manure spreading and all of those things, there is not enough information. But basically my concern is with the planning and whether or not there is adequate staff and how the minister is proposing to deal with this.

Mr. Derkach: Mr. Chairman, today there are many more private companies who do this kind of work for municipalities than there have been in the past. We have consultants who have, I guess, developed companies who have expertise in doing development plans for municipalities. As the member knows, these are areas that are paid for by municipalities, not

something that government takes responsibility for for municipalities. So we have a group of individual companies who are now working in rural Manitoba with municipalities, along with our staff.

In addition to that, we feel that the staffing levels that we have are adequate for the co-ordination and for the work that we have been doing in the past. We feel that municipalities should be beginning to rely on the expertise of the companies that are out there who have the ability to do the kind of work that has traditionally been done by the government because it was done on such a limited basis. It was all, if you like, a very learning experience, but today we are in a different mode, and I think that there are companies out there who can certainly be of significant assistance in this area. We are giving that information to municipalities.

* (1130)

About a month ago, there was a planning conference held for the western side of the province, because as the member knows, that is where we have fewer planning districts, and it was attended—I forget what the numbers were, but there was a large number of people at this conference who were eager to learn more about planning.

Information is available and it is at the offices of the municipalities, but it is up to their administrations to really lead their councillors, if you like, and to make sure that their councillors have the information at hand, but the information is available. We continue to provide it and make it available to anyone who needs it and wants it.

I was very encouraged by the numbers of people who actually were at this conference. I know there were well over a hundred, but I am not sure what the specific number was.

Ms. Wowchuk: Was that particular conference sponsored by the Department of Rural Development?

Mr. Derkach: The conference was a joint conference sponsored jointly by the department as well as the planning consultants association, I think that is what they are called. I may be wrong about the specific title, but it is the association that deals with the planners,

who in conjunction with our department put this conference on. We had our staff at the conference, and they certainly contributed to it.

Ms. Wowchuk: I just want to say to the minister that I believe this is one of the most important areas that we have work to do on within the Department of Rural Development. I encourage him to, if necessary, communicate with councils, and if you cannot give them the direction to do some planning, point out to them the importance of it, so that we do not run into problems further down the road. We look forward to seeing the results and hopefully more planning districts developing over the next year in this province.

I want to go onto another area. The minister talked about the rural forum which is going into its sixth year, and I just want to ask the minister how does the funding for this forum take place? Is it funded by strictly the Department of Rural Development, or is it funded by various departments? On an annual basis what does the Department of Rural Department put forward towards this forum?

Mr. Derkach: Mr. Chairman, later on I will be happy to distribute copies of the brochure for the rural forum. I do not have enough with me, right now. Originally the forum, as the member knows, was an initiative that arose out of a meeting with the Community Newspapers Association in Neepawa, and for the first while it was funded by the department. As the forum grew we began to reach out to private companies, organizations to help us with the sponsorship side of the forum. We began making sure that appropriate fees were being charged, as much as you could, so slowly we have been growing in terms of the sponsorship of the conference. Right now, I believe—I do not know the number of partners we have, but I think it is—[interjection] Twenty-five, I am told, partners that assist us in putting this event on. It has been growing, so as the conference grows the costs become somewhat higher, but also our contributions from private companies, agencies and organizations are more significant today than they were in the past. As a matter of fact, this year I am really quite encouraged by the number of companies who have come forward and have offered to sponsor various sections of the forum. I think that is positive, and I am hoping that we continue in that direction where more of the conference

is sponsored by private companies, rather than by government.

Ms. Wowchuk: Mr. Chairman, various government departments participate in the conference. I am wondering if the minister can provide, at some point, a list of the—or whether anybody documents this—various government departments that participate and the number of staff from various departments that take part in the conference, and also if he could tell me whether or not there are costs to the forum that are paid for by other departments. I am looking for some understanding—the minister indicates that the Department of Rural Development does not pay as much money towards the conference as it did before. A bigger portion of the cost is being paid by the private sector, and that is good—but I am looking for a breakdown of how many people from various departments participate and what the cost would be to the other departments to sponsor the forum.

