



Third Session - Thirty-Seventh Legislature

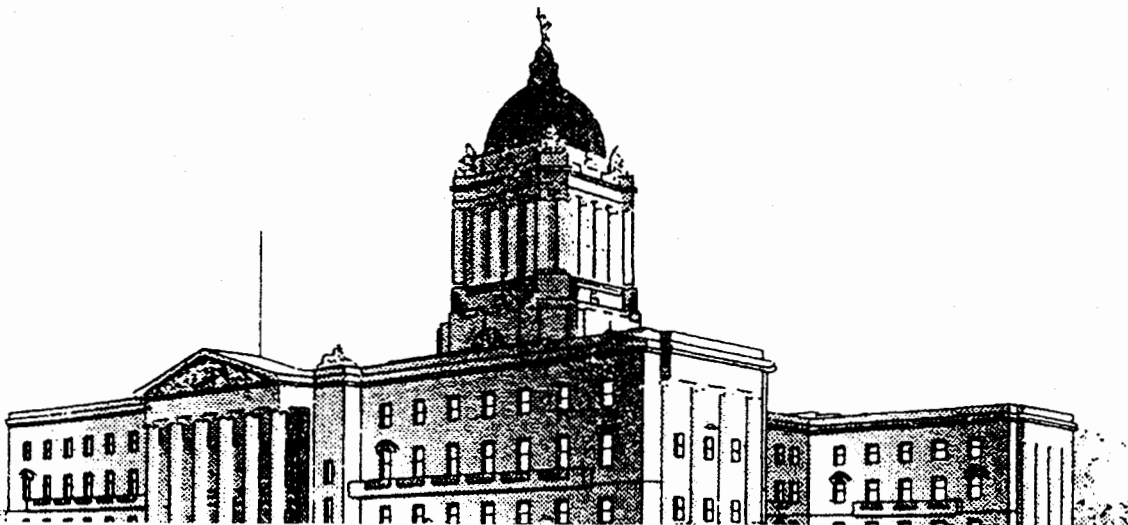
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Thirty-Seventh Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, August 6, 2002

The House met at 10 a.m.

PRAYERS

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Finance (Mr. Selinger), that the House resolve into a Committee of Supply.

Motion agreed to.

COMMITTEE OF SUPPLY (Concurrent Sections)

SENIORS DIRECTORATE

Mr. Chairperson (Harry Schellenberg): Good morning. Will the Committee of Supply please come to order? This section of the Committee of Supply will be considering the Estimates of the Seniors Directorate.

Does the honourable Minister responsible for the Seniors Directorate have an opening statement?

Hon. Diane McGifford (Minister responsible for Seniors): Yes, Mr. Chair.

Mr. Chairperson: The floor is yours.

Ms. McGifford: As Minister responsible for Seniors, I am pleased to present the 2002-2003 Budget Estimates for the Seniors Directorate.

The current and future needs of seniors are of great importance to this Government and to all Manitobans. Seniors interests, lifestyle, social and personal needs vary greatly, and the Seniors Directorate has been exceptionally active this past year creating an improved strategy to meet many of those needs.

The number of seniors is steadily increasing in our country. They currently represent 13.7

percent of our population. Manitoba has the second highest per capita population of seniors in all of Canada, and it is estimated that 225 000 Manitobans will be age 65 and over by the year 2021. It is also predicted that by the same year the number of people aged 55 and older will make up 33 percent or one-third of our Manitoba population. Last year, 2001, 22 percent of all Manitobans were aged 55 and older. What these numbers tell us is that the profile of seniors is changing and it is necessary to plan for the future as well as the current needs of our aging population.

Today, seniors are generally healthier than previous generations. Health and well-being are determined by a broad range of interconnected factors. For seniors, the determinants of healthy aging come into play before and during the seniors years. They include factors such as gender, income and education, as well as personal health practices, social interaction and the ability to develop coping skills. On the whole, people are living longer and are better off financially than previous generations. Having said that, I also have to point out the older seniors are, the more likely they are to be women, less affluent, live alone and have health-related problems.

The aging of our population has significant implications for all government programs and policies. Across Canada, governments are questioning their readiness to adapt to an aging population. Some of the challenges are the sustainability of health care, pension and income supplement programs. In addition, the full participation of seniors in society and the incidence and prevalence of elder abuse continue to be national concerns.

Here in Manitoba, we are committed to providing strong provincial leadership and addressing these issues through the activities of Manitoba Seniors Directorate. The directorate itself is undergoing considerable change. We have welcomed a new executive director and staff, and have begun a process to determine

how we can best serve seniors in our province and meet the challenges ahead. The directorate staff and I have been working together closely to review programs and services and develop a broader, more effective seniors strategy for Manitoba. To assist us in this task, the directorate has consulted with seniors and seniors organizations in Winnipeg and in rural and northern Manitoba. The goal of the consultations was to ensure the directorate is in a good position to provide leadership and to work effectively with government departments to address key issues such as housing, safety and security, care giving, transportation and health care.

The directorate also commissioned a series of consultations by the University of Manitoba's Centre on Aging to help determine seniors priorities. The information from these consultations will help guide government policy and our provincial-wide strategy as we enhance our service to seniors. The final report identified four priority areas for action. They are: consultation with seniors about roles and priorities; enhanced involvement in rural and northern Manitoba; increased awareness about the Seniors Directorate; and development of a provincial strategy to address the challenges of an aging population.

In response to the report and in keeping with related planning initiatives, the Seniors Directorate will provide strong leadership in developing strategies to enhance planning for an aging population. This will include bringing key government and community stakeholders to the table to discuss such topics as transportation, older drivers, housing, income security, health and wellness to identify issues and co-ordinate actions. We are aware of the need to develop new approaches to policy and programs, and the need to involve community organizations. So we are getting our own house in order.

I am pleased with the progress we are making and the changes that have already occurred in the Manitoba Seniors Directorate as it prepares for the future. I want to point out that the Seniors Directorate is not working in isolation. Our staff consultations are out in the seniors community, keeping abreast of the issues important to this segment of our population.

As well, the Manitoba Council on Aging is an invaluable partner and source of information. With its new members and new chairperson, the council is doing some exciting work and helping us to understand how we can do a better job of planning for seniors. We look to the council to advise Government on how to make our policies and programs more beneficial to the seniors we serve. Council members are eager to solicit the views of Manitoba seniors because their views are important to us.

We are also working closely with our federal, provincial and territorial counterparts on broader issues. In June, I met with other ministers responsible for seniors to discuss what each of us is doing to address the six key issues affecting seniors. They are: the sustainability of programs; support and care in the community; wellness promotion; seniors participation in society; elder abuse; and age discrimination.

* (10:10)

Fiscal sustainability of programs as the population ages is a great concern, particularly with health care and pension plans. In Manitoba, it is of significant concern to single seniors and senior women.

Support and care for seniors in the community enables them to remain in their homes and communities and is greatly affected by increased health care costs and increased demands on family and community support systems.

Manitoba has been a leader in wellness promotion for seniors. Healthy, active lifestyles enhance the quality of seniors' lives while reducing demands for costly health and social services.

Healthy lifestyles also include participation of seniors in society. Many seniors participate in volunteer work, physical and social activities, and spend time with their own families. Others face challenges such as physical impairment, social isolation and lack of culturally sensitive programs and services.

As I mentioned earlier, elder abuse continues to concern all of us. Too many seniors, and even one is too many, are vulnerable to and suffer from neglect as well as physical, emotional and financial abuse. Along with abuse, our

seniors are also vulnerable to age discrimination in our youth-oriented society. Discrimination undermines the value of our older people and denies society the benefits of a wealth of wisdom and experience.

These are the issues upon which we are building our Manitoba strategy. They were also the main topics for discussion at the ministers' meeting in June. By getting together periodically, ministers can share their own solutions to these challenges, learn from each other and also combine efforts.

I do not want to give the impression that all the work we do is dedicated to solving the challenges we will face some time in the distant future. We are also addressing the needs of today's seniors. As an example, I was pleased to announce the launch of a new Internet site earlier this spring, the Seniors Resource Network. It is supported by Community Connections, an \$11-million joint federal-provincial initiative. The new site is a gateway to information for Manitoba seniors. Information is integral to the quality of life for seniors, and we are committed to developing public Internet access sites around the province to provide seniors with a more efficient link to both government and community-based programs.

The Seniors Directorate recognizes that the needs and interests of seniors vary from region to region across Manitoba. To ensure government programs and services are responsible to those needs and interests, Seniors Directorate staff will undertake an ongoing program of consultations with regional staff of government departments, regional health authorities and seniors organizations. Currently, the Seniors Directorate works directly with government departments and agencies to create an environment that allows Manitoba seniors to enjoy a high quality of life by improving their health, independence and well-being.

For instance, the directorate is working with Manitoba Justice, the RCMP and the Winnipeg Police Service on security and safety issues; with Manitoba Health and RHAs on better access to the support services to the seniors grant program; with the federal government, Manitoba Finance and other provincial departments on the eligibility of seniors for a guaranteed income

supplement and those who are not receiving it; with working groups addressing transportation, housing and increased opportunities for physical activity and with Consumer and Corporate Affairs to monitor and develop programs and legislation to protect vulnerable seniors from scams and fraud.

We are also working with the Recreation and Wellness Promotion Branch and other departments to promote wellness and healthy aging among seniors. Wellness covers such matters as healthy active living, which involves exercise, recreation and active involvement in the community to the best of your ability. We are also working to promote awareness of the value of active lifestyles and volunteerism as ways to enhance health, contribute to the community and connect with people to reduce isolation.

Because elder abuse is such an important concern, our Government is also embarking on a multidisciplinary approach to addressing elder abuse in Manitoba. It will include the creation of community response networks or teams that will respond to incidences of physical, emotional and physical abuse and neglect. My department's elder abuse initiative which was started as a pilot program in 1999 is now a permanent program within the directorate. Two staff years associated with the initiative will be converted to permanent staff years to provide ongoing leadership for the initiative.

Another key Seniors Directorate initiative is connecting Manitoba seniors, their families and the agencies that serve them with the information they need about programs and services. To this end, the Seniors Directorate maintains an active program of publications and resource material development, continues to operate the Seniors Information Line and regularly updates the Seniors Directorate Web site.

We are currently in the process of making available publications about falls and their prevention. As well, we are distributing a series of fact sheets on technology and aging. This resource addresses many of the challenges and opportunities created as technology continues to challenge all of our lives. I am also very pleased to inform you that the Manitoba Council on Aging has just released the 10th edition of the

Manitoba Seniors' Guide. It is an invaluable directory of seniors programs and services across the province.

In closing, I want you to know that I appreciate this opportunity to restate my commitment to all Manitoba seniors and to describe our present and future directions on seniors services. I believe we are already making a difference in the lives of seniors and that our new strategy has us well positioned to meet the challenges now and in the future. Thank you, Mr. Chair.

Mr. Chairperson: We thank the Minister responsible for the Seniors Directorate. Does the Official Opposition critic, the honourable Member for Southdale, have an opening statement?

Mr. Jack Reimer (Southdale): I want to thank the minister for her opening statements. Indeed, the department has been busy and has covered an awful lot of areas that I was going to question in the sense as to what is happening.

I think that as a former minister in this particular area, this is one of the, if you want to call it, more enjoyable portfolios to have because of the fact that you have the chance to visit so many different seniors centres, seniors resource centres and seniors groups.

I think that you always come away from those meetings or events with a sense of optimism and wonder, actually, as to how the seniors have got into the lifestyle of various activities, of education, of recreation, of self-improvement and self-reliance and a sense of working with each other for the betterment of their particular organization. It was always very gratifying to go to these events and functions because the independence of seniors comes through very, very strongly as to their involvement with their particular association, whether it is here in Winnipeg or in the rural areas.

I noticed the minister mentioned the rural and northern areas where I believe there has been a little bit more emphasis put on by the Government in regard to consultation, and that is good. I think it is worthy of note that these times are changing. As the minister mentioned, the number of seniors that are coming into the population not only throughout Canada but

indeed here in Manitoba is something that government will have to take readily into account when they are looking at their legislation, their laws, their implementation, the overlap.

I know that the minister mentioned a lot of interdepartmental workings and groups that are in the formative stages. I would recommend a very close involvement with that because it is very, very important because of the tremendous overlap, whether we are talking about Health or Justice or other areas of Consumer and Corporate Affairs in dealing with seniors, because there is a certain vulnerability there.

The ability for a resource for the seniors to tap into or the availability of a structure or a system where the seniors can get information or help or even guidance with regard to some of the situations that are prevailing is something that I think has to be looked at very, very seriously by not only this Government but all governments here in Canada, Manitoba in particular, because, as was mentioned, we do have a very, very high proportion of seniors, and the demands and concerns are something that is going to be very, very paramount in government decisions. We seem to throw it a lot of times into the Health Department, but I think the more that you keep seniors out of the health system and in an active living environment, involvement, whether it is some of the organizations such as Creative Retirement or Age and Opportunity, MSOS, all these areas add to the quality of life that will keep the seniors active and keep them out of the health system to a degree.

So it is something that we as government, when we were in government, recognized, the importance of the Seniors Directorate and the ability to make decisions and to influence government and to be at the Cabinet table. It has continued with this Government which is something that I feel had to happen. It is something that I think, with the department's emphasis, will hopefully have better results.

I do have a few questions on the various parts in the Estimates, so with those few words I will turn it back to the Chair.

* (10:20)

Mr. Chairperson: We thank the critic from the Official Opposition for those comments.

We invite the minister's staff to join her at the table and we ask the minister to please introduce the staff who are present. Madam Minister, will you please introduce your staff.

Ms. McGifford: Thank you, Mr. Chair, and I thank the member for his remarks.

Present today are Jim Hamilton who is the executive director of the Seniors Directorate, Susan Crichton who is the elder abuse consultant and Sharon Bond who is also a consultant.

Mr. Chairperson: We will now proceed to line 1. Seniors Directorate (a) Salaries and Employee Benefits \$473,500, on page 130 of the main Estimates book. Shall the item pass?

Mr. Reimer: Maybe as a suggestion, if the minister is agreeable, we will just have some open questions and then we can pass the whole book at the end, instead of going line by line. There are so few areas in here that really pertain to things that are on a line-to-line basis.

Mr. Chairperson: Is there agreement to have a global discussion?

Ms. McGifford: Yes, Mr. Chair.

Mr. Chairperson: There is agreement to have a global discussion, and we will give the floor to the Member for Southdale.

Mr. Reimer: The one area that I would like to ask a few questions on and the minister mentioned it in her opening statements is in regard to the Elder Abuse line that has been set up. I noticed in the organization charts the dedication to two people regarding the elder abuse co-ordinator. I would like to get a little information.

With the Elder Abuse hotline that was set up, could you give me an indication as to the amount of calls that are coming in on the Elder Abuse line, say over the last year?

Ms. McGifford: Mr. Chair, my information is that for 2000-2001, we had 105 calls and then the past year, 2001-2002 it had gone up to 169 calls, so there was a 60% increase. We do not

attribute that to a 60% increase in abuse but just to the fact that more people are aware of the line and therefore more people are using the line.

Mr. Reimer: Of the calls that came in, was there a majority or was there a percentage that needed immediate follow up into a situation that had to be resolved, or were a lot of the calls in regard to information that was dispensed?

Ms. McGifford: Mr. Chair, I am told the majority of the calls were third-party calls, actually, in other words, not made by the party, him or herself, but by a third party who was soliciting information for referral, et cetera, although there were some calls that were of an emergency or of a more urgent nature. So we received both of them, but the majority are the third-party calls.

Mr. Reimer: Would the majority of these calls come from people that had seniors or relatives or relations in seniors homes or PCHs, personal care homes, and it was possibly a relative that was phoning on behalf of their parent or their relative?

Ms. McGifford: I am told that the majority of the calls are actually concerned seniors who are living in the community and that the callers tend to be either family or else health care personnel, for example, home care people, and that most calls that are related to seniors living in personal care come through the personal care complaint line. So that line is in Health, yes.

Mr. Reimer: So the numbers, I believe, that the minister gave me, about 169, that was the 2001 season, I believe. So they were mostly people who were phoning about the people in the community.

Ms. McGifford: Mr. Chair, 169 calls in 2001-2002, most of those calls tended to be concerned seniors. The vast majority of the calls tended to concern seniors who were living in the community. Most of those calls were third-party calls, and that third party was often a family member or a health care person, for example, a home care person. The seniors living in personal care homes, those calls, if there were complaints, would go on the personal care complaint line which is associated with Health.

Mr. Reimer: Maybe you could just walk me through the process. If a call is received from a third party, what action or where is the implementation directed to for a correction of the problem?

Ms. McGifford: Well, it is an interesting question, Mr. Chair, because it certainly was under discussion at the ministerial meetings, as the member opposite knows, because I think we had a brief discussion in the Legislature on it. In some provinces, and I think P.E.I. is one of them, if an individual is aware of abuse, then that individual is required to report it, but here we have a bit of a different arrangement.

So if a third party calls us, we can provide that third party with information, but we do not phone up the senior who may be involved. We wait for the senior to call us, and then, if the senior does call us, we would set up that senior with, for example, information about the Age and Opportunity program or if it were in rural Manitoba, with the individuals who provide services in the rural communities.

I think what the member is getting at is how interventionist are we. Our current way of behaving is to treat the senior as a responsible adult so the kind of reporting mechanism that exists with abused children, for example, does not exist with abused seniors.

* (10:30)

Mr. Reimer: It brings up an interesting topic of conversation. We could talk on it a little bit longer, but I believe the minister mentioned the relationship or the correlation between child abuse and elder abuse. I know there are laws in place in regard to the governance of child abuse. At the ministers' conference was there a direction or did the minister feel that there was an indication that other provinces were looking at some sort of legislative changes in regard to the provision or the whole area of elder abuse in regard to how it might be handled in various other provinces?

Ms. McGifford: At the meeting, ministers jointly decided to fund an analysis that would go forward and examine seniors abuse and the ways of responding in all provinces, including an analysis of legislative frameworks in various

provinces and then report back to the ministers at the next meeting so that we can make more informed decisions. At this time, we are not prepared to introduce legislation. We think this report is extremely helpful, and we need to look at it.