Mr. Derkach: Well, Mr. Chair, to the member, when we started the forum six years ago, it was basically one that was done by Rural Development, but because of the different areas that it involved, we reached out to other departments. They were more than willing to come in as participants, and today we have a number of departments that contribute in various forums, many through staff, many through direct contributions, whether it is a display or whether it is a section of the forum that they undertake to sponsor or various ways.

I do not have the specific numbers, and I do not even know if I can tell the member how many staff come out. This is one area that I would like to spend a moment on, because I have never seen the kind of dedication that we have now towards the forum at any point in time in my career here in the Legislature. We have staff from the department, not only my department but other departments, working a lot of overtime, and I can tell the member quite honestly they do not post all their overtime. They post very little of their overtime. They meet on weekends. They work on weekends. They work at nights. It has even gotten to the point where their spouses are coming out and participating and contributing to putting the forum on. So I guess I need to say thank you to all of those people who so generously give of their time to be part of the forum.

This is the largest trade show in western Canada now. It is not just a small event that happens in Manitoba.

Our significant partners who have as much stake in it as perhaps we do are departments like the Department of Agriculture, Manitoba Culture, Heritage, and Citizenship, Manitoba Education and Training, Manitoba Industry, Trade and Tourism, and Manitoba Northern Affairs. These are the larger participants and contributors to the forum, but indeed there are other departments as well. For example, Natural Resources has a significant presence there. Department of Environment contributes by their presence there in making sure that they have their staff there to answer questions, whether it is on hog expansion or whether it is on guidelines or whatever it is. So there is a need.

This has become a fairly broad-ranging kind of event which is participated in by many departments and their staff. I cannot say who or how many numbers there are from other departments, but I can tell you they are everyone, right from deputy ministers' level through to secretarial level and administrative level who participate and help and lend a helping hand. It has truly become a very, very encouraging event, if I can use that term.

I do have an extra copy, Mr. Chair. As a matter of fact, I will send two copies over for now, and I can deliver more later. These are just the brochures.

Ms. Wowchuk: Then I believe that what I am looking for is not available. Basically, the minister says it is a good event. I agree with him. I know many students participate, and I know that the students from my area, from the Swan Valley School Division, have been very successful in the competition. I look forward to their success in this year's competition. They have done very well there. I have talked to other students who have been to the event and found it very informative.

But what I am looking for is a summary, and perhaps at some point the minister can—when this forum is over, it might be worthwhile to just review the number of hours, roughly, that are required to participate in it, the number of staff that it has required. The Minister of Highways (Mr. Findlay) indicated earlier or asked whether I was on some kind of a witch hunt. That is not what I am after at all. What I am looking for is

really what kind of involvement, what kind of staff hours. It is a good event. We would want to look at how we could improve it. So I am quite interested in looking at the amount of time people have to put into it, and then you can do some weighing on it. That is what I am looking for.

* (1140)

So I guess I would ask the minister if at some point after this Rural Forum is over whether he might be able to have his staff do a summary of what the costs are of the forum from the various departments, and then evaluate. It is fair to evaluate anything that goes on to compare the costs and benefits of it and just see how much work is in it. I wonder whether the minister might consider such a project.

Mr. Derkach: Mr. Chairman, I would almost hate to ask the staff to start keeping the amount of time they spend on this. We could probably tell the member what the regular time, if you like, of a day is spent on the forum, but I would have to say that some of the key staff who are involved in the forum, not just from our department but from others, spend as much, if not more, time of their own, in overtime, which is not paid for, which they do not necessarily log. They do not keep the amount of time they work. As an example, I asked for a briefing and an update on the forum a couple of weeks ago or a week ago, and it was late at night before I could get there. Staff were patient to wait there until such time that I got there. We spent, I would say, until one o'clock in the morning going through the various areas of the forum, and I know that the next morning they all had commitments, early, to be at events. This is the kind of commitment that you see from that staff, or from the staff people at work, and I have to emphasize it is not just my department. It is staff from other departments.