Mr. Reimer: I thank the minister for the information. It is something that is becoming more prevalent in its occurrence in regard to elder abuse in all areas. Sometimes we feel that elder abuse is associated with physical abuse but a lot of times it is the other areas in regard to financial abuse and just the quality of life that the elder has been put through because of circumstances. The awareness is something that has to be brought forth on a very concentrated effort, not only by the Government but through this department in regard to information that is available so that there is a resource. I am not criticizing the Government, but like anything, it is the awareness that will make people realize that there is a problem there and then that resolves itself into a solution.

I have just a few other questions. The Manitoba Council on Aging, firstly, I would like to congratulate the chairperson, Mr. Murray Smith, on his receiving the Order of Manitoba just the other day. His involvement with the various areas and his resources as an author is something that was recognized. I am sure his contribution to the Manitoba Council on Aging has been invaluable, so I would like to congratulate him on his award.

Could the minister give me an update as to the members on the board and the composition of the board and, possibly, even the areas that they come from?

Ms. McGifford: I thank the member for his kind comments with regard to Murray Smith. I will certainly pass them along and concur that he is a very worthy recipient of the Order of Manitoba.

I would like to tell the member that, of course, like all governments, we are seeking a balance in this board. We want to have a balance that reflects the diversity of the province, certainly, male, female, geographically speaking, and also the different groups in our province. Currently, we have nine members from Winnipeg and six members from rural and northern

Manitoba. If the member would like me to go through the individuals, I could do that as well.

Mr. Reimer: Yes, if the minister would not mind reading them into Hansard, then I would have a record of who they are and where they are from.

Ms. McGifford: We have Mr. John Gano, from Winnipeg; Ms. Bernice Marmel, from Winnipeg; Mr. Archie Orlikow, Winnipeg; Ms. Eleanor Spencer, Hemlock Drive—maybe I will dispense with the titles—France Lemay, St. Boniface; René Toupin, from East St. Paul; Norma Drosdowech, from Winnipeg; Paul Hagen, Springstein, Manitoba; Jeanette Niven, Minitonas, Manitoba; Louis Bernardin, Ste. Anne; Augustine Abraham, St. Boniface; Joseph Slomiany, from Brandon; Virginia Maracle, Winnipeg; Raoul McKay, Winnipeg.

I might add that the two members, Virginia Maracle and Raoul McKay, are Aboriginal. We felt it was extremely important, not only to have Aboriginal representation on this board, but not to have on a single member, but a kind of a critical mass so that those issues could be paid attention to. Also, we have, I think, one, two, three, four Franco-Manitobans for the same reason.

Mr. Reimer: Thank you very much for the information. From time to time, I know, when I was minister, there was a lobby for a separate Seniors Directorate, in a sense, for the Franco-phone community. Has there been any movement towards that looking at that particular set-up?

Ms. McGifford: Well, there was some lobbying initially, but we have addressed that issue by including four Franco-Manitobans on the board. So I think there is a sense that, with that number, the issues are heard, and it appears, at this time, people are happy with the arrangement.

Mr. Reimer: Mr. Chairperson, I just have a couple more questions, and I guess that involves the expenditures. It is in regard to the line in the Seniors Directorate appropriation book. It is on page 14, and it is in the Other Expenditures. I am just noticing that we had talked earlier about how it is important to get the message out, if you want to call it, for various sectors of the Seniors

Directorate, and we talked a bit about elders abuse, but I noticed the Communications expenditures are down by over \$20,000. Is there any particular reason why they would be down from almost \$88,000, down to \$62,000?

In looking at the glossary, in regard to Communications, it covers a lot of the areas that we talked about in a sense of letting people know about programming and advertising and program promotion. Was there possibly maybe one or two areas that affected that?

Ms. McGifford: Other than a tough Budget and a government which wants to respond to the exigencies of the time, I might point out that there was a reduction because two publications, *Questions to Ask Your Doctor* and *Pharmacist and Elder Care and You*, will now be paid for by Manitoba Health.

There has also been a reduction in discretionary spending as far as telecommunications, postal service and printing of publications.

Mr. Reimer: I am ready to pass the Estimates.

Mr. Chairperson: We will move to page 130 of the main Estimates book.

24.1. Seniors Directorate (a) Salaries and Employee Benefits \$473,500—pass; (b) Other Expenditures \$249,700—pass.

Resolution 24.1. RESOLVED that there be granted to Her Majesty a sum not exceeding \$723,200 for Seniors Directorate, Seniors Directorate, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

* (10:40)

Mr. Chairperson: We will move on to 24.2. Amortization and Other Costs Related to Capital Assets (a) Desktop Services (1) Amortization Expense—Hardware and Transition \$8,200—pass; (2) Amortization Expense—Enterprise Software \$1,500—pass; (3) Enterprise Software Licenses \$2,500—pass.

2.(b) Amortization Expense \$3,600—pass.

Resolution 24.2. RESOLVED that there be granted to Her Majesty a sum not exceeding \$15,800 for Seniors Directorate, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

Mr. Chairperson: That concludes the Estimates of the Seniors Directorate. Shall we briefly recess in order for the minister and the critic to prepare for the continuation of the Estimates for the Department of Health? [*Agreed*]

The committee recessed at 10:41 a.m.

The committee resumed at 10:52 a.m.

HEALTH

Mr. Chairperson (Harry Schellenberg): Good morning. Will the Committee of Supply please come to order?

This morning, this section of the Committee of Supply meeting in Room 254 will be considering the Estimates of the Department of Health. It has been previously agreed to have a global discussion of all areas and then proceed to line-by-line consideration, with the proviso that if a line has been passed, leave will be granted to members of the Opposition to ask questions in passed areas.

The floor is now open for questions.

Mrs. Myrna Driedger (Charleswood): Mr. Chairperson, in doing some research over the weekend and looking at the annual statistics from 1999-2000, there was a page in the report that indicated that in the year 1998-1999 we had 12 cardiovascular surgeons in Manitoba. Then in 1999-2000, it dropped to 9, and then this year it has dropped to 5.

I know the minister had given some indication that he was perhaps going to look at those numbers, but just for clarification, for his benefit, I did find that in a report over the weekend. It certainly leaves me with some probably accelerated concern about the issue of

the cardiac surgery program if we have dropped from 1998-99 from 12 surgeons and we are now sitting at 5.

I do not want to belabour this issue anymore because we have been through it, but I would like to ask the minister, with the addition of this information now, if he has asked for a full written review and report of the program. Is he concerned enough to do that, and has he given any consideration, if he is not interested in having an internal written review and report from the WRHA, if he has considered a third-party reviewer from another province, for example, a doctor coming in and looking at the cardiac surgery program and making recommendations on it, so that we can feel confident that we have a program that is not going to lead to some further problems down the road.

Hon. David Chomiak (Minister of Health): Can the member reference which report she is referring to? Is she referring to the annual statistics of the Department of Health? The member is indicating she is referring to the annual statistics of the Department of Health 1999-2000 for the record. I thank the member for pointing that out.

I think I outlined to the member during the course of discussion last week when we were canvassing this issue that we are in the midst of the rebuilding of a cardiac program, a program that had some grave difficulties in the past. What the WRHA in conjunction with the Department of Health was doing was reinvigorating and rebuilding a cardiac program that had seemed to sway back and forth. I probably do not need to go back to the history of the cardiac program with the member to outline the information regarding it. We are in the midst, in the very probably middle of a program that was announced about a year and a half ago in conjunction with the WRHA, an \$18-million cardiac enhancement program, which is a rebuilding of a program that had difficulties in the past and a restructuring of a program to take us into the future.

Part of the problem, I think, with the member isolating the question to the number of surgeons is suggesting that because there are X number of surgeons a program requires a total re-evaluation or that the program is in crisis. I

know the member did not say that. I think it is unfair to the program and unfair to the surgeons and unfair to the way the program is being developed, particularly in light of the fact that we have recently come through a very difficult process with a particular cardiac surgeon of which there was an independent, third-party review that looked at the circumstances of that particular surgeon.

Part of the difficulty that I face in dealing with this issue is there are all kinds of ramifications and issues still swirling about with respect to that particular surgeon and the issues surrounding that particular surgeon. Talking in general about the program, let me just cite an example. Right now we are developing the catheterization units that we are developing too at St. Boniface. Temporarily right now the catheterization lab is closed at Health Sciences Centre. Well, why is it closed? Is it closed because of a shortage? Is it closed because of a difficulty in the program? No. It is closed because we are putting in place an enhanced program. We are putting in place a bi-plane component for the catheterization machine that makes it more functional and provides a wider variety of services. That is part of the development of a program.

The WRHA, WHA preceding that, Department of Health preceding that, went through a long and complicated process of reviewing the program in the mid-nineties. The member had referenced the Bell-Wade report, which talked about the establishment of one clinical program and two sites. There is a disagreement between the member's interpretation and my interpretation, but I think the general direction of Wade-Bell was one program. We will leave the number of sites to discussions of a different nature.

We also knew with respect to our cardiac program that there was a whole series of initiatives that required enhancement, rehab, et cetera, and all of that is built into our ongoing cardiac program. We also require upgraded facilities which we are developing.

* (11:00)

The number of cardiac surgeons at this point, I am advised by the WRHA, is of a sufficient number to undertake the work that is

available to them here in Manitoba. It is always tricky.

It is always tricky. I have been criticized by the Member for River Heights (Mr. Gerrard) for the neurosurgery program. We have more neurosurgeons now than we did previously, but because we do not have one subspecialty of a neurosurgery program, we have been open to criticism for not having the subspecialty. In this case, in the case of the neurosurgery program, we literally have more neurosurgeons than we did in the past.

In the case of the cardiac program, it is true that we had more cardiac surgeons in the past doing between them a number of surgeries which has been relatively stable, within several hundred, for a period of time, and I am speaking in generalities, within relative numbers, several hundred, over a period of time. We have now surgeons who divide up the volume.

It is an interesting issue and I have asked the WRHA and others whether or not it is of their view that at this point we have a sufficient number of cardiac surgeons, and at this point we are able to function quite effectively with the cardiac surgeons that we have.

If there are difficulties at this point with respect to our cardiac program, it is concerning a number of issues that are illustrated in the recent report that was done for the WRHA by Deloitte & Touche that dealt with the issues regarding ICUs, CICUs and step-down units across the system, and the availability of particular types of nurses to staff those kinds of units. That appears to be the most significant difficulty we have had.

That is not new. About a year and a half ago, I indicated in an article in the *Winnipeg Free Press* that we were facing a difficulty in critical care nurses and in the ICU units—and I speak of ICU and critical care as a generic and general term—and we would be facing it for some time as we develop and train and educate more nurses.

So the particular issue with respect to the number of cardiac surgeons I think I have already dealt with.

Mrs. Driedger: Could the minister give an indication, there has been more information over the

last few days about the Deloitte & Touche report. Can he give an indication as to whether or not that report cost \$600,000 or \$700,000?

Mr. Chomiak: I am advised that it cost \$600,000.

Mrs. Driedger: Would the minister be prepared to check with his staff, because the documents that we had leaked to us indicated that the report was set at \$700,000, and I am wondering if the minister might within the next day or so be able to confirm whether it actually is \$600,000 or \$700,000?

I know that there had been media reports earlier that it was \$600,000. Certainly in the leaked documents that came my way it indicated \$700,000, and I wondered if the minister would be prepared to check into that.

Mr. Chomiak: The member talks about the term "leaked." The document that the member had and gave six or seven pages to the media and which contained inaccurate information in terms of the final report was provided to all the participants and was widely distributed throughout the process.

I do not know if the member is aware, but most of the union representatives, most of the management representatives were participants in that process. They all had copies of the report. It was widely circulated with respect to the document. I have already indicated that the member did cite publicly several interpretations of the material from her draft copy that was not accurate with respect to the final copy.

Mrs. Driedger: Can the minister indicate whether he would be prepared to look at whether or not the amount of the report was actually \$600,000 or \$700,000?

Mr. Chomiak: Yes.

Mrs. Driedger: I thank the minister for that undertaking. Could the minister be more specific in terms of his comments that the draft recommendations that I had received he is indicating contained inaccurate information. Could the minister be more specific exactly about what was inaccurate in the information? The information obviously came from people within the

health care system. It was not my draft recommendations. It was several pages, 80 pages, I believe, in that vicinity. It was sent to me. Based on all of the information that came, it certainly had some credibility behind it. All I can do is take what information has come forward like that and look at the information and go by the interpretation that seems quite obvious.

The minister has indicated, though, that the draft recommendations that were put together for the information of all of the people meeting and looking at these recommendations, he is saying that some of the information is inaccurate. I wonder if he could be more specific.

Mr. Chomiak: The information, two things, first off, the member leaked, and I quote that, to the media only a few pages of the draft report. That is the first point. The second point, said a number of conclusions publicly that were inaccurate interpretations of the report. There are two specific examples that I am giving to the member.

Mrs. Driedger: The minister's comments were that a few pages were given out. That is true. Out of the 77 pages, I was only handing out to the media those pages that I was referencing in Question Period that day. I did not hand out all of the pages, all 77 pages, which, by the way, have the Deloitte & Touche logo on every single page. I would really wonder why the minister is indicating that there was inaccurate information when it certainly appears that from the information I have and Deloitte & Touche logo on the top right-hand side of every page that, in fact, this seems to be a pretty credible report.

For the minister to say that there is an inaccurate interpretation I find a little bit odd, because I am reading directly off the pages that Deloitte & Touche had something to do with the preparation of. In fact, the information that I was asking the minister that particular day was actually confirmation of some of the information that was on the document.

In fact, at the bottom of page 54 of the draft recommendations, the question that had been posed to the minister was whether or not he could confirm that the potential impact of the proposed changes to the patient care units across the region is 180 EFTs and that came directly off

one of the pages that, obviously, Deloitte & Touche had something to do in preparing, and now he is saying that is an inaccurate interpretation. I was not interpreting anything. I was asking him to confirm, in fact, that the potential impact of the proposed changes to the patient care units across the regions is the loss of 180 EFTs as indicated in these draft recommendations that were circulating amongst the WRHA for comments from people. Certainly, this was not a number I pulled out of the air. It indicates that there will be a loss of staff if, in fact, all of these recommendations are accepted by the minister.

So could the minister explain how he sees this as inaccurate interpretation when the only questions that were posed to him that day in Question Period was whether or not he could confirm that, in fact, there were 180 EFT positions that were going to be lost if he accepted the recommendations of the report?

* (11:10)

Mr. Chomiak: Mr. Chairperson, first off, the member, from what I can see, is not looking at a draft report. In fact, the member is looking at a presentation that was presented on overheads of a so-called leaked report that was widely distributed and provided to a wide variety of people. First off, the member is looking at a series of overhead presentations that were made to the report.

Secondly, it was not I that ran out to the media and provided them with a couple of pages from that report and said that hundreds of nurses would be losing their jobs as a result of that particular report. I believe if the member looks at her comments in the media, in particular, and I have looked at her comments in the media, I think that she would find that she misinterpreted the report.

Mrs. Driedger: Mr. Chairperson, with all due respect to the minister, that is a pretty lame response to the question. If he is going to indicate that there was an inaccurate interpretation of the information, I think he is going to need to be much more specific. He is certainly having an opportunity to do that right now because, according to the draft recommendations, the summary of it that was

circulating, and it was via a PowerPoint presentation, there were 77 pages. This was a presentation that was being made to all the staff across the system, so that people could understand what the Deloitte & Touche draft recommendations were and have an understanding of the various aspects that had been looked at during the review, and it was an opportunity to inform them.

As part of that PowerPoint presentation, there are a number of areas in the report where it indicates certainly loss of positions within the system. I am just asking the minister, I guess, for him to put accurate information on the record right now. If he wants to say that the 180 EFT positions somehow are not on there, that the loss of those are not recommended, then he certainly has an opportunity to do that right now, but, certainly, if you look at all of the tables and the various numbers on here, it is quite clear that there is an indication of loss of positions in the system if the proposed changes are accepted. So the minister certainly has an opportunity right now.

If he is going to dispute that, I mean, it is disputing Deloitte & Touche more than it is disputing me because it is part of their review. I will give the minister the opportunity to indicate what his interpretation of that particular statement is in the document.

Mr. Chomiak: Mr. Chairperson, well, I am glad the member has admitted now that she did not have a draft report, that what she provided was a PowerPoint presentation. That is the first acknowledgement, and I appreciate the fact that the member has acknowledged that she did not even have a draft report but had a draft PowerPoint presentation that she provided to the media in which she wrongly interpreted some of the data. So do I understand that correctly?

Mrs. Driedger: The minister can certainly get back on the merry-go-round, but gee, Mr. Chairperson, after we have been on it so many times last week I would expect that we could have gotten past that point and gotten to the point where we have a desire for accountability and some transparency to be put forward in this discussion. I mean, if the minister wants to play games, fine. Certainly the media, in talking to Doctor Postl, have a clear indication of what was put forward. If the minister wants to continue to

play word games and skate around this issue, it is certainly his credibility on the line, but certainly the report is pretty clear, the draft recommendations are pretty clear that there is a consideration of the loss of 180 EFTs.

If the minister wants me to go through the draft recommendations page by page, seeing as we are sitting till midnight tonight, I certainly can do that and we can get into a lot of the specifics of that. If he wants me to talk about all of the numbers and all of the concerns of critical care nurses and the morale of the nurses and the angry nurses, we can get into all of that. Certainly, there are a number of times within the pages where it talks about the reduction of EFTs, and if the minister wants to continue to play games around this issue, I suppose he can do that, but it is his credibility on the line as far as I am concerned. You know, if he is going to run around and say there is an inaccurate interpretation, here is his opportunity then to put forward what he sees as his accurate interpretation. I do not think that is too much to ask of the Minister of Health.

Mr. Chomiak: Mr. Chairperson, I will cite page 120 of the Deloitte & Touche report that indicates if the Government decided to reallocate, move around, shift, move from one place to another nurses, a maximum of 43 would be displaced. That is 43 EFTs, which is somewhat different than the hundreds of positions the member talked about publicly losing their positions.

I sense a divergence of opinion between what the member said and what the report says. Let me quote from the report, page 120: Changes in RN EFTs 43.3, 43.3 RN EFTS; changes in LPN EFTs, plus 3.5, page 120, and that, Mr. Chairperson, is a reallocation.

If the member reads the rest of the report, it talks about putting in place all kinds of resources. It would utilize nurses. In some places, nurses' positions would go up, not cited by the member opposite. I do not want to go on the merry-go-round either. The member opposite said several hundred, 400 to 600, positions would be lost, publicly, inaccurate, in my view, in the view of the report, in black and white, not accurate.

Mrs. Driedger: If the minister had been listening very carefully, he would have heard me talking about nursing staff. When I spoke and I speak on this issue, I have indicated with the media and at any time I have spoken to him, and perhaps because he has not been in the health care profession he would not understand that nursing staff also includes health care aides. I have been very clear with the media when I talked about 180 EFTs. It was the combined positions of RNs, LPNs and health care aides. In fact, a hundred health care aides would be lost from med surg. I am very well aware that 43.3 RNs are what would be lost, in total, from the system. Interesting he only said there would be a gain of three LPNs. In fact, this report says eight. So I guess we will say that there could be discrepancy in there.

* (11:20)

I have been very careful to indicate that I am talking about nursing staff. When we talk nursing staff in health care, the staff that come under the Department of Nursing is not just nurses; it is health care aides. I was very specific with that for the media. So perhaps it is the minister's lack of understanding of that that maybe has got his interpretation a little bit skewed, but I am quite well aware that there is a net loss of 43 registered nurses, because there certainly is a movement of nurses around the system. It is interesting that the minister has indicated that those 43 registered nurses would be allocated. I would think it is just as important to look at the 144 net loss of health care aides as being reallocated, too, but, in actuality, that reallocation cannot take place, as we found out in the mid-nineties, unless the staff actually are laid off and then have to reapply for a job because, according to the union contract clauses, you cannot move from one job to another without a layoff.

If the minister wants to play word games about page 120, if the Government decides to reallocate them, the fact of it is, by the union clauses, according to what happened to our government in the 1990s, that reallocation has to actually occur through a layoff and a reapplying for that new job. Is the minister not aware of that?

Mr. Chomiak: Mr. Chairperson, I do not normally react to this, but I should just tell the

member I do not think she should presume that I have not been in the health care field. I think it is a bit presumptuous, and I do not think it is accurate. If the member wants to talk about it, I am quite happy to talk about it. So it is a bit presumptuous of the member to talk about her experience in nursing and assume that no one else has had any kind of experience in the health care system. So I just point that out.

Secondly, I have got the transcript of what the member said publicly. The member talked about 180 full-time but 400 to 600 part-time. It could be any number, quote. That is the member. I do not think any rationalization at this point can change the fact that that is what was made. That was the assumption made by the member, and that was what the member released publicly and what the member talked about publicly, and that was not accurate. Page 120 indicates that is not accurate. Again, it is one of these issues that keeps coming at us. I suggest the member was wrong. The member suggests that she was not wrong. The member suggests that I am playing word games.

The fact is that we have a report in front of us with a number of recommendations. I have said there will not be layoffs. We are not going to let people go out of the system. It gets us to a salient point. Another favourite topic of the member is what happened in the 1990s, albeit that the member, in her opening statement, said she did not want to look back. She said, let us look forward. I am trying not to look back. I will only look back, generally, when the member opens the door to the backward looking.

I am not going to go back and recast what happened in the mid-1990s when hundreds and hundreds of nurses lost their positions, when nurses had to go to the States and other provinces, when nurses had to rally here, unemployed nurses rallied at the Legislature. Why do I know that? I was with them. I rallied with them to find positions here at the Legislature, not just here at the Legislature, but at other sites. I have a touch of experience in this area, as well, with respect to working with nurses in this regard in the actual mid-1990s. Now, I agree with the member. We could argue until midnight about those numbers. I am choosing to cease at that point.

I want to get on to the next point that was raised by the member. The member talked about am I familiar with the terms of a contract. We negotiated a new collective agreement with the nurses over the Easter weekend. It was endorsed and ratified by the nurses. We did it with a fair amount, as I said at the time, of respect from both sides. It was not acrimonious. It was bargaining. That happens in collective bargaining. We managed to settle with the nurses without job action, with the nurses feeling that they have got a relatively good deal, with us feeling that we got a relatively good deal.

I am relatively familiar with the clauses of the contract. I am also familiar with what the government of the 1990s had to do to move nurses around the system. I am aware of the layoffs. I am aware of the firings. I am telling the member from Charleswood that there are different ways of dealing with health care that do not necessitate confrontation and that there are different ways of dealing with health care workers and professionals that can result in change taking place and assisting them in the process.

Mrs. Driedger: Certainly, the minister is well aware that a lot of the staff we have in our health care system are working part time, so it is not a stretch to think that, when you have 180 EFTs, equivalent full-time positions, and we know that two-thirds of our nursing staff are part-time, and we know that health care aids, a lot of them are part-time, it is not a stretch to think that 180 EFTs could end up being a significant number more of part-time positions. That is not a stretch.

Despite his promise in the election that he was going to hire more full-time nurses, we know, in fact, that nothing has happened in that area at all, and he has, in fact, failed to keep that promise that two-thirds of our nursing workforce, for instance, are certainly still part-time.

The minister indicates that he negotiated a new contract and there are different ways to deal with health care workers. Is he stating that if he were to take these 180 EFT positions, 43 of them being registered nurses, 144 of them being health care aides, is he indicating that in that new contract there is an opportunity for moving staff without a layoff?

Mr. Chomiak: What I am telling the member is that there are ways to resolve issues without confrontation. I know the member is familiar with what happened in the 1990s. It does not necessarily have to happen that way in Manitoba. I also point out to the member that part of the collective agreement we negotiated was a joint memorandum of understanding to work not against but with the nurses to deal with the issue of full-time, part-time. Now, I know it might seem a novel concept, but the idea is to work with the nurses themselves, to work with them, to listen to their recommendations and work with them to solve that issue, because it is an issue that is of a complex and varied nature.

We felt, as part of the collective bargaining process, that we would work with the nurses. We had agreement with the nurses to work together with them to deal with the issue of full-time, part-time, far better than doing nothing, far better than imposing rather than negotiating with them. I daresay, Mr. Chairperson, that we are going to have our differences and there will be differences and part of the collective bargaining process necessitates that there is differences, but that does not mean that there has to be confrontation every single time one wants to do something within the system or change something within the system. There is ability to work within the system. I suggest that we negotiated a collective agreement with the nurses. We also negotiated a joint memorandum of understanding with the nurses with respect to full-time, part-time. We can work with the nurses to resolve and deal with that issue.

* (11:30)

Now, having said that, I point out to the member that on our workforce task force that we established about a year and a half ago and reported, the majority of nurses who responded to our survey did not want full-time work. That has not slowed our efforts, but I point that out to the member that nurses, the majority who responded to our survey said they did not want, were not seeking full-time work.

It is a complex issue. It is not a one-sound-bite issue. That is why we decided when we set up our joint task force with the nurses that we would work with them. That is why they signed on the dotted line with us to solve this problem. I

would expect that, since the member occasionally cites the MNU in the Legislature, the member would recognize that working with nurses is far preferable to confrontation.

I should also point out there is another point I think that has to be taken into consideration. That is the demographic factor as it affects all of our workforces and our workplace across the system. Certainly, statistics show us, and I believe, if memory serves me correctly, the average age of the average nurse, I think, is something in the vicinity of 47 years old. Insofar as that is the case, we are looking at a significant shift in workforce and work patterns as a result of the demographic change. That suggests different kinds of workloads and different kinds of tasks.

I have sat down and talked with nurses about that very in depth with respect to how work gets allocated, what gets allocated, et cetera. For example, just talking about that issue, if there is a nurse, for example, who has been nursing for a long time, and we know the burnout factor is very high, maybe they do not want a full-time job. Maybe the younger person wants a full-time job because they have come out and maybe there is a training factor.

There is a whole variety of factors that enter into this that we are looking at, Mr. Chairperson, so I suggest to the member to say black and white layoffs is not doing service to the workers or doing service to the nurses or doing service to us, who are able to negotiate. There are ways other than confrontation of dealing with these issues. We did manage to negotiate a memorandum of understanding with the nurses with respect to full-time, part-time. I suggest that we are going to continue to work with them in this and other matters.

Mrs. Driedger: I find it somewhat ironic that the minister is saying it does not do service to the nurses to talk about layoffs. It certainly did not stop the minister from making incredible hay and play incredible politics around the issue of a thousand nurses. So he certainly changed his tune a lot on that one.

But the minister did not answer the question. I think it is a very relevant question, because if we are looking at the movement of 180 EFTs,

and he has said that a new contract was set up and there are different ways to deal with health care workers, is he indicating that these 180 people, if they are all full-time, who will obviously lose that job and move into another job, is there another mechanism now within the union contract that allows for that movement without layoffs?

Mr. Chomiak: First off, it is not obvious that they are going to lose the job. It is a report to the WRHA. Let me say it again. It is not obvious they are going to lose a job. It is a report to the WRHA.

Point two, Mr. Chairperson, this is where I have difficulty with the member's interpretation. We have concluded a collective agreement with the MNU, of which their component of layoffs is 43.3 RNs, 43.3 EFTs with the Nurses' Union. We are in the process of seeing ratification right now with CUPE and other unions concerning collective agreements. So we do not have a new collective agreement yet with most of the support personnel. So that is part of the problem.

With the member taking a little bit of the information, extrapolating, drawing a conclusion, and I am not saying this critically, one has to be careful of the words and the methodology one uses. Making blanket statements about 180 individuals as part of a collective agreement is inaccurate. There are several collective agreements, many collective agreements in play, not just one. The member has extrapolated.

We are talking about 43.3 possible, maybe optional positions of nurses that deal with a collective agreement recently concluded. We are still facing ratification of about 10 000 health care workers with respect to CUPE, and we are still negotiating with other unions, MGEU, UFCW and others, concerning other collective agreements. So I cannot make a blanket statement that the member wants me to make. I cannot do it. Not only is it logically inconsistent, it is factually inaccurate.

If the member wants to talk about the collective agreement with the nurses that we recently concluded, and the 43.3 positions with respect to RNs, because there is a plus three with

respect to LPNs, and those possible developments, I say to the member there are all kinds of solutions that are available. For example, just let me cite maybe 43 nurses will retire in the next two or three years, Mr. Chairperson. That is possible. I daresay that is likely. Maybe we can negotiate something. Is that possible? Not everything has to be done via confrontation. There are a variety of options available to us.

So, to sum up, we have concluded a collective agreement with the nurses. There are clauses in the nurses' contract consistent with most clauses across the health care system. The CUPE support workers are in the process of ratifying a collective agreement. The other support worker unions are in the process of negotiating collective agreements. I cannot answer the member's question, because the member's question suggests that all of this is wrapped up in one big package, and it is not. It is a series of collective agreements. It is different job categories.

I emphasize that because the member, when she was on radio, said we are talking about the loss of 4600 part-time. That is a lot of positions the member talked about. I daresay the member upset a lot of nurses who were concerned that that could actually be happening or even suggest it, and it was not. Page 120 makes it very clear. So I just advise the member that I think I have more than adequately answered her question.

Mrs. Driedger: Well, it seems to me from the minister's answer or really lack of one through this that it very likely could be the same scenario of the nineties, where there is no other way except for layoffs to move people around the system, that maybe mobility agreements have not been put in place and that, in fact, we may still see the same scenario that we are moving 180 equivalent full-time positions.

The minister certainly knows full well that with the huge part-time workforce in health care that those 180 EFTs could easily amount to a lot more part-time. It certainly appears that we could be in the same situation of the nineties where layoffs do have to occur. It is true, there could be just a natural attrition rate in there too, with retirements. We know that certainly according to the union numbers there are about 1500

nurses ready to retire. So certainly that makes sense.

The minister has not indicated whether or not he is going to accept the recommendations that would lead to this change in EFTs in the system. So he may not even accept the recommendations which he has not given any indication yet whether he will or not.

There certainly are a lot of factors in here. The minister has not responded to the questions as to whether or not he is going to accept those recommendations. So, in fact, he very well may not. The 180 positions may not disappear from the system, but certainly with the Deloitte & Touche recommendations and the review, they certainly have indicated that if their recommendations are accepted there will be an impact on positions.

Can the minister tell us why nurses refused to participate in this particular review? Certainly they appear to be the only union that was not on the steering committee. Could the minister give us some indication as to why they refused to sit on the steering committee?

Mr. Chomiak: It is in the report. I think the member can see it in the report as to why.

Mrs. Driedger: Would the minister table the final report?

Mr. Chomiak: Well, Mr. Chairperson, we can certainly provide copies of the final report.

Mrs. Driedger: Well, I thank the minister for that. When I had tried earlier by FOI to get the report, I was denied a copy of the report. So I do appreciate the fact that he is willing to table a full copy of the report for me to read.

Is the minister aware that the Manitoba Nurses' Union has indicated that there are a thousand nurses working two part-time jobs to get full-time? He indicated that through his review on the Nursing Worklife Task Force there were a lot of nurses who want to work part time. That is true, there a lot that do, but there are also some that do want full-time work, and the Manitoba Nurses' Union has indicated that there are a thousand nurses working two jobs, which I

cannot even begin to imagine how you can juggle your life like that, but a thousand of them struggling with two jobs to try to get full-time work.

Is the minister aware of that number?

Mr. Chomiak: Again, this where I have a problem with the member's interpretation of the facts. The member FOI'd, I think, a report that was not completed. The report was only recently completed. So to leave the impression that we were not providing a report as a result of an FOI is inaccurate, and the member then went out and provided copies of spreadsheets that were provided for the report and said this was a report, and that was a draft report. I think it was even on there: draft. So to leave the implication that we would not provide FOI is not fair.

* (11:40)

Point of Order

Mr. Chairperson: On a point of order, the honourable Member for Charleswood.

Mrs. Driedger: When I did indicate at the time I brought this up, I indicated it was draft recommendations I was dealing with. Certainly, the FOI did not give me any reason why it was refusing my request.

Mr. Chairperson: On the same point of order, the honourable Minister of Health.

Mr. Chomiak: Yes, Mr. Chairperson. I think it is an interpretation of the facts, but I might add that the member has got hundreds and hundreds and hundreds of pages of FOI, has leaked some of it, has found some of it, handed out some of it, has not handed out others of it, has got hundreds of pages, and we extended FOI to institutions, something that did not happen when the members opposite were government. So for the member now to criticize that is not providing a draft report that was widely circulated amongst the whole bunch of individuals, I think, is not fair.

Mr. Chairperson: On the point or order raised, there is no point of order. It is a dispute of the facts.

* * *

Mr. Chairperson: The honourable Minister of Health, you have the floor now.

Mr. Chomiak: I want to continue my response with respect to the fact that if the member did read the report, there is indication clearly on there as to the participation of the MNU with respect to this particular report. Again, I just want to point out the MNU who only had on there total positions if accepted, recommended reallocation, not lay off, not deferring, the total 43 positions, not the 400 to 600 the member talked about publicly. So I just want to make that clear. As I indicated to the member opposite, we negotiated with the Nurses' Union a joint memorandum of understanding between the Province, the health authority and the union to deal with the issue of full-time, part-time. That is a first. That is a recognition that we are working with the nurses, not against the nurses, but in conjunction with them, listening to them, hearing their advice and dealing with the issue of full-time, part-time.

There are more positions created, there are more positions in Manitoba, there are more expanded programs, Mr. Chairperson, for nursing in Manitoba, and while the member indicates we have not done as well as full-time, part-time, that is one of the reasons (a) we had a task force with a number of recommendations of which we have implemented numerous, and (b) that is why in negotiations we did several things. We recognized difficulty. We increased the standby pay to nurses to the highest in the country. Why did we do that? Because nurses were telling us on standby that they did not want to or it was more difficult to be on-call or on-standby for those very serious occasions that we needed nurses. So we did that deliberately in the negotiations to have more nurses available when we needed nurses available.

We also recognized that in full-time, part-time we had to make progress. I note the Mazankowski report—the member might want to review it and I am prepared to provide a copy—indicates that the full-time, part-time in Alberta where the nurses' wages are the highest is approximately at the same levels or in the same vicinity as Manitoba. That is interesting to me, Mr. Chairperson, and I think that the member ought to note that.

But we went further. We negotiated with the Nurses' Union a memorandum of understanding to work with them to deal with the issue of full-time, part-time. As I indicated in my earlier response, it is very much a complicated and a difficult issue, but one of the things we are trying to do is listen to nurses. If we mandated that all nurses have to work full time, I do not know if the member is suggesting that, but if she is suggesting that, I think there would be a real difficulty in imposing that. There is a need for flexibility. There is a need for a balance. I think the balance for us to achieve is to allow more full-time positions.

There are 300 full-time vacancies plus in Winnipeg right now. The question is how come we cannot get nurses into those full-time vacancies. Well, one of the reasons is there is a shortage. Why is there a shortage? Well, the member thinks, I do not know what the member thinks, but we know that statistically we are doubling the number of nurses in training right now from what happened a decade ago so I think that we have taken significant steps to deal with that issue, but it is full-time positions that are vacant. Full-time positions that are vacant, and the member has indicated there are some nurses that are working two positions. I know nurses that are working sometimes more than two positions, Mr. Chairperson.

We are working with the Nurses' Union to get to the bottom of that to see how we can best resolve in a win-win situation; how can we get nurses into those full-time positions where we need them, and they are crucial because they are crucial in a number of areas, and how can we ensure that nurses still have the flexibility that they desire and they require with respect to the nursing profession. So that is why it was a significant factor in the negotiations that occurred. That is why when we negotiated with the nurses over the period of time culminating on that Easter weekend in a collective agreement, we signed off with them. We signed on the dotted line that we will work with the nurses to determine and to assist and to work on the issue of full-time, part-time.