In addition to that, we have people from the private sector who are coming forward after working hours and are contributing this kind of time, so it would be very difficult for me to try and guesstimate the number of hours that are put in by people both from government and from the private sector. I am not trying to avoid the question or avoid the exercise but I just do not know how we would ever get an accurate amount of time that was spent on the forum. The member knows, because

she has been there, that this is a co-operative effort that takes the work of many, many people and many, many hours.

Ms. Wowchuk: Then I would ask, I am sure after an event such as this there must be a review. Various people who have been involved in it must do a review on the successes and failures of the event, and I am sure during that time they must look at whether too much time was spent on it. Would the minister then be prepared after this event is over in this year to share with us a critique of the event, or does his staff do a critique of the event and look at where it could be improved or whether there are any downfalls to the event that can be improved on?

Mr. Derkach: Mr. Chair, I guess since we became involved in Rural Forum, and as I said, this is the sixth one, there has been an evaluation done after each and every one of the forums. The evaluations include my participation and involvement in terms of looking at the successes and what perhaps needed to be changed and what new opportunities were required as a result of feedback that we get.

We do get feedback from the participants and from people who attend the event, and each year there has been, I guess, a demand for more things and for expansion of the program. The member might know that this year we have added the northern component because we feel that northern communities need to be involved. As a matter of fact, from the Western Premiers' meeting there was a directive given to us who are involved in this area to ensure that northern communities are in fact worked with and that there is some activity that is embarked on to include northern communities in economic development.

So this year's forum has a special feature for northern communities, and I might add that we have already received 60 registrations from the Northwest Territories for this year's forum, first time ever, and those participants are from all over the Northwest Territories including the future capital of the new Nunavut Territory being Iqaluit. We also have northern communities who are coming out significantly this year.

The member mentioned students. At this point in time, it is the highest registration we have ever had of

students. We have a significant number of students coming from northern Manitoba. We also have the international component, because there has been a request by countries outside of Canada to come to the event. It is not something that we initiated. It is something that people picked up from brochures or heard about and they are inquiring. They are wanting to ensure that they either share some of their success stories or they want to come and look at our success stories and take them back with them as well.

So we do an evaluation after every event. We include our partners. We include the people who work at the forum. We include the people who exhibit at the forum in doing an evaluation so that there is input for future forums as well. I do not know how we would measure what the advantages are of holding a forum as compared to not holding it. I think it is an expected event now by rural communities to be able to come together once a year to share their successes, to show how they can grow, and to take part in the—and although this is not emphasized a lot, the very important part of the forum are the seminars that take place during the three days. There are a number of seminars that are being delivered that have arisen out of the comments and out of the consultations we have had with partners and with people who participate in the forum.

* (1150)

So we try to tailor the forum to the needs that have been expressed by communities and to ensure that we actually meet their objectives and their hopes and their desires.

Ms. Wowchuk: I thank the minister for that information. I want to say that I am very pleased that northern communities are becoming so involved in this, because I believe a good part of our future is in the North. We have to look at growth in the North for tourism, and we have a lot of activity in northern Manitoba that is not recognized. I hope that if this is successful we might consider changing the name of the forum to a rural and northern forum, so people from northern Manitoba recognize that they are an important part of the province.

Quite often people from the North feel that, oh, you talk about rural Manitoba and you talk about urban

centres but the North is neglected—although they play a very important part in the economy. So as a suggestion, I suggest to the minister to consider that, to open that door or recognize the North a little more in this forum. One of the things that comes along with coming from northern Manitoba is the expense of travel and registration.

Of course, as the minister knows, many places in northern Manitoba do not have the funds. So could the minister indicate as part of this whether there is any pool of money that is available for transportation or how do we address ensuring that people from northern Manitoba have the ability to participate? People that are coming from the Northwest Territories and internationally, of course, if they are coming, they are going to have the funds to come. I am more concerned for people from northern Manitoban, people from our aboriginal communities. Has the minister and his department recognized this as a possible problem, and have you looked at ways to address this to ensure that there are not barriers there for those people that want to participate in this forum?