I know that the nurses do not want to go back to the days of the 1990s because they have told me. They have told us they do not want to go back to the dark days of the 1990s, and they

have made it very clear that that is not something that they want to go back to, nor are we willing to do that.

The member talked about recommendations in that report in her discussion and said I had not given any indication of the recommendations. How can I be more clear? The recommendations are going to the WRHA. They will make recommendations. It is a consultant's report. The member criticizes us for having long stays in hospitals. This report primarily deals with long stays in hospitals. The WRHA would not be doing its job if it did not undertake a review of the system and see where we can improve the system.

We would not be diligent in our job or appropriate if we did not look at ways we can improve the system. This is an extensive report. The member has focussed on a couple of pages, inaccurately I might say, and has not looked at the rest of the report with respect to its recommendations.

Point of Order

Mr. Chairperson: A point of order, the Member for Charleswood.

Mrs. Driedger: Mr. Chairperson, on a point of order. I think the minister has failed to put forward any proof that my interpretation was inaccurate. In fact, my interpretation of the information that was put forward is exactly as Deloitte & Touche presented it. So for the minister to put on the record that it was inaccurately interpreted, it was interpreted exactly as Deloitte & Touche put it forward.

Mr. Chairperson: On the same point of order, the honourable minister.

Mr. Chomiak: Yes, Mr. Chairperson. I think it is a dispute over the facts. Charles Adler: How many nurses? Let me get the number. How many nurses? Myrna Driedger: 180 full-time or 4 to 600 part-time. It could be any number. End of quote.

Mr. Chairperson: On the point of order raised, there is no point of order. I would like to remind all honourable members that points of order are to bring to the Chair's attention a breach of the

rules, alright, so do not use a point of order for debate. This is not a time for debate. If you wish to debate, I will recognize you, and you can speak. Thank you.

* * *

Mr. Chairperson: Honourable Minister, the floor is yours.

Mr. Chomiak: Just to go back to that point, there is a difference of opinion with respect to the member's interpretation of the information and my view of the member's interpretation of the information. In order to move this debate along, I am suggesting that it is one of these issues we are going to have to agree to disagree with respect to that particular issue, so we can continue to move this along. So I have much more to say, but I will pass it on back to the member.

* (11:50)

Mrs. Driedger: Could the minister table a copy of the MOU that was set up during the negotiations with the Manitoba Nurses' Union, the MOU that was set up to address the issue of looking at ways to create more full-time jobs in the system?

Mr. Chomiak: I think it is a public document, but I certainly will endeavor to provide a copy of that, of the MOU, to the Member for Charleswood (Mrs. Driedger).

Mrs. Driedger: Can the minister indicate if there was any time frame attached to moving things along in that regard related to the MOU?

Mr. Chomiak: I will have to review it again specifically. Just off the top, I cannot specifically remember that particular point, but I do want to point out to the member that we are working on this on a regular basis. One of the things that we did, I do not know if the member is aware, but there is a number of initiatives that we have undertaken with respect to providing nurses. If the member were to look at, I think the member will be very pleased, the last time an agency came from out of province, I believe it was from the States, to recruit nurses here, I am advised there was almost more people from the agency than there were nurses that showed up, which I

think is an excellent indicator of the impact of the collective agreement that it is having.

Now, it is still working its way through with respect to that, but there are full-time positions that are vacant as we speak. A part of the purpose of the MNU is to analyze and look at those particular factors and see what we have to do to get nurses into those positions. There is a number of initiatives that are ongoing, I might add, not just isolated to the MOU or the collective agreement, but there is a number of issues that are still ongoing with respect to the process that we are working on that have started in the past, that are continuing now and that will develop in the future that are independent of that process, as well, because we recognized, from day one, that it is our responsibility to try to move this agenda forward.

Mrs. Driedger: The question was asked of the minister the other day, and he did not answer the question. I would like to ask it again. There was a CBC radio report that indicated that there were only 75 nurses going to graduate from the diploma program, a program that had started with either 90 or a hundred students, and I had asked the minister if he could confirm that. I am wondering if he has had an opportunity to find out if, in fact, there are only 75 grads going to come out of that program.

Mr. Chomiak: Yes, I said to the member that I would look into that. As I recall last year's numbers, when I answered this question last year for the member, there were some individuals who had left the program. But, in fact, a number of LPNs had replaced those individuals. In fact, if my memory serves me correctly, there were even more in the program than we had anticipated, but I am going by memory.

As I say, we will be getting the numbers to the member with respect to the diploma program, because I know the member knows as well as I do how important training more nurses and educating more nurses is to Manitoba.

Mrs. Driedger: Was the minister aware that when I asked for a progress report on the recommendations from the Nursing Worklife Task Force his office did not have that information available, which I found a bit odd, seeing as it was a report that he had actually commissioned.

When I was looking for an update on where these recommendations were in terms of roll-out, his office did not have that information available. Does the minister actually have a progress report or a document that demonstrates whether or not these recommendations have been accepted whether or not they are taking place in terms of movement on them. Is there such a document?

Mr. Chomiak: First off, would the member clarify what she was talking about in terms of when she asked the minister's office, because that is a broad question? I do not know if the member means she asked me, whether she asked people from our department, whether she asked staff, whether she FIPPA'd, because I know there are hundreds of FIPPAs. I do not know if the member did it directly or someone from her office. I wish she would clarify.

Secondly, I am surprised the member does not know that we published a document with the recommendations from the Worklife Task Force. I am quite prepared to provide it to the member if she does not have copies of it. I think it is in both official languages. We can get a copy of that document on the Worklife Task Force that was published when we released it publicly that had looked at the recommendations and provided information with respect to the status of those recommendations.

Mrs. Driedger: Certainly, the document I have, I thought that there were some excellent recommendations in that particular document. I have gone through the document. I recognize the work that went into it and the thoughtfulness that went into it and the extensive review that the committee did in order to come up with the recommendations, the number of people that were actually interviewed.

So I did see the document. I thought a lot of the recommendations were very good. In fact, some of them were particularly outstanding. What I was trying to do, and I did do it through an FOI, was ask for an update on whether or not those recommendations had been accepted.

It was one thing to put out the report, but even in the negotiations with the nurses the MNU put out a newsletter and indicated that the Nursing Worklife Task Force was nothing but a PR experience for the Government, that it was

nothing but smoke and mirrors. They indicated on their Web site and in their documents that they were publishing that they were very disappointed at the lack of movement related to the Nursing Worklife Task Force.

I was interested to find out and get a progress report in terms of whether or not the minister has moved on this report or just accepted the report. That was what I was trying to FOI. I was trying to find out if, in fact, the union was right when they said that this was nothing more than a PR exercise, that there was no intent behind it to try to make anything better. In fact, they were quite scathing in their particular newsletter about this report.

So what I was hoping to do was to find out how many of those recommendations were accepted, how many were rejected, how many of them have been moved forward in terms of some activity on them. Just like with the Deloitte & Touche, I mean, the minister does not have to accept any recommendations. It really is up to him when a report is presented to him as to whether or not anything would be accepted.

So certainly with the Nursing Worklife Task Force, I was hoping to find out if there was some activity on some of those recommendations and if there was some—

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

EDUCATION, TRAINING AND YOUTH

* (10:10)

Madam Chairperson (Bonnie Korzeniowski): Will the Committee of Supply please come to order? This section of the Committee of Supply meeting in Room 255 will now resume consideration of the Estimates for the Department of Education, Training and Youth.

We are currently considering item 16.1 (b) Executive Support. The floor is now open for questions.

Mr. Harold Gilleshammer (Minnedosa): When last we met, I asked a question about the Grade 3 guarantee, and the minister went on at

length about the Grade 3 assessment. So maybe we will just stay on the assessment for a moment.

Could the minister indicate what changes have taken place in the Grade 3 assessment? It is one area where I have heard significant concerns raised by classroom teachers, by principals and superintendents that the Grade 3 assessment is very time-consuming, takes the teacher away from the class for a lengthy period of time to do one-on-one assessments. I am given to understand that perhaps the class was disrupted from its normal business for upwards of a month. I understand some modifications, changes, have taken place, and I am wondering if the minister can indicate what they are.

Hon. Drew Caldwell (Minister of Education, Training and Youth): The change that was implemented by the Doer government, post-September '99, in terms of the Grade 3 level was one that moved assessment protocols from the end-of-the-year standards test to an early-in-the-year assessment so that the school year could be utilized by the classroom teacher, by the parent and, I guess, most importantly by the student, to improve his or her skills. The results have shown that a significant number of students are doing very well in terms of their ability at a Grade 3 level. Results also show that smaller numbers of students faced challenges in meeting the curriculum outcomes.

The Grade 3 assessment is an important vehicle to help schools identify students' learning needs early in the school year. This was the entire purpose in eliminating the Grade 3 year-end test and putting into place an early-year assessment. The assessment will be in its third year this coming fall.

The concerns that the member raises were concerns that I also heard in the first year of the assessment. They are certainly not current. The teachers and schools, in the first year that we implemented the early-year assessment, were engaged in assisting the department refine and improve the early-year assessment. By the second year, we had a fair amount of experience under our belt as a system and had made significant changes and improvements to help facilitate ease of administration in the early-in-the-year assessment for Grade 3 students.

The changes that were made in the first year, it was clear that the assessment took too much time, not necessarily because of the assessment design, but more precisely because of the way the policy was interpreted by teachers in some school divisions in particular.

In response to this, we have had many discussions with teachers and parents on how to streamline the process. A number of changes that were made, in response to the member's question, we reduced the number of competencies to be reported. We made it clear that this was a teacher professional-based judgment process. In the first year many teachers felt that they had to put every student through a full set of assessment processes. This was not our intent. Many students do not require this because the teacher is already, after a few weeks in school, in a position to make an informed judgment without collecting still more data. For example, a teacher may be aware that a given student has good reading skills so he or she does not need to put that student through a whole series of assessment processes to ascertain that the student does have a good set of reading skills.

Our understanding, in consulting with the field, with school divisions and with teachers in particular, is that this process has worked much more effectively than it did in the first year. The second year was much more effective than the first year. It does take time to administer assessments and to undertake the assessment, but it does help the teacher learn much more about their students early in the school year and allows teachers to bring parents into the discussion about any concerns that may exist with individual students' abilities and skill sets.

It is important to note that these are not test scores for children. The assessment is designed to ascertain where a student needs some remedial assistance or some further assistance in improving his or her abilities. It is all about improving students' opportunities to succeed in the public school system and to enhance their skill levels. We have had very, very few concerns expressed to us this past year. In fact, I have not had any directed to me specifically. The department has handled the few that we have had this past year. In contrast to the first year, oftentimes, as this member will appreciate, when you undertake a fairly significant change, there is a bit of a learning curve to overcome.

We are committed in all of our endeavours in the department to work with the field and work with the best advice of educators in developing pedagogically sound processes of managing the public school system, of making the public school system more responsive to learners and more directed towards achieving educational excellence in whatever area that we are engaged in.

As teachers have become more conversant with the early-years assessment and see how it links to everyday teaching, I expect they will become steadily more comfortable with the assessment, and it will be less and less of an extraneous activity and more and more something that is just part of their everyday teaching. That has been the trend as we have moved from the first year through the second year. I expect that will continue to be the case in the third year, fourth year and fifth year as we move forward in years to come.

Parents in particular have been very appreciative and supportive of this protocol. I had, as a rookie education minister, in the first number of months after being appointed minister, literally dozens of parents approach me on the Grade 3 standards test that the previous government put in place expressing their concern, their exasperation, their outright hostility towards a process that placed upon the shoulders of Grade 3 students an end-of-year standards test. There was a lot of hostility towards that particular regime. There has been a tremendous amount of support expressed since the elimination of the Grade 3 standards test and its replacement by an early-years assessment. Parents do see the value in having a process that allows for the school year to be utilized to improve their child's skill level in terms of literacy and ability to read and so forth.

* (10:20)

I could add that one thing that the Grade 3 assessment illustrates clearly is our collaborative approach to policy, broadly speaking. Here was a case, when we made a commitment in the election campaign, but we were open to modifying how we proceeded to make sure that it was workable based upon feedback from educators and parents.

We always work closely with the field and are always ready to look at reasonable changes in our policies so that they can better work in schools, and I do find that the best advice on a daily basis that I get is the advice that I receive from those professionals who are in the classrooms of the province of Manitoba. I know that is a view shared by the department. We are very well informed by educators in the public school system. We are very well advised by educators in the public school system.

It really is a pleasure and a privilege, not only for myself, but for the senior managers and all staff in the Department of Education and Training to work collaboratively with public school teachers in our system and indeed with private school teachers in our system, for that matter. I have been very privileged to be able to have a very good working relationship with those in the independent school system, as well. We in Manitoba, Madam Chair, have a very, I think, proud record during the last few years of working together with educators, with school divisions, with all levels of education in our province, public school, post-secondary, independent, adult learning centres and so forth, a very proud record of working in a collaborative way and a collegial way with those who are in the field working on the front lines, as it were, to provide educational opportunities for Manitobans in all walks of life.

The Grade 3 assessment that will be in its, I guess, third year this coming year, is one that has seen a degree of refinement based upon the feedback of educators and school divisions. The concerns that the member raises were ones that I did hear, as well, in 2000. As we move into the 2002-2003 school year, many of those concerns, indeed, all of them, have been addressed, with the advice and the direction of educators being foremost in our thinking in terms of making these assessments more meaningful and more productive and more conducive to enhancing educational outcomes for young students in Manitoba.

Mr. Gilleshammer: Presumably, the Grade 2 teacher has done a significant evaluation of that child at the end of Grade 2, has drafted up a report for the cumulative record. What is different about the beginning of the third-year

evaluation as compared to what the Grade 2 teacher has provided for that particular student?

Mr. Caldwell: Well, evaluation by teachers is an ongoing process. I know that the member from Minnedosa, being an educator himself, does understand that testing and assessment is a day-by-day ongoing process that begins when a student enters the public school system and does not really end until that student leaves the public school system. If that student continues to go on to post-secondary education, it continues. In fact, even in the workplace, it continues. I think we are all evaluated on a daily basis and try to improve our skill sets as we go through life. So the evaluation by teachers is an ongoing process.

However, the Grade 3 assessment is primarily to assist parents in understanding how well their child is doing, what challenges the student or their child may have in terms of literacy. As early as Grade 3, it is a point where we undertake to make a formal report to parents on a set of key competencies in reading and in math. Our feedback from parents, and we have surveyed all parents of Grade 3 students in 2000-2001, was extremely positive about the assessment in that it gives parents some clearer information on the child's progress on some key competencies.

In regard to the link to Grade 2, one of the things that is happening in schools as a result of Grade 3 is that teachers are talking more across the grades and sharing information more. I know that Grade 2 teachers and Grade 4 teachers for that matter are very interested in this entire protocol in terms of how it assists them as professionals in improving students' skill sets and abilities. It is entirely helpful for Grade 3 teachers to talk to their Grade 2 colleagues about students. I think that is really a no-brainer. This is helpful in having an integrated elementary program so that the Grade 3 assessment is not so much different as a snapshot in time for parents but is something that is more integrated into a student's career, as it were, in the early years in the public school system.

Every year since this new protocol has been put in place there is more interaction in a formal as well as informal way between Grade 2 teachers, Grade 3 teachers and, indeed, I would suggest, Grade 4 teachers in assisting and in understanding the individual needs of individual

learners. I think that is a very positive thing, that teachers between grades share information and share knowledge about individual student skill sets.

Mr. Gilleshammer: How long should this assessment take with a class of 25 students?

Mr. Caldwell: As indicated in an earlier question, the process itself is one that is open to the professional judgment of teachers. It is not necessarily a separate process at all. In fact, teachers are reporting that some key skills like reading comprehension and so forth, teachers are working on these skills with kids all the time. We do rely on the professionalism of educators in the public school system. We do have confidence in the professionalism of our public school teachers in the province. Teachers may be in a position to make judgments about children's progress on these skills without doing any additional work beyond their usual daily teaching.

On the other hand, for students who are not necessarily so proficient in things like reading comprehension there may be a need for a teacher to collect more data, to engage the parents of that student on assisting in improving that student's skills, to understand exactly what the precise issues are for that individual student in his or her ability to perform at grade level. Because the Grade 3 assessment is not a separate test but rather part of a process that teachers undertake early in the school year, I cannot give a time allocation for it. It depends very much on what teachers feel they need to learn about a particular child. Again, I refer back to the professional judgment of educators.

I can say that the bulk of work being done in the assessment area should be part of the daily teaching regime and part of the daily teaching that teachers undertake in the classroom on a daily level. Madam Chair, this is not something that is imposed in addition to but something that gives a framework for understanding how well children are performing and what can be done to improve children's skill levels for those who are challenged in terms of their skill levels.

So again it is complementary to the daily classroom environment. It is complementary to the teaching environment that teachers develop in their classrooms, and it is something that is

fundamentally respectful of the professional judgment and the professionalism of educators in our public school system.

Mr. Gilleshammer: Has the minister given school divisions and, through them, the schools and teachers a specific directive on how to administer this intervention?

* (10:30)

Mr. Caldwell: Well, no, we have outlined the competencies on which teachers need to report, and we have provided some resource materials to help educators in their assessment of individual students and to help them better do the work that is required to assess the skill levels of children in the early months of their Grade 3 school year. But there is no standard format for doing the assessment. Again, this is a matter of professional judgment by teachers in schools. Our hope and belief is, as I said, that it will comprise part of what good, everyday teaching practices are. Certainly teachers are telling us that the skills for the assessment are also good teaching skills that they can use all their careers.

I, again, come back to the collaborative relationship between the department and educators in the public school system. We are, in a very real sense and in a very meaningful sense, involved in a professional partnership with educators in the public school system. Madam Chair, we are very supportive of the professionalism of teachers in our public school system. We are very grateful, I am personally very grateful to have a professional and collegial relationship with the field, and I think that the environment between the department and the public school system has changed dramatically over the last 34 months.

We do have, obviously, a great deal of work to do yet. I do not think that the work really ever ends between the department in the field and striving to improve educational outcomes and striving to support educational excellence in the public school system. But I am very privileged and proud to be part of a professional relationship between the Department of Education, Training and Youth and the public school system in respecting each other and acting in a collegial and collaborative fashion in undertaking extensive consultation, ongoing dialogue on a daily

basis with the field so that we can, both within the department and within the public school system, enhance educational opportunities, enhance educational outcomes, enhance the educational experience for young Manitobans, all with a view to developing greater educational excellence in the province of Manitoba.

Again, I want to state that teachers are telling us that the skills for the Grade 3 assessment are also good teaching skills that they can use all of the time throughout their careers. So it is not only an opportunity for students and parents to involve themselves in education and improving skills in a meaningful way, it is also an opportunity for teachers in the department, for that matter, to enhance and improve our skills and our abilities to provide for greater pedagogical success and greater pedagogical understandings in our daily work.

Mr. Gilleshammer: Is there a standardized manner in which this assessment takes place from school to school and division to division so that there is some similarity in what is happening? I am wondering if the minister could table any document which gives sort of a road map of the expectations one would have of a Grade 3 teacher.

Mr. Caldwell: Well, there is a similarity in what is reported to parents but not in how teachers go about collecting the information to do the reporting. As I indicated in an earlier question, we have outlined the competencies on which teachers need to report. We have provided some resource materials to help teachers do this work, but there is no standard format for doing the assessment. It is a matter of professional judgment exercised by teachers in schools. We do have a support document, and, if the member has not seen it, there have been some thousands of them released around the province over the last couple of years. I could certainly table that and would be pleased to do so later in the session.

Mr. Gilleshammer: What is the role of the department? Is there an oversight role the department is playing? Are there staff members assigned to this assessment project? How does this relate to the minister's office and the Department of Education? What role does the department play?

Mr. Caldwell: Well, as I indicated earlier, the aim of this assessment, in fact the aim of much of what we do in the Department of Education, Training and Youth is to improve results both for individual students, individual learners in the system as a whole. This Grade 3 assessment is a vehicle to enhance student outcomes, to report to parents about where there are concerns and allow for the teacher, the parent and the child to work together throughout the school year to put into place an educational plan to help the student enhance his or her outcomes.

The department is a partner in this certainly. We are providing professional development to schools and to teachers on how to do the assessment. We provide collecting and reporting of provincial data on the key outcomes that the assessment reviews. We provide support materials to schools and teachers related to assessing these skills, which, as I indicated a moment ago, I will table during this session. We do have staff working on this in collaboration with the public school system.

We have run quite a number of workshops for teams from school divisions throughout the province to help them understand how this can best work in their situation. There really is a strong collaboration between our curriculum staff and our assessment staff within the department to be sure the assessment is fully supportive of and integrated with the public school curriculum in the province of Manitoba. That is so the good teaching and good assessment practices can support each other fully for the benefit of the student.

* (10:40)

I think it is important to underline again that this is a vehicle to assess and enhance student outcomes for individual students certainly but also for the system as a whole. Best practices and solid data as well as collaboration and consultation go into how this assessment has evolved over the last 30, 34 months, I suppose.

Mr. Gilleshammer: Well, again, more specifically, is there a need expressed to school divisions to report anything about the assessment to the department or is in the final analysis the responsibility lodged with the school division and they just indicate to the minister, yes, the

assessments are taking place? I am just wondering what lines of communication occur between school divisions, between classrooms and teachers, school divisions and the division, with the minister's office, with the department.

Mr. Caldwell: The member may recall that in the House this session in fact there was some discussion about the 2001-2002 Provincial Report on Grade 3 Assessment in Reading, Lecture and Numeracy. We did have a discussion around this report some time in the spring. It is so long ago now. We are into August. It was some months ago in the House, the first provincial report was released. So, yes, divisions report their data on students to the department, and we provide a public report each year. I tabled that report in April.

Also, we try to bring people together from school divisions and schools, broadly speaking, on a regional and provincial level, to talk about how to do this work most effectively so that teachers can learn from their colleagues in other parts of the province. I referred to best practices in an earlier answer. This is something that is very important to us, not only in this area, but in all areas that the department is engaged in. We do seek to have an ongoing collaborative relationship and an ongoing consultation with the public school system and within the public school system.

The department has curriculum and assessment experts who can help teachers learn to do their work better. We are engaged in that on an ongoing basis. Our goal, broadly, is to strengthen teachers' skills on an ongoing basis so that it can help students at all grades, not just Grade 3.

I can provide another copy of the provincial report that was released in 2001-2002 on the Grade 3 assessment, just to provide him with better recall about this year's results. I think that this report, which I do not know if there is one or two or three series of questions early in the session, but I do know that there were a number of questions early in the session around the report. But the report does provide us with the reality in 2001-2002 and provides us with both, some encouragement about how well students are doing, but also some direction on how we can improve students' outcomes in the early

years and logically improve their ability to succeed throughout their school careers.

Mr. Gilleshammer: I am prepared to leave that area for now. I do say that there is still a concern out there with teachers and principals and superintendents with the consumption of time that this takes up. Granted there have been some changes, but it is something I think the minister and the department need to look at further.

I want to move to the Grade 6 standards test. Can you tell me what subjects are being tested and on what basis of the Grade 6 level?

Mr. Caldwell: Well, there have not been any changes to the Grade 6 assessment at all since the change in government in September 1999. Grade 6 language arts, English and French are being tested. The Grade 6 assessment remains a voluntary undertaking by school divisions. About 40 percent of the students in the province of Manitoba are participating in the Grade 6 assessment currently, but there have been no changes at all to the Grade 6 or indeed to the Senior 1 standards test since the fall of 1999. There have been a lot of discussions with the field around these standards tests. It is safe to say that they are not universally popular, but there are still a number of school divisions that undertake them.

I am quite comfortable maintaining the same sort of regime that the previous administration had for Grades 6 and 9. I think, with the Grade 3 assessment and with our protocol for school reporting of outcomes, we will have moved quite significantly beyond the degree of accountability and the degree of reporting for student outcomes that the previous administration had in place during their time in office.

Also, I think that the reporting that will take place in the fall, the outcomes will give a more holistic view of students' abilities and not just be concentrated around numeracy and literacy, but rather more on broad skills that students acquire and develop during their public school career.

I should mention that the Throne Speech this past year made a commitment to a public report on outcomes. Again, this is going some length further than was the case previous to the fall of 1999. This report on outcomes will be released

in the near future, some time this late summer or early fall. It will include data on a wide variety of indicators, on international test scores for Manitoba students, on national tests for provincial students, on provincial assessments, on school marks, on retention in grade for Manitoba students, on high school graduation rates. We believe that we need to move beyond marks, particularly marks in only two subject areas, literacy and numeracy, maths and language, as the only measure of success. We believe very strongly that it is important to look at high school completion rates, post-secondary education participation, the number of students going on to post-secondary institutions from the public school system, unemployment rates, on earnings that are available to students emerging from the public school system, on civic participation, on volunteerism, on a wide range of indicators above and beyond marks as key outcomes of public education in the province of Manitoba.

We are also expanding the school planning initiative of the previous government in working with schools to ensure that they have goals and they can measure how well they are doing in achieving these goals. As well, this information will be reported to the public. We are moving quite some ways beyond the relatively simple, end-of-year standards tests in providing the public with information on our public education system and on student outcomes and moving quite a way beyond the rather narrow standards tests in working with the public education system with educators in developing assessment protocols and outcomes reporting that is more broadly based and provides some meaningful information on a wide range of indicators and outcomes to place into context the success and challenges of the public school system.

There are real dangers in relying too much on simple, end-of-year standards test scores. We do not have to look too far in witnessing the experience in the United States, where recently a whole set of schools were declared as failing that in another context were recognized as exemplary. That is what happens when you rely on a small number of test scores to measure results as opposed to a holistic view.

* (10:50)

We think that the public education system and education generally is a very complex environment. The testing and assessment and outcomes reporting in that environment should reflect the complexity of the system. We do believe the public needs to have more information on how well schools and students are doing, but this has to be reflective of an entire range of information, not just on one or two marks at the end of Grade 6, Senior 1 and Senior 4.

Mr. Gilleshammer: At the Grade 6 level, the minister said language arts, English and French. I presume he meant math.

Mr. Caldwell: Math is Grade 9.

Mr. Gilleshammer: So, at the Grade 6 level, it is just language arts?

Mr. Caldwell: As I said, there have not been any changes in the protocol whatsoever since the Government, the Doer government, came to office in September 1999. The previous administration in Grade 6 was focussed on language arts. That continues to be the case, and at Senior 1 the same protocols are in place as we inherited in 1999, as well. The Grade 6 is focussed on language arts. Math skills are picked up in the Senior 1 standards test.

Mr. Gilleshammer: So, at the Grade 9 or Senior 1, the tests are in language arts and math. What is the participation rate there?

Mr. Caldwell: In Senior 1, the testing is just in math. In Grade 6, it is in language arts. Also, about 40 percent notionally is the participation rate. As I indicated in an earlier question, there were no changes made in terms of the Grade 6 and Senior 1 standards tests. The system that was inherited from the previous government is the system that we have in place today. The participation from schools and school divisions is voluntary, as it was previous to September 1999. The take-up rate or the participation rate is approximately 40 percent of the students participating in Grade 6. The testing is focussed on language arts, English and French, and in Senior 1, it is mathematics.

Mr. Gilleshammer: At the Senior 4 level, what are the subjects there, and what is the participation rate?

Mr. Caldwell: The Senior 4 is English language arts standards tests, the français langue première, français langue secondaire immersion standards tests, applied mathematics and consumer mathematics. The student mark at Senior 4 accounts for 30 percent of the grade, and the participation rate is every student at the Senior 4 level is expected to participate.

Mr. Gilleshammer: Does every Grade 12 Senior 4 student take some form of mathematics at this time?

Mr. Caldwell: The math at Senior 4 is a required subject to graduate, so there will be some math whether it is applied, whether it is consumer or pre-calculus, my favourite, they are expected to have a math course.

Mr. Gilleshammer: So every Grade 12 student or Senior 4 student takes a math of some description and they are all subject to a standards test.

Mr. Caldwell: Yes, that is the case, unless there has been an exemption, and as I sit here right now I cannot recall any such—[interjection] I have just been advised there are some students in modified programs that may have an exemption in this process, but there has not been any, again, change from the protocols of the administration of standards tests at Senior 4 between the two governments. The same protocols are in place. There were some changes in the marking. I have just been reflecting a little bit on my own. They called it 300 math when I was in high school. It was quite an experience for me, and I expect it is quite an experience for students in the pre-calc math today. It is not an easy subject to master.

Just coming back to the member's question, the expectation is that the students at Senior 4 will be taking these standards tests. The only caveat on that are those with modified programs or some extraordinary circumstance.

Mr. Gilleshammer: At the Grade 6 and Senior 1 level where there is 40% participation, are there in fact school divisions and schools who acquire the tests over and above that 40 percent to use them for their own purposes, or is that the sum of the number of schools that are using the test?

Mr. Caldwell: In fact, many schools and school divisions do utilize the test of their own accord and with their own, I guess, philosophy supporting the utilization of the test. Again, it comes back to, I think, the collaborative relationship between the department and the field.

While 40 percent of Manitoba students currently, in a formal way, undertake the standards tests in Grade 6 and Senior 1, many other school divisions do indeed use the material that has been developed for their own purposes and their own pedagogical uses. I think that is something that I am quite supportive of. I think any time that the department can provide resource materials that school divisions find useful, I am more than happy to have them use those materials in accord with the philosophies of those individual schools or school divisions.

Mr. Gilleshammer: Can the minister quantify the number of school divisions who are requesting the test and using it for their own purposes? Is that another 40 percent or is it 60 percent? Do you have a number?

Mr. Caldwell: It would be a relatively small number. Most of the material is used by the 40 percent that do make the standards tests mandatory in their individual divisions. There are some, I do know, but it would be a relatively small number. We could get this information and table it for the member, again, perhaps if we are coming back into Estimates, maybe as early as this afternoon.

Mr. Gilleshammer: I would appreciate that. The 40 percent that are using the Grade 6 and Senior 1 tests on a voluntary basis, do they report back to the department the results? Do they report in any way what the results of those tests are? Do they use it as part of the year-end evaluation and mark?

Mr. Caldwell: Yes, they do. Yes to all those questions.

* (11:00)

Mr. Gilleshammer: What is the percentage that they apply to a final mark then? Is that optional? Does that differ from one school division to another?

Mr. Caldwell: Again, Madam Chair, the protocols are consistent with those of the previous government. The Grade 6 English language and Grade 6 français standards test may count for up to 20 percent of the student's mark. Again, that accounts for up to 20 percent of the student's mark. A local decision is made as to what percentage is counted for the final grade. In Senior 1 mathematics the protocol is that the marks may count for up to 25 percent of the student's grade.

Mr. Gilleshammer: I think I will leave that part of it. With the marking of these tests at the Grade 6 and Senior 1, is that marked by the teacher, by a group of teachers from the division, or is that not the concern of the department? What is the marking arrangement for Grade 6 and Senior 1?

Mr. Caldwell: I will endeavour to answer this question, but, if the member has a lot of questions around assessment and marking, we do not have any staff from the assessment branch here right now. I could get staff for this afternoon to go through details.

Local marking of all tests is in place, but with provincial quality controls providing some assurances of consistency. The department does train markers, and we mark a subsample of tests from the provincial standards tests for quality control so that there is a sampling of the standards tests that we do review for quality control and consistency.

Mr. Gilleshammer: So, just to confirm it, all three levels then, it is local marking with Senior 4 as well. The division is responsible, whether they get a pool of teachers together or whether they leave it with the classroom teacher, for the evaluation, the marking of those tests.

Mr. Caldwell: Local divisions are responsible, but I do not think they are free to do whatever they want. There is some protocol that is in place.

Again, I do not have staff with me right now. I will reiterate that local marking of all tests does occur, but with provincial quality controls. That is, markers are trained, and we do mark as a department a subsample of tests

around the province for quality control and consistency.

I know in an earlier life I took part in the marking of the Senior 4 English testing. It was quite an experience to be coming into Winnipeg and being cloistered in a hotel for the better part of a week, a very expensive process too, I might add, but it was quite an experience to be part of literally hundreds of Senior 4 English teachers who gathered for a week-long period and literally worked morning, noon and night to mark the provincial standards tests for Senior 4 English. It was quite an experience actually and a very expensive one.

We do believe, as the previous government did, there has to be consistency in quality of marking of the tests. We do have in place a structure to help assure that. Again, if the member wishes, I can have staff come in this afternoon to answer some of the detailed questions he may have in this regard. I do not have anybody here from the assessment branch right now.

Mr. Gilleshammer: I just say to the minister there is really nothing new in these processes. I recall back in the fifties and sixties when I attended Erickson Collegiate, under the leadership of Rick's father as the principal there at that time, there were departmental exams that got shipped away and people were marking them. Times changed, and then there used to be local divisional committees that marked papers, always a quality control aspect put into it.

I recall being, as the minister did, marking English papers on a divisional basis and recognizing that we did have some schools within the division with a real ethnic component where English was not often the predominant language. What had become acceptable at the local level, it was very apparent that they were not achieving the same results at a divisional level. You had to sort of accommodate for the fact that they had been led to believe throughout the school year that everything was fine, yet on a comparison basis things did not look so good. The evaluation of tests and exams has seen many different combinations of evaluation. I suspect these things come around from time to time, and the department, the school, everybody involved with education likes to see success among students.

They like to see quality, and it will continue to be a challenge, no matter what method you use to have a degree of confidence, that the evaluation is appropriate.

I do not think anything new is going to come along in terms of, you know, somebody has to read the paper. Somebody has to make a decision. Rightly or wrongly, some have benefited from that and others have been hurt by it, but again, there is a human part to it that comes into play. The important thing is, I think, that people get as close to a correct evaluation as they can. It must be totally disheartening for someone to have been highly successful at the local level and then hit the wall when they attend post secondary because they have not got the skills and possibly arrive without having any inkling of that. So evaluation will continue to be an important aspect of whatever testing takes place.

Mr. Caldwell: I thank the member for his comments, and I think his point generally is well taken. I suppose the question is one of, primarily, priorities and resources. Is it the best use of scarce resources to pay for marking of exams in terms of hotels, meals, et cetera? I remember those pay cheques that came from the marking were very welcome once in my own home. Or is it better to use that money to support things that are linked to student outcome, such as professional development or parental involvement or learning materials? I think the member does have something in that the—I hesitate to use the word cyclical, but things come and go in terms of central marking and localized marking. I know in my high school career there were no standards tests at all during my time in the public school system. It was all based upon your own school career within whatever school that you were ensconced within. So I was part of that generation that was between standards testing regimes, I guess, in the province.

In our view, spending money on formal provincial assessments is not more important than some of the other issues that we are engaged in investing in. Perhaps the previous government also came to this conclusion in that they never implemented the full testing program that was promised in 1994-95. I suggest perhaps this was because of the cost, because it is quite costly, as the member will appreciate.

However, we do need to ensure that the public has good information on how well students and schools are doing, and I think the point that the member makes about someone succeeding very well in a local context and then being placed in the provincial context may have two different realities. So I think it is important, as well, to have some consistency and some quality control at the provincial level. Certainly that is what we endeavour to do with the current protocol that is in place.

Mr. Gilleshammer: What are the staffing levels within the department, dedicated to testing and evaluation, and what kind of costs are we looking at in that area?

Mr. Caldwell: There are two areas where assessment is located. One in the Bureau de l'éducation française, obviously for the français portion of assessment in the province, and one in the assessment branch. If the member will bear with us for a moment, we will try and locate it within the Estimates book to be precise. *[interjection]* Thank you.

In the assessment branch, there are 45 employees with an expenditure of \$5,400,000. It is page 57 of the Estimates book if the member would like to refer specifically to it. In the Bureau de l'éducation français, we will track it down here. Notionally, we do not have the right staff here to be able to determine it specifically, but I can give the member an indication notionally as approximately 10 staff and approximately \$1 million, \$1.2 million, so, in its totality in the province, notionally 55 staff and about \$6.5 million.