Mr. Derkach: Mr. Chair, with respect to the northern communities, the member is quite right. It is a very important part of our province and an important part of the forum. That is why we have a special emphasis on the northern component this year.

The Minister of Northern Affairs (Mr. Newman) is going to be opening up the sessions that involve the northern communities event. The member might know that I have the responsibility for the MOU that has been signed between the Northwest Territories and Manitoba. Earlier this year, I led a delegation, along with my colleague the Minister of Northern Affairs to the Northwest Territories where we took 23-or-some-odd businesses with us to the Northwest Territories to try and promote our province to them, to allow them to know that we do care about them, that they are an important part of us, that the business that we have been doing with them has been valued.

We had, as a matter of fact, the new CEO of the OmniTRAX people with us, a variety of businesses, significant businesses in Manitoba who were with us. We were received royally, and I think, as a result of that, they felt an attachment to Manitoba. They told us

that directly. They feel that Manitoba is a part of them, and they want to be participants in the activities that occur in our province. So, as a result of that, I think we have the 60-odd registrations now that are coming from the Northwest Territories.

In addition to that, I have to relate a story that came to us just recently from a northern community where students were challenged to raise enough money to pay their transportation to the forum. We were told that it was not a small figure; it was somewhere in the neighbourhood of \$14,000, as I understand it. We were told that they had already met their challenge and raised the money. So those are the kinds of good-news stories that you hear with people coming together, pooling their resources, and affording to come. We do provide for accommodation when they do come to Brandon. We make sure that there is accommodation for them. It is not always in a hotel, because, as the member knows, we cannot accommodate everyone.

I would have to say that the Minister of Northern Affairs and his department have been most co-operative. They are doing some sponsoring of targeted, I guess, groups or individuals whom they see as important to being at the forum. So those kinds of initiatives are ongoing, and we continue to work with them to make sure that people from northern Manitoba have access to the forum. We have always had participation from northern Manitoba at the forum. It has not been as significant or, as I guess, at the level that it is this year. This year we decided to make the northern part of it an emphasis, so we are getting a lot more response to that.

We have also reached out to the city of Winnipeg, to the Winnipeg Chamber of Commerce. We have talked to the restaurant association. We have talked to a variety of people in Winnipeg. Red River Exhibition is a partner this year. So we are trying to reach out to all corners of the province to make sure that we have a fairly broad participation at the forum from anyone who is interested, anyone who has some, I guess, desire to be there.

We work with the northern round table. The Minister of Northern Affairs (Mr. Newman) has certainly been a promoter with the northern round table to make sure that everyone in northern Manitoba is aware of the forum and aware that there is a special component of it.

With regard to the name, that is something that we have not addressed to this point in time, but there is nothing wrong with that. There is nothing wrong with making this a broader type of event than it has been.

Ms. Wowchuk: Mr. Chairman, another important component of our population in rural and northern and urban centres of Manitoba is our First Nations communities, and I want to ask the minister whether at any time First Nations have participated in any way in this forum and whether any attempt has been made to reach into that community to be part of this.

Mr. Derkach: As a matter of fact, Mr. Chairman, we have included First Nations in events at the forum. If the member had an opportunity to see the video last year, there were aboriginal people featured, and companies featured in the video. We had entertainers, performers at the forum who were aboriginal First

Nations people, and we had an exhibitor as well, but I cannot tell the member the name at this time. So, yes indeed, we do reach out. We certainly would like to see even more participation in that regard.

The department's round table process is now working with communities in the Northwest Territories, and encouraging them to form round tables, and through the Minister of Northern Affairs (Mr. Newman), who has responsibility in that area, we are encouraging as much participation from the aboriginal community as we can.

Mr. Chairperson: The hour being 12 noon, pursuant to the rules, I am interrupting the proceedings of the Committee of Supply with the understanding that the Speaker will resume the Chair at 1:30 p.m. today and that after Routine Proceedings the Committee of Supply will resume consideration of the Estimates. Thank you.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 9, 1998

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