* (11:10)

Mr. Gilleshammer: I would like to leave that area now if it is okay or if the minister has not any more to say. To go back to the Grade 3 guarantee that I asked about the other day, I just wondered how that was working.

Mr. Caldwell: Well, I think it is working very well. We are committed to improving outcomes for students and education in Manitoba. So while the question concerns Grade 3, I think I need to give somewhat of a broader response. First of all, we know that student success has a great deal to do with readiness to start school. This

brings me to our early childhood initiative, having healthy babies, good early nutrition, the support of parents in terms of supporting their children's social and cognitive development. These are among the most important things we can do to improve school outcomes.

In this regard, I am particularly proud of our Healthy Child program. I will not go into details as the Estimates of my colleague Tim Sale will be dealing with this matter, I suspect. But I will say that this is an area where we are working closely with parents, families and professionals to improve the situation of children and parents and especially those in the most difficult circumstances in the province.

We expect these programs to result in more children being ready for and successful in school, and I am proud that my department is now providing half a million dollars per year to school divisions to build strong working relationships with families, preschool providers and others involved with early childhood development in the province. These connections can only help children in Manitoba.

I can also mention here adult education. The member spent quite a bit of time the other day on the mess in the Morris-Macdonald School Division. However, we should also note that many adult learning centres in the province are helping adults return to school to complete their secondary education and begin post-secondary studies, if those adults so wish.

I can also tell you that many of those in the ALCs are here because of their children. They want to be a role model for their kids, to be able to read to their kids, to help their kids with homework, and they are sometimes risking a great deal in going back to school themselves, both in terms of employment and in terms of their own personal sense of self. I have no doubt that every parent who completes their high school will also be in a better position to help their children be successful. So that is also part of our effort to improve outcomes on either side of the public school years.

Let us talk about schools a little bit. Our government has a clear plan for K to Senior 4 education in Manitoba. It is contained within our K to Senior 4 Agenda for Student Success. The

Manitoba K to Senior 4 Agenda for Student Success sets out six priorities that will help educators to focus on accountability, openness, responsiveness, partnership, consultation and research. These priorities support work already being done in schools throughout the province, and they include improving outcomes, especially for less successful learners.

We believe it is important for an education system to seek better outcomes for all students, but it is vitally important to focus attention on those who are not succeeding. In the absence of academic success, students lack skills needed to secure relevant training and employment and to participate fully as citizens. Initiatives are being implemented to address this issue.

Strengthening links amongst schools, families and communities is a second priority area. Throughout a child's schooling and life, family involvement has been shown to be an essential component for success. In order to support this priority, Madam Chair, Manitoba Education, Training and Youth is working to improve collaboration amongst families, schools and the communities that serve and are part of those schools.

Strengthening school planning and reporting is a third area that we are putting considerable emphasis on. To be effective, schools should have meaningful, clearly stated goals and a process for monitoring and reporting on progress made towards achieving these goals. A collaborative initiative is now underway to support planning and reporting processes for schools and for divisions in the province.

Improving professional learning opportunities for educators, number four in terms of our agenda, as demands on schools and teachers change, educators require opportunities to maintain and improve their skills. The profession development needs are recognized by Manitoba Education, Training and Youth, and creative approaches for delivering information sharing are being explored to enhance professional learning opportunities for educators.

The fifth priority of the K to Senior 4 agenda, strengthening pathways amongst secondary schools, post-secondary education, to work, we recognize that schools need to be well

connected with post-secondary education and labour market options. Manitoba Education, Training and Youth is implementing a number of actions that will improve transitions for students between high school and post-secondary education and employment.

Sixth, linking policy and practice to research and evidence, education policy and practice at all levels should be based on research findings and linked to student learning results, and issues are being implemented to help strengthen these links.

These priorities were selected in consultation with educators and all stakeholder groups in the education section. They were selected because they build on research and evidence about how to improve our schools and contribute to improved student success. The priorities are consistent with the overall goals of Manitoba Education, Training and Youth and Manitoba Advanced Education to improve learner outcomes, expand the range of people served, integrate and support knowledge and skills development, to increase the capacity of cross-institutions in the community to support learning, and to build upon partnerships within and across the education and training sectors in the province of Manitoba.

The six priorities also complement the work already being done in many schools, in post-secondary education institutions, in the Manitoba Training Strategy, as well as in other provincial initiatives such as Healthy Child Manitoba, the Lighthouse programs and Neighbourhoods Alive! The priorities also foster collaboration among education partners, both within and across school districts and sectors.

Provincial priorities should recognize differences in local circumstances and recognize the potential contributions of students, parents and communities, as well as teachers, support staff and administrators. Each of the priorities is intended to guide our future work by building upon past successes and stretching our capacities to achieve even more success.

* (11:20)

I am especially proud of the collaborative way in which these priorities have been developed. In March 2001, the department released a

discussion paper entitled *An Education Agenda, Kindergarten to Senior 4*. This is followed by seven regional sessions throughout the province of Manitoba to discuss the paper. For these meetings, school divisions were invited to send teams that included students, parents, teachers, administrators, school board members and other community representatives. At these meetings, there was broad discussion on the agenda as well as local concerns and issues related to the priorities. More than 400 people participated in this initial consultation process. The regional sessions culminated in a provincial conference in May 2001, where over 250 Manitobans from across the province came together to talk about public education. About half of those present also attended the regional meetings that were held in March, while the other half included, not only educators, but also a wide variety of people from business and community groups, from faculties of education and universities and colleges broadly and others with an interest in education in the province. In October 2001, I met with trustees, superintendents, teachers, parents and students to continue to build consensus on the content and direction of the agenda. In 2002, the department has continued to work closely with school divisions to embed the priorities into school and division planning processes with a clear focus on student outcomes.

The department's Web site has been redesigned to provide comprehensive information on the status and plans for each of the priorities, and I would invite the member, as well as other members here in committee, to visit the Web site to familiarize themselves with this information.

On May 11, 2002, this past spring, a provincial conference on the K to Senior 4 education agenda, *Building Effective School Communities*, was sponsored by the department, with over 150 Manitobans participating in a discussion of the six priorities and elaborating and celebrating many of the excellent initiatives taking place in their schools and school divisions throughout the province.

I could tell you that as I travel around the province, I do hear strong support, not only for the six priorities but also for the positive and collaborative way in which the department has worked with the system to create and implement

the agenda. This is not a top-down, directive approach but one that captures the energies and commitment of all of our partners in creating a vital set of ambitious but achievable goals. The department itself has identified 27 specific actions that will support the six priorities, and I would be happy to discuss these further if the member wishes.

To sum up, improving outcomes is not only for Grade 3 students but for all students in Manitoba, and all students do require multi-faceted strategy. Our Government has put such a strategy in place, involving not only a clear program for schools but also a set of early childhood development initiatives as well as a set of adult education initiatives. I do not believe that there is another jurisdiction in Canada that has as comprehensive and as well grounded an approach as we do here in Manitoba.

I appreciate the question on the Grade 3 guarantee specifically, and obviously, by moving to an early-year assessment as opposed to an end-of-year standards test, we do put into play a school year to enhance students' skill levels. The guarantee that all students would be performing at grade by the end of Grade 3, and if they were not, that a program would be put into place to improve that student's skill sets is integral to our early-year assessment. But I think it is important to note that, both preschool and post-public school, this Government is engaged in providing a continuum of educational opportunities and support for skills development from, really, the cradle to the grave.

Madam Chairperson: Although it seems to have been a very constructive discussion going here, we have deviated considerably from item 16.1 and have adopted a de facto agreement for a more global discussion. Just for the record, I would like to confirm with the committee that they are in agreement to continue in more global discussion.

An Honourable Member: I am not having any problem.

An Honourable Member: Agreed.

Madam Chairperson: Agreed.

Mr. Gilleshammer: I think that is the third time the minister has read that into the record, and I

know people who read Hansard will enjoy reading it again. It is surprising the calls one gets from time to time that there are actually people, not only across the department, but across the province now who read Hansard. I am sure that they will enjoy the minister's reiteration of those fine things that he is doing.

Just getting back to the guarantee, are there any Grade 3 students nowadays who are held back and have to repeat Grade 3, or are they all moved ahead in some fashion?

Mr. Caldwell: I am tempted to read it back one more time actually, but I will forgo that.

There are students who are retained. Our provincial report on outcomes will have some data on this when it is released in the late summer or early autumn, because there are data on retention in grade contained within that provincial report. Overall it appears that as many as one student in eight or ten may be held back at least once during their eight years of primary and middle-year schooling, which is a number frankly that quite surprised me, although, anecdotally looking back on my own public school career, I suppose that that number should not surprise me, just reflecting on some of the experience of my friends in the public school system. We do know that there is lots of research that students who are retained do not do better on average and in fact are more likely to drop out of the public school system at some point during their career. So the retention in grade is something that occurs despite strong evidence that retention seems to be a relatively ineffective policy.

I think a more effective policy obviously is to provide the resources and bring to bear the skills of students and parents and the support of parents with students who are having difficulties early in the school year, understanding how they are performing early in the school year and taking advantage of the school year to enhance that student's skill level, but, just in response again, there are retentions that occur. That information will be contained within the report on outcomes that will be released in the weeks to come.

Mr. Gilleshammer: Just to add my own flavour to the retention thing, I recall a family member

who when they transferred from the Maritimes to Manitoba was advised in September that it would be best for this young lad to repeat the grade, very traumatic, but very successful. He went on to not only graduate from high school but to get his degree and a CA certification. It was just a difference in the level of education from one jurisdiction to another. Looking back on that, with students who are retained, so often it depends on how everybody handles that. If it is seen as in the best interests of the child and parents are supportive, and generally that is true for any issue at school, whether it is discipline or academic, if you have supportive parents and kind and loving and good teachers, you can overcome a lot of these things. So retention is not necessarily bad in all cases.

Just getting back to the guarantee then, it would appear this guarantee must have some caveats on it that it does not necessarily apply to everyone and nothing has really changed then in terms of how the system operates. The guarantee perhaps is more a guarantee of good intentions and good wishes than the type of guarantee we would associate with products that we buy.

* (11:30)

Mr. Caldwell: I appreciate the member's anecdotal story about his relative. I do believe the story is the exception, though, and not the rule.

For example, a recent Manitoba study showed that 20 or 30 years on, as people recalled their public school experience, they still remembered failing a grade as being a very difficult or even a traumatic experience. I do take his point, and I think he is very accurate that a lot depends upon the atmosphere in which the student finds him or herself. With supportive parents and a strong family environment with a focus on success being somewhat less traumatic and more positive than perhaps is the norm of failing and being retained in a grade.

With regard to the guarantee, the guarantee was that every student who was not successful would have a program to support their learning. We are indeed doing that as a government. As the member knows, improving student outcomes in schooling is hard, slow work. There is no magic bullet for success here, but I do believe the strategy we have is an effective one, which is

why I take the opportunity to mention it repeatedly.

The K to Senior 4 education agenda for student success is a strategy I am very proud of. I am proud of what we are doing as a government, especially in comparison to the rather simple-minded responses in some other jurisdictions around Canada. The continuum of support from early childhood, Madam Chair, from the prenatal through early childhood, preschool, with the Healthy Child Initiative through the public school system with the K to Senior 4 agenda for student success leading out of the public school system into our strategy for advanced education, the college expansion initiative for our college system, the tuition policy to provide affordability and accessibility for young Manitobans entering the post-secondary system, the adult learning centres and the adult learning centre programs that were put in place by the previous administration and supported and refined since October '99 by this current administration, the links to the workplace that have been developed through the Premier's (Mr. Doer) initiatives. All of these are integrated approaches to providing educational opportunities for Manitobans throughout their lifetimes and providing a foundation for success for Manitobans throughout their lifetimes, early childhood, public school, post-secondary, adult learning and in the workplace.

Mr. Gilleshammer: I would suggest that teachers have always been concerned with their students and attempts were made on behalf of schools, divisions and teachers to do remedial work and do what was in the best interests of the child, that in fact the Grade 3 guarantee was a good political slogan but in reality not based on any science or guarantee at all, other than best intentions.

I would like to ask what the status of the nurses in schools is. Are there many schools and school divisions with full-time nurses in the buildings?

Mr. Caldwell: That initiative is not within Department of Education, Training and Youth but is best referred to the Health Estimates or the Healthy Child Estimates.

Mr. Gilleshammer: So, to the best of the minister's knowledge, there are not a great deal of

nursing staff in the buildings he is responsible for?

Mr. Caldwell: Again, it is not under the purview of Education, Training and Youth. We do not have the Education here, but I would refer the member to pick the point up during the Health Estimates.

Mr. Gilleshammer: Just for the minister's information, I know, in the 15 or so schools in Rolling River School Division, there are no nurses present. I am wondering, with his special knowledge of Brandon School Division, are there any nursing staff in any of the schools in Brandon?

Mr. Caldwell: Again, I do not have the information, even anecdotally, so I am not able to help the member, but I would encourage him to have either himself or one of his colleagues raise it during the Health Estimates.

Mr. Gilleshammer: Does the minister foresee the day when there would be nurses in schools? Would he see this as a step forward in the school system?

Mr. Caldwell: Well, we do as a government have the commitment to nurses in schools. Certainly as a government we are supportive of that. How that initiative is progressing is best asked in another Estimates context with either the Healthy Child minister or the Health Minister (Mr. Chomiak).

I do know that during the discussion around amalgamation in this province there were suggestions that the boundaries of school divisions should be coincident with the boundaries of the regional health authorities to better integrate the services and resources of the education sector and the health care sector. That was something that was raised with me a number of times during the discussion. I suspect it was likely raised with members opposite. I do not know if it was part of the Norrie thinking, because it seems to me that the regionalization of health authorities in the province happened after Norrie, but it certainly was something that was raised with me in a number of places throughout the province.

You know, on a logical level or just superficially, there appears to be some merit to that thinking. I know that oftentimes the jurisdictional overlap between regional health authorities and school divisions creates challenges for the provision of health care services in the public school system. Following that sort of logic, if you had coincident boundaries maybe the delivery of those services may be facilitated, but that is me musing again out loud here.

Nurses at schools, as a party this Government, there is a plan through Healthy Child and the regional health authorities to provide nurses in schools. I do not have the details of the plan and would again suggest that this be raised with Minister Chomiak or Minister Sale during their Estimates process.

Mr. Gilleshammer: So there are no departmental staff who have been directed to be involved in this initiative or oversee this initiative? You have not taken on any staff within the department that have to do with the nurses in schools?

Mr. Caldwell: No. My understanding is this is being facilitated through the RHAs. The best persons to inquire of this would be the Minister of Health and/or the minister responsible for Healthy Child.

Mr. Gilleshammer: Is the minister aware of any school divisions that have shown a peculiar interest—I should not say peculiar interest—a particular interest in nurses in schools. Has Winnipeg 1, any of the urban divisions that you are aware of hired nurses for their schools.

Mr. Caldwell: It is not within our department, so if there has been this sort of discussion it has been with the responsible parties, with the RHAs or through Healthy Child. It is not something that has been discussed at any level of significance within the department.

* (11:40)

If I could, Madam Chair, I should also, we do have the Deaf Assessment contingent now, and I said notionally it was 10. It is 11.5 staff years and \$1.2 million, just to clarify the assessment from BEF.

Mr. Gilleshammer: I am sorry. I was distracted by a conversation here. Could you just indicate those numbers again?

Mr. Caldwell: We do have the precise information regarding the assessment, to an earlier question on assessment for Bureau de l'education français. I indicated that notionally it would be a figure of 10 staff years and a million dollars. The precise figures are 11.5 staff years and \$1.2 million. So, within the department total, would be 57 staff years and \$6.6 million.

Mr. Gilleshammer: So, as far as the nurses in schools program goes, the minister has no knowledge of any schools or divisions that have employed nurses in the school system.

Mr. Caldwell: Anecdotally, I hear of this, but I do not have any specific knowledge here before me. Again, this is something that would be best asked of the Minister of Health (Mr. Chomiak) and/or the Minister responsible for Healthy Child.

Mr. Gilleshammer: Technology, of course, is an important part of the school system and, in fact, society today. I am just wondering if e-mail addresses are something that students have achieved at this time.

Mr. Caldwell: In terms of technology and in terms of its utility in the education system, I do concur that technology can be a valuable tool to help facilitate opportunities for students, particularly those students in remote areas of the province.

Specifically, with regard to e-mails, almost all students can now have an e-mail address through the various Internet services that exist. For example, anyone with Web access can get a Yahoo e-mail, for example, by applying on line. Of course, this depends on access to the Internet, and we do know that this access is variable across the province, with some rural and northern areas, in particular, not having good Internet connectivity.

The rate of expansion in Internet services across the province is quite dramatic. I am one of those people, I guess everybody in the room here are part of this category, that 15 years ago were, maybe, playing Pac-Man on our

computers, and that was the extent of the technology. Today, of course, we can virtually go on line and get any information we want very quickly.

Around the province, however, there is variability in terms of access, in rural and northern areas in particular, but most students in the province, about 81 percent of the students in the province or 60 percent of Manitoba's public schools have good Internet connectivity. In the urban public schools, 95 percent of urban schools have adequate or good Internet connectivity. In rural Manitoba, 34 percent of rural public schools or 56 percent of rural students have adequate or good Internet connectivity. In northern schools, 27 percent of northern public schools, representing 47 percent of northern students, have adequate or good Internet connectivity. Ninety-nine percent of Manitoba public schools have some level of Internet connectivity, and less than 1 percent of Manitoba's public schools have chosen not to have access to the Internet. These are primarily Hutterian schools in the province. That is their right, of course, but, broadly speaking, we are working as a government to enhance Internet connectivity where it is lacking, where we are challenged in this.

We are working with Manitoba Industry, Trade and Mines to conduct a study of the connectivity options for Manitoba schools. The study and related report is nearing completion and a series of recommendations will be made in the future, but we are working toward enhancing connectivity in our school system.

Mr. Gilleshammer: I believe the election promise was that this Government was going to provide an e-mail address for every student in Manitoba. It appears that has not happened. In fact, as the minister indicated, there are schools that do not have that technology in place. I am wondering if there is any step at all that the minister of the department has taken which would guarantee each student an e-mail address, or is this sort of something on the minister's to-do list?

Mr. Caldwell: No, it is something that is an active file. My to-do list is getting, I guess, shorter with the passage of Bill 14 last week. In terms of my tenure here, it will be three years next month, which is quite astonishing actually in terms of being the Minister of Education. It is

astonishing to reflect that I am one of the longer-serving ministers of Education in the last couple of decades in the province as well. Time has gone very quickly, and it has been a very busy time.

The "e-mail account for every student" commitment was a promise that every student would have an e-mail address. This is effectively in place. The ability to have an e-mail address and an e-mail account is only limited by a student's desire to have one. However, we do recognize that the address without connectivity is not meaningful, and we are working in a very diligent fashion on enhancing connectivity in the public school system. MERLIN has done a lot of work to improve connectivity in schools across the province. As I said, we have a plan to improve connectivity. We are working actively on moving this plan forward with Industry, Trade and Mines, including working with the federal government in supporting it.

Our focus has been on measuring schools' ability to connect with the Internet, identifying areas where service is inadequate and co-ordinating with other initiatives such as Schoolnet, the Provincial Data Network and the National Broadband Task Force, to improve services in these areas.

The decision to provide e-mail accounts specifically to students remains the responsibility of individual Manitoba school divisions. The member will understand, with access to the Internet and with access to e-mails, there is concern about security and concern about appropriateness of some of the material that is available on the World Wide Web. We certainly are interested and concerned with ensuring that students operate within a safe environment on the Internet. That is a major challenge to resolve, not only for the Province but also for individual school divisions. None of us want to put into place a system that provides an opportunity for unscrupulous individuals, organizations, or businesses to take advantage of Manitoba students in the cyber environment.

As I said, the priority of the department has been to provide greater connectivity in the public school system to ensure that Manitobans, wherever they live in the province, and students wherever they go to the school in the province,

have the best possible connectivity to the World Wide Web and to the Internet.

Mr. Gilleshammer: My colleague from Pembina has arrived with a couple of questions.

Mr. Peter Dyck (Pembina): Madam Chairperson, my questions are specific to Garden Valley School Division. Just to lay a little bit of the background which will maybe help when I ask the questions, as well, back on July 17 the headlines came out, and this was specific of the R.M. of Stanley which is the rural municipality that really encompasses the area around Garden Valley and is the majority of it rurally. They have had unprecedented growth, but also they indicated in the survey there that the average age of that group of people living in the R.M. of Stanley is 25.2 years, and so that is fairly young.

* (11:50)

Interesting to note and just to add to that, the town of Winkler, which is also a part of Garden Valley School Division, is celebrating. They are going to be receiving city status this coming weekend. Of course, there has been tremendous growth there. If you look back, I believe it was early spring, they came out with the second-highest growth area in rural Manitoba in the past year with a 9.7% increase in growth. This past week, the town of Winkler found out their average age is 34 years, which is also fairly young. When you look at the demographics, when you look at the people living there, you would think that this was a seniors centre with a lot of people retiring, but there are many, many young people with young families there, as well. I am just giving you this as a little bit of background.

My question, specifically, is regarding Garden Valley School Division. They have had some real problems. Some rural areas would say this is a real strength, and we agree that it is a real strength; the problem is the accommodation of students in classroom space. In talking within the past few days to the school board, they are still wrestling with this kind of a problem. The latest they have been told is that they will be able to get these portable classrooms in place. They know that they will not get them in place in time for fall, for the September 1 starting date,

but they are hopeful that a little later on they will be in place.

In their long-term planning, and this has been going on for a number of years. I guess that is the other comment I need to make, and that is this is not something that has just happened overnight. This growth has been out there for many years. I was on the school board till 1995. I know that every time we went to the department and we projected the next five years, we were always under in our numbers. I know that the department needs to follow a certain process, but for the last many years we have not had adequate space to be able to accommodate our students.

The school division I know has been meeting with the Public Schools Finance Board, is encouraging the board to look in the direction that they would like to go, to convert the existing high school into a middle years school and build a new high school to accommodate, of course, the high school students, but also to put in a vocational school.

So my question is: Minister, are you aware of this? What encouragement can you give us that, in fact, we are going to be able to get the accommodation for our students that we will be needing in the next few years?

Mr. Caldwell: I appreciate the member's recounting of some of the history and the demographic realities that are taking place in that part of the province. I am very aware of growth in areas like Garden Valley and Hanover, in particular. We turned sod on a new school in Mitchell. It would have been last year, maybe 18 months ago,, in Mitchell, Manitoba, to accommodate just the sort of explosive growth that is taking place in that part of the province.

Over the past three years, the capital commitment that has been made to the Public Schools Capital Program in the province of Manitoba has been the largest in the province's history at \$45 million-plus for each of those last three years, but even this amount will not allow us to do everything in the province, especially given the fact that, during the previous decade, capital spending went below \$20 million even at one point. So there was quite a bit of stress on

the system that was a consequence of those very low investments in capital investment.

Our priority over the last three years has been to address the relative neglect of the previous decade by providing support for the maintenance of existing schools, that is, replacing roofs, windows, mechanical systems, electrical systems, foundations in some cases. In fact, there have been cases where schools have had to be closed, sections of schools being closed because of deterioration that reached a point where the schools themselves were no longer safe environments for students to learn in.

New schools are very expensive, as I know the member will appreciate. I believe the Winkler project itself could cost in the neighbourhood of \$18 million. So this will be quite difficult to manage. We are looking to put new facilities in place such as portables, as the member noted, where the needs are greatest, which does include certainly Garden Valley School Division. My deputy, Doctor Levin, was in Garden Valley a short time ago and discussed this with the former superintendent.

I should note that between the period 1986 to 2001 the overall enrolment in Garden Valley increased from 2681 students in '86 to 2973 students in '01, an increase of 292 students in a 15-year period, or 10.9 percent, notionally 11 percent in a 15-year period. The student population is projected to grow to 3700 students by 2010, a further increase of some 730 students. This projection relates primarily to natural growth, not immigration, which will also provide an additional pressure on the school system in Garden Valley.

We do have in the school division a number of portables already in place, as well as new portables being provided to address growth in population at J. R. Walkof school. There are currently four portables. We are providing an additional portable in September 2002 to make a total of five portables in that school.

At Southwood School there are existing four portables. There will be two new portables added this fall. At Parkland school there are three portables existing. Two more will be added this fall. The Winkler Elementary School will be receiving a portable this year as well. These

requests will likely be approved by Public Schools Finance Board, increasing the number of portables in the division from 16 to 22.

I note that the school division has requested approval of the construction of a new regional vocational academic high school to be located in Winkler. This facility would serve students from neighbouring school divisions, as well as Garden Valley. The new facility would likely have up to nine vocational programs as well as the full regular academic program and would serve about 1100 students on the opening.

It is estimated that the new school, as I mentioned, would cost in the neighbourhood of \$18 million. Notionally, there are usually brackets around that, so anywhere between \$16 million and \$20 million for that new school, which would require nearly half of the total contribution to the Public Schools Finance Board in terms of their capital support. So it is not a minor expenditure by any stretch, and, in fact, that one school would more than eat up some of the entire capital funds provided for the entire system during the 1990s.

As I mentioned, we had years where the figure dipped below \$20 million, so we could not even maintain the existing schools that we have had over the last three years. As I suggested, we have put more money into schools capital than at any other time in the history of the province of Manitoba, but most of that money has gone to provide maintenance and repairs to Manitoba's existing 700-odd schools, the maintenance that was deferred during the 1990s because of an absence of dollars to support the capital infrastructure in the public school system.

In my understanding, the school division is preparing a full project proposal for further consideration by the Public Schools Finance Board in 2004 for that year's capital support program. The exact projects to be considered will be determined prior to November 2002 by the Public Schools Finance Board.

The main issue for the Public Schools Finance Board, of course, is how to best address the needs of the elementary and high school students in the most affordable fashion, and the Schools Finance Board has met with the school

division to visit its schools and to hear the requests for a new high school. The Schools Finance Board has also met with other area school divisions that support this regional vocational high school concept which, I think, is very positive.

I am very appreciative and like it when school divisions can work together around a project of this magnitude because it would be, perhaps, the largest public schools construction project ever undertaken in the province of Manitoba, if and when it comes to fruition. The numbers that are involved are quite daunting, but the points made by the member are well taken. There is considerable pressure to undertake a project of this magnitude in this part of the province in response to the demographic change in the Garden Valley School Division in the Winkler area and at a substantive growth with young families.

Mr. Chairperson: The time being 12 noon, I am interrupting the proceedings. Committee recess.

INDUSTRY, TRADE AND MINES

* (10:00)

The Acting Chairperson (Mr. Stan Struthers): Would the Committee of Supply come to order, please? This section of the Committee of Supply will be dealing with the Estimates for the Department of Industry, Trade and Mines. When these Estimates were last considered, the minister was making opening remarks. The minister has 29 minutes remaining.

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): I am very pleased to be able to put some remarks, a summary of some of the events that have occurred in the jurisdiction of the department. I was talking about some of the mineral industry.

I wanted to just give a brief overview of Inco's work in Thompson. Inco continues with the Birchtree shaft-deepening project in Thompson, and Tanco has expanded the chemical plant at their Bernic Lake operation to produce other cesium products in addition to cesium formate, cesium hydroxide, cesium sulfate, cesium chloride and cesium carbonate.

It is clear the impacts of mine closure not only impact the local communities they support, but have significant ripple effects across our economy. Recognizing the importance of the mining sector to our economic growth in Manitoba, particularly in the North, our Government commissioned a mining task force to seek public input on ways to strengthen the industry and promote sustainability. The message was clear, Mr. Chair. The mining industry is important to Manitoba. Critical to its continued success is ongoing support for the mineral exploration sector. New mines cannot be built without new ore discoveries.

Our Government is proud to announce the renewal of two essential programs designed to promote exploration activity in the province. The Mineral Exploration Assistance Program, known as MEAP, and the Manitoba Prospectors' Assistance Program, will both be extended for another three years as a direct incentive to companies to explore in Manitoba. MEAP has proven itself in helping stimulate the current rush of diamond exploration activity in a major gold exploration program in northeastern Manitoba. The Manitoba Prospectors' Assistance Program, a direct incentive for exploration aimed at the prospector will continue to provide financial assistance to encourage mineral prospecting in the province. Both communities and companies responding to the mining task force were unanimous in their support for these initiatives.

In this Budget, our Government also introduced the Manitoba Mineral Exploration Tax Credit, an incentive for Manitoba residents to invest in mineral exploration in their province. This 10% tax credit augments a 15% federal mineral exploration tax credit and now provides Manitoba investors an enhanced tax credit on eligible investments in mineral exploration in Manitoba.

Over the past year, Mr. Chairperson, our Government has also amended legislation governing Manitoba's labour-sponsored funds to allow for investment in the resource sector, including advanced exploration and mine development projects. This is all part of our strategy to boost investment in mineral exploration and development in Manitoba.

Recognizing that the mining industry is globally competitive, we have to continue to

develop on-line capacity to access information and conduct business. Our state-of-the-art GIS map server allows clients to access our maps, claims and exploration data from anywhere in the world. We are proceeding with the development of an on-line, point-of-sale capacity to ensure that mining and exploration clients can efficiently and cost-effectively conduct business in Manitoba from anywhere in the world.

The Manitoba Geological Survey continues to provide high-quality, geoscience information that is vital for information decision making, not just for exploration investment but also for all aspects of land-use planning related to agriculture, natural hazards and environmental concerns. I am pleased to announce the joint federal-provincial funding of approximately \$300,000 of work in the Lynn Lake and Leaf Rapids regions will continue this year. Results of these studies have already attracted the attention of exploration companies with significant, new exploration programs planned by Aur Resources in the Lynn Lake area and Cominco in the area north of Leaf Rapids.

A new, collaborative initiative has also been developed with Manitoba Hydro to investigate geology and mineral potential in the Gull Rapids-Stevens Lake area near Gillam. This will provide important information regarding the nature of bedrock in the vicinity, potential dam sites and areas potentially affected by flooding. This is a particularly complex and economically important geological region and is the focus of a major mineral exploration program currently being conducted by Falconbridge Limited.

Legislative amendments to The Mines and Minerals Act are currently before the House. The amendments are designed to simplify and clarify selective provisions of the act and regulations, optimize opportunities for exploration and development of minerals in Manitoba, strengthen and enhance security of tenure in Manitoba and reduce uncertainty and create a more transparent regulatory framework.

* (10:10)

We are also making significant progress in dealing with the matter of orphaned and abandoned mine sites. In the past year, our

department has continued remediation work at high-priority sites in Lynn Lake, Gods Lake, Sherridon and Snow Lake. In addition, an inventory of approximately 200 old mine sites have been compiled that itemizes when the sites were inspected and rehabilitation work that has been undertaken. It is our intention to develop a systematic inspection program that will see these sites revisited on a recurring basis to ensure public safety is maintained.

Our Government is also working proactively with industry, environmental groups and other stakeholders to balance environmental stewardship with industry and community needs. We participate in the Province's network of the Protected Areas Initiative and work collaboratively with Aboriginal groups to develop relationships that will improve communications and increase their participation in the development of Manitoba's mineral resources.

In terms of petroleum, Manitoba's oil patch had a good year in 2001. The industry spent an estimated \$91 million, up 7 percent over the previous year. A total of 104 new wells, including 29 horizontal wells, were drilled. Production was up 3.5 percent and averaged just over 11 000 barrels per day.

Two interesting developments are of particular note. The application of horizontal drilling technology at Virden has led to a revitalization of an oil field discovered almost 50 years ago. The successful results of this program have led to an expanded program of horizontal drilling this year. Exploratory and developmental drilling in the Goodlands area has led to the development of a significant new oil pool in this area.

On the regulatory front, the department introduced an amendment to the Drilling and Production Regulation under The Oil and Gas Act. The amendment provides for increased consultation prior to the location and construction of oil field facilities and requires these facilities to be operated in compliance with air quality objectives and standards adopted by the Province. Under the regulation, all existing facilities are being reviewed and will be upgraded as necessary to meet these requirements.

The Petroleum branch has taken action to seize the assets of three companies that were in

serious noncompliance with The Oil and Gas Act and regulations. The wells and facilities will be offered for sale to other operators or, failing that, will be abandoned and the sites rehabilitated using the company's performance deposits supplemented by funds from the Abandonment Fund Reserve Account.

In closing, although 2001 has been a challenging year in many respects, the economic diversity of our province continues to serve us well in both good times and bad. In the past five years, Manitoba's economy has posted the most stable growth among all products, as well as the fourth highest real advance in gross domestic product. The prospects for sustained and greater growth are excellent. Our continued efforts in building our innovation and research capacity, the growth of a substantial manufacturing base already in the province and potential new energy export capabilities provide an excellent foundation for the years ahead.

Finally, I would like to thank my deputy, department management and all of the staff in the department for their support and assistance over the past year. Your hard work and efforts continue to be appreciated. Thank you, Mr. Chairman.

The Acting Chairperson (Mr. Stan Struthers): The committee would like to thank the minister for those statements and invite the official opposition critic, the honourable Member for Steinbach (Mr. Jim Penner), to make opening comments, if he would like.

Mr. Jim Penner (Steinbach): I am afraid that my scriptwriter was not available. I would like to just reply to some of the comments from the honourable minister and introduce possibly the discussion that we need to have in regard to Industry, Trade and Mines Estimates.

I certainly agree with the honourable minister that our world has changed a lot in the last two years, in the last year particularly. We looked at stock markets sliding last week and we looked at commodity prices and we looked at the possibility of inflation. We are looking at the lowest interest rate we have had for a long time. All of these things influence the numbers that we sometimes kick around, but one thing is sure.

There is only one constant and that is change. Things consistently change.

We would like to look at some of the changes that have happened in the province of Manitoba in the last two and a half years and see if we could not influence the government of the day to reconsider some of their moves, whether it is Mr. Flett's concern for Bill 19 or the moving out of The Pas or our involvement with seeing the industries shrink or not reinvest because of high taxes, et cetera.

I found, over my years in business, that statistics really have to be studied in light of the history that produced the statistics. For example, we talk about provincial growth and the economy, and we do not take into consideration factors that create growth and factors that reduce the growth. A couple of the factors that are really, really important are that when we are looking at statistics we see some elements of dollar values. Dollar value of a commodity will significantly change the value of a certain tonne of ore or a tonne of production. So, when we think of the way prices have changed, we have to remind ourselves that the economy can grow statistically by increasing the price of something, but actually reduce the production. In other words, less tonnage could cost more money.

Now, the way the Manitoba Budget was presented, that would indicate that there was growth when in fact there was negative growth. So statistics are rather deceiving. I was often told when I was in business that figures lie and liars figure. Well, I can tell you that if we would just take bald-faced figures when we are managing a business we would soon be in deep trouble.

We have to consider things like cost of production when we look at the value of mineral production. We have to relate that cost of production to cost of production in competitive areas. People who are competing against Manitoba to sell their minerals may have a lower cost of production. This means that when their growth goes up 5 percent and ours goes up 2 percent, we say, well, we are growing. Yes, we are growing. But we are falling behind sometimes.

Really, when we start studying numbers and figures and statistics, they do not tell the whole

story. It is often important for us to try and find out what the whole story is behind the numbers and statistics that we so freely kick around.

The fact is that we have had loss of population through out-migration to other provinces and other countries. We have to struggle with that in the face of not remaining competitive in our tax world in Manitoba. Alberta is very attractive to people because there is no PST. Many provinces now have dumped the payroll tax. I think there are two provinces left that have payroll tax. The capital tax is so regressive. What it does is, it reduces the amount of—it is a penalty for investment.

* (10:20)

Industry, Trade and Mines should really be concerned about this. People come here with cash to invest, but, as soon as they declare an investment or incorporate their investment, they are taxed on the investment money. This is not on earnings. This is not on productivity. This is just for owning money. You pay a tax, that is, a capital tax. I think most provinces, I have heard, are discussing getting rid of it.

Why would they get rid of it? Well, we are one of the last countries in the world to charge people for owning money, and so it is like if you had 100 chickens laying eggs and every year you would go and kill one, the next year you would have 99 and the next year you would have 98. You go and kill one every year; that is killing the goose that lays the golden egg.

Taking away investment capital is a penalty to business, and when other countries in the world have dropped that form of taxation, we really, really need to examine what we are doing here.

An Honourable Member: Run by a social democratic government.

Mr. Jim Penner: That is right.

So we need a review of our tax system if our industry and trade and mining are going to thrive in this province in the future. We have to be competitive on production. We have to be competitive on taxes. We have a lot of challenges in this country, Mr. Chairperson.

On the other hand, I feel very, very fortunate to represent a constituency where we actually have real growth. For example, the community of Niverville grew by 9.2 percent. Now, here again, I am quoting numbers, but that is a growth rate that is unprecedented, according to the statistics charts, unprecedented anywhere else in Manitoba.

We have probably—I found this out from members in the Government—the largest contribution of income tax dollars of any constituency in Manitoba coming out of the R.M. of Hanover, which is called the constituency of Steinbach. It is really the R.M. of Hanover. So we have Grunthal, Kleefeld, Niverville, Steinbach and Blumenort, other communities that are actually growing, and we could learn from this.

In many areas of our country, we could learn from what makes a community grow, what makes business grow. Basically, one of the things that I have noticed in our R.M. of Hanover is that the people are willing to reinvest their earnings instead of just taking the money and running away with it, or just retiring with it, or giving it up to amalgamations and mergers. They are reinvesting the money. That is why trade and industry are growing.

Now, we do not have mining. Mining is so important; it is the second largest industry in our province, but we have agriculture, and that is also important. That is the largest industry in our province. We are not afraid to raise animals; we are not afraid of a little bit of the smell of money. We noticed that the proliferation of barns has more to do with the industriousness of the people than it has to do with where people live. People who are willing to invest and reinvest and borrow money and contribute to the province are certainly an asset to this province.

So the industry and trade in the area I represent is something that I am extremely proud about. I noticed welding shops springing up. There are people building trailers. There are people going out and creating business. The area is also home to some of the large trucking companies, and this speaks well for the quality of family life which produces the industrious people that make the province tick.

We have probably very little familiarity when you get to southern Manitoba with what is happening in the mining industry, but some of the things that I have seen did somewhat surprise me, the closing of a couple of mines.

What I was looking at when I was doing the Estimates for Finance was that it took a lot more research dollars in Canada to start a business than it does in other countries. There again, we need to get efficient and get those research dollars producing. Up to from four to six times more money is spent per birth of a business in Manitoba than it is in other countries that we had listed. So I am concerned that we look at our efforts and our endeavours to make Manitoba a strong, strong province and a growing province that is both competitive in productivity and competitive in its ability to market.

I would like to talk later about some of the trips that have been taken to foreign countries. I know that a number of trips have been made by people from Manitoba and sometimes included some federal ministers. It is very interesting to me, because the places visited are places that I am familiar with and where I have also spent some time over the years.

Then I also looked at the ratios of investment between independent business investment, private investment and government investment. It seems to me that private investment is declining in the province and business investment is increasing. Mention was made in the opening statement by the honourable minister that new money was obtained to retain our local bus manufacturers. Now this is honourable, except in the business world we always wonder if it is fair to focus on one business. Is it fair to focus on one industry? Is it fair to give somebody a \$20-million loan? Why do other people in need not get the same attention?

This probably is a result of saving a lot of jobs that were organized jobs, union members paying good union dues, and so we wanted to save those jobs. At the same time, we notice that Granny's Poultry in Blumenort, which was forcefully unionized without a vote, is now wishing to decertify. Now here is a business that can grow. It does not need union bosses running around trying to change things that do not need to be changed.

Anyway, after the two and a half years that I have spent in the Leg, I have had opportunity to speak with members of the situation and circumstances that we find ourselves in. There is a lot of progress that was made in the eleven and a half years of the Filmon government. When I go back and see what is thriving and when it started, we certainly have a lot to be thankful for, for a business friendly environment during the nineties. These are sometimes viewed as the dark days of the nineties because there was accusations of a lack of social responsibility. On the other hand, jobs were being created for people who did not have the level of education to easily get into the workforce, and there were programs that had been scrapped but were working, and we were creating a better and better field of opportunity for people who wished to work.

Now, there has also been some concern, I guess, in listening to editorials lately about genetically modifying our produce. It seems to me some of the countries in collaboration with Manitoba Agriprogress established an operation in Morden focussed on developing new varieties of Canola. Here again we need to have a word of caution because some of the new varieties turned out to be very difficult to manage. So we are looking at BIO 2001, biotechnology as a challenging field that certainly needs a lot of responsible oversight. Genetically modifying our produce might have an instant or some rewarding side to it at the moment, but as we have found out, it sometimes creates a problem as time wears on.

I have spent some time in Churchill, Manitoba, and I noticed that the ships that came in to load grain brought some product into the country, into Manitoba. The product was refined ore. So I asked the people, the port authority in Churchill: Why are they bringing ore into the province? The answer was: They are experimenting with not mining in the province and rather bringing in the ore so that the factories will be kept busy but that they will not have the challenge of mining in Manitoba. I have yet to fully understand that, but I am sure the honourable minister is aware of this. I keep wondering how much tonnage is rolling in through Churchill. Certainly, it is good for the transportation system because now the ships coming in are not empty. Once the ore is

removed, they are washed down, the hold is cleaned and then the grain is loaded.

* (10:30)

I found it rather fascinating to see that the two biggest industries in Manitoba, agriculture and mining, are flowing through Churchill for part of the year. The facilities there were really exciting to see. I spent quite a bit of time in the facilities that are used for loading and unloading the ships, grading the grain and actually for determining the payment of wheat to the farmer by studying the quality from that farm and finding a market for it. I am sure there are some interesting statistics that will come out of this new venture.

Some of the Manitoba companies that are benefiting from world trade and free trade, freer trade, will do so as long as it is competitive to manufacture furniture here, to manufacture truck bodies here, to manufacture buses here, to overhaul airplanes here. Our concern should certainly be that we look at the world market that has helped many of our businesses thrive and make sure we are competitive tax-wise and that we are competitive at a cost of doing business.

I noticed from the brochures that, on the Manitoba Trade and Investment side, a fair amount of activity has taken place in the last year. Certainly, this is commendable. The challenges in Manitoba or in Canada with the U.S. government's subsidies, especially now the accusation that we subsidize our forest management, is a result of the fact that most of the land, I think, that is used for harvesting lumber in Canada is Crown property, whereas in the U.S., a lot of the property used for harvesting lumber is private property. So there are two different sets of economies or circumstances that work there resulting in what may have been a low price of wood being exported from Canada to the U.S. On the other hand, I believe that this challenge has been met in the World Trade Organization's court challenge that the Canadians undertook. Presently, the courts are favouring Canada again.

Now, the concern with U.S. subsidies is very real when it comes to the billions of dollars on the new farm bill. We certainly do not want to see our farmers stuck with their crops, stuck

sitting here with their production and not being able to move it. Of course, Canada has been known for many, many years as having the ability to produce more than we need for the 30-or-so million people that live in Canada. The state of California has more people, more residents, than the country of Canada. Our ability to trade is very important. If it is being undermined by subsidies in the U.S., we will certainly have to continue to study alternatives for trade and alternatives for production and for diversity.

Now, in the earlier discussion, or in the opening statement, we noticed that there is a drive to reduce the cost of education in the province, freezing rates or reducing rates and trying to get the enrolment up in the advanced education field. I think the downtown campus for Red River College is a good thing to improve the atmosphere in the downtown area. On the other hand, we have noticed that the university where I am on the board of governors in B.C. has a better growth than what we are touting in Manitoba.

We can bat figures around and we can say, oh, there is a huge increase in enrolment and our fees are down. Sometimes a cheap education is not desirable. We need to have quality education. This is where our students are going to school. A lot of them are leaving Manitoba and going to places where, certainly, the costs are much, much higher, but they are getting a very useful education, and they are immediately employable. I attended a graduation where a large group of the graduates were teachers. I said: Do they have jobs? The professor said they all had a job before they graduated.

* (10:40)

We really do have to look at our education in not such simplistic terms as how many bodies can we get in. We need to look at FTEs when we are comparing our growth with previous years, and we need to look at FTEs when we are comparing our growth with other provinces.

But we need to look at investing money in education and not just trying to be the cheapest. Certainly, a low-priced education may not be productive and desirable for many of the students who want to specialize in some of the

fields of study today that would lead them to high-paying jobs.

I was a graduate of a university in the United States, and I was often criticized by people here who said education in the United States is playing football. I thought that was not such a bad thing to do, so I played a little football. The reason is that the starting salary is about \$2.5 million a year. It is not a bad job to have. People will work for 10 to 20 years and they will have made more money than most people ever will in a lifetime.

So we look at some of the criticisms of our neighbour to the south, whether it is health, whether it is education, and so on. Certainly, there are criticisms, but, certainly, there are a lot of things from which we can learn. I am sure that in the large amount of travelling that the ministers have done in the last 24 months, they have seen opportunities by watching what the trends are in other countries.

I would also like to introduce some comments on Bill 19 at the appropriate time because some people in the mining industry felt that consultations had not been adequate with certain groups. There was some disappointment at the closing in The Pas. There was a statement brought to the Standing Committee on Law Amendments by Francis Flett that indicates that there was no consultation with First Nations people on Bill 19, none at all.

They are extremely disappointed because they thought this was a government that was friendly to all the people in Manitoba. This was the first thing I was told when I was elected to this Legislature, that you represent all the people in Manitoba, and here people are being excluded, probably because the researchers know what is going to come out of that if they go to these people. So they go to the people who agree with them, and then we produce bills like Bill 12, which is not going to fly.

So I am concerned that Bill 19 needs to be reviewed, and maybe there needs to be some further consultations. Certainly, the MKO does not feel that it has been adequately discussed. Then I would also think that some of the stakeholders that have been in touch with my office, whether it is the Mining Association of

Manitoba, Hudson Bay Mining and Smelting or Inco, TVX Gold, Tantalum Mining, Harmony Gold, these are people who have legitimate and genuine concerns that we do our homework, that we listen to the stakeholders.

At the same time, I was very pleased to have the opportunity to meet with some of the minister's staff on Bill 19 and receive a pretty good briefing on that bill.

We certainly have concerns in the mining industry in Manitoba when we look at the Hudson Bay Mining and Smelting closing of the Ruttan Mine in Leaf Rapids. I think that happened in June of this year. We are concerned that the Bissett mine, Harmony Gold mine, is lost to us. This mine was placed in care and maintenance in August of, I think, 2001. In any event, we are also concerned that the total value of mineral production in Manitoba declined 15.1 percent in 2001. It is down now to 1.05 billion.

I cannot help but wonder if people are not reinvesting in Manitoba because we are not tax competitive. We are falling behind when it comes to taxes. There is no encouragement; if you had money to invest, why would you invest it here? Being tax competitive would certainly be a boost for the Department of Industry, Trade and Mines and, I think, that is the emphasis that should be placed.

I know that when the honourable minister is in Cabinet and the taxation bills are being discussed, it must be quite stressful at times to find that we will not be attracting new money as easily as other provinces, that we will not be attracting new investment, that we will not be creating jobs as easily as other provinces, simply because we have not provided the competitive tax environment that other provinces are getting ahead of us on.

I would like to also show appreciation for reconsideration of the harness racing. I believe that a lot of meaningful and useful projects have been undertaken and I am ready for discussion of questions relating to the Estimates for Industry, Trade and Mining.

The Acting Chairperson (Mr. Stan Struthers): On behalf of the committee, I thank the honourable Member for Steinbach for his

opening comments and point out that debate on the minister's salary is the last item to be considered. So we will defer consideration of item 1(a).

I would like to now invite the minister's staff to join us here in the Chamber and ask the minister to make introductions.

Ms. Mihychuk: We have joining with us Deputy Minister Hugh Eliasson and the Director of Finance and Administration, Craig Halwachs.

The Acting Chairperson (Mr. Stan Struthers): Does the committee wish to proceed in a line-by-line manner or to have a global discussion?

Ms. Mihychuk: I would ask the opposition member to give consideration to the length of time he thinks Estimates will take. Sometimes on global debate there are a lot of standby staff who are prepared to come in on a minute's notice, and it can impede their effectiveness in terms of completing their regular jobs. If Estimates is going to be fairly lengthy, then I would argue that we attempt to go more line by line. If it is going to be relatively shorter, then I am prepared to look at a global view because it will not be that significant a draw on administration.

Mr. Jim Penner: It will be short.

The Acting Chairperson (Mr. Stan Struthers): It is agreed then that we will go globally. The floor is now open for questions.

Mr. Jim Penner: Mr. Chairman, I did have some notes here that I wanted to bring forward. The first questions that I have are in regard to staff changes. The first question I would have is for a list of department and political staff and the number of FTEs in the department. So, if I could have a list of the department and political staff, including name, position and the FTEs, and which are full time.

Ms. Mihychuk: Political staff is: the minister's special assistant, David Markham, who, on the weekend, turned 30 years old. That is a celebration, a dark, dark day in his opinion, but gives us an opportunity to reflect when I turned 30, which was a good time. David Markham.

Other than that, I have an executive assistant who is Audrey Paynter. She works in the constituency office. In terms of my staff, those are the two political positions.

Mr. Jim Penner: Are those full time?

Ms. Mihychuk: Yes, they are.

Mr. Jim Penner: Could we have a list of the staff in the minister's and deputy minister's offices?

Ms. Mihychuk: Yes. There are, in the minister's office, administrative secretary Wendy Van Loon; David Markham, whom I mentioned; Audrey Fushtey, who is the appointments secretary, minister's secretary; Alison DePauw, who is the appointments secretary; and Audrey Paynter, executive assistant.

In the deputy minister's office, Hugh has Gail O'Neill, the deputy minister's administrative secretary, and a second administrative secretary, Barb Wild.

Mr. Jim Penner: How about the number of staff currently employed in the department and the number of staff employed the previous year?

Ms. Mihychuk: Last year we had 285.6 FTEs. This year we are down to 278.6 FTEs.

Mr. Jim Penner: Could the honourable minister also provide the information regarding the vacancy rate last year and this year?

Ms. Mihychuk: Last year, we were running at 11.5% vacancy rate. Right now, we are at 6.4% vacancy rate.

Mr. Jim Penner: Have some of the jobs and the descriptions of any of the positions been reclassified?

* (10:50)

Ms. Mihychuk: There has not been significant change in the department. There have been some reclasses done at the clerical level, and one position that was at a more management position. That is in the energy management unit.

Mr. Jim Penner: Now, in the hiring process, is this done through competition or by appointment?

Ms. Mihychuk: Done through competition.

Mr. Jim Penner: There is an office in Ottawa relating to the mining activity, I believe, in the province. How many staff are located in Ottawa?

Ms. Mihychuk: There is a Province of Manitoba office in Ottawa. There are two positions in that office. That office provides the majority of support to Executive Council in terms of industrial and interprovincial and federal-provincial relations.

Mr. Jim Penner: Correspondence that I have received as an opposition critic in regard to Industry, Trade and Mines has centred quite heavily on the moving of the mining office from The Pas to Flin Flon, I believe. Has that move taken place by this time?

Ms. Mihychuk: The decision to close The Pas office was difficult. It has historically been a very effective office. Given rationalization and the need to reduce expenditures at a time when there are rising pressures in terms of health care and our other commitments, as in family services, education, we felt that it would be necessary to look at effective operational units.

The Pas office is in primarily an agricultural region with no mining occurring in that area. There was a secondary office located in Flin Flon, which the member would know is in an active mining belt. The two communities are, in terms of northern travel, relatively close. Operations, full operations are available in Flin Flon. Prospectors, mining companies and the public have access to all the information and services out of the Flin Flon office.

So the loss of The Pas office was felt fairly strongly by the people who have used that office. In fact, there is a very strong family of prospectors, the dad and the brothers involved in the mining industry that actually live in The Pas. They will be inconvenienced. We hope that, knowing how they travel extensively, The Pas office's duties will be available in Flin Flon and this will not be too inconvenient, given the close

proximity of the two northern communities. So all services will be available in Flin Flon and in Winnipeg. There is an office in Thompson as well. So there are two positions which have been redeployed to Flin Flon, and there is one position that is still in transition. We are working with that individual to find a satisfactory arrangement, Mr. Chair.

Mr. Jim Penner: I am not sure I understood the answer. Is the office in The Pas closed at this time?

Ms. Mihychuk: It is my understanding that it is closed. Two staff have been redeployed into other government departments, who worked in that office, and the services are available in Flin Flon.

Mr. Jim Penner: I understand that the staff collectively had probably 75 years of experience. Some of them seem to indicate that they would not be willing to transfer. How many people no longer are employed there and who were not transferred?

Ms. Mihychuk: The individuals were not forced to relocate. They were given options as to finding work within the region of The Pas in other government departments. So two people have been successfully transferred to other positions in The Pas. One person is in the process of finding a solution which is satisfactory to that individual, and we are working with them to ensure that they can continue to work for the Government of Manitoba, where possible, and feel satisfied in their career choices.

Mr. Jim Penner: What will happen to the core shed in The Pas?

Ms. Mihychuk: The intent is for the core shed to remain in The Pas.

Mr. Jim Penner: Does the core shed, then, have people managing it?

Ms. Mihychuk: The core shed does not require full-time supervision. It is accessed on an as-needed basis, and staff from Flin Flon will be deployed if there is a request for access to the core from the core storage facility in The Pas.

Mr. Chairman, I would also like to recognize the Assistant Deputy Minister of the Minerals Division, Christine Kaszycki.

Mr. Jim Penner: I know that the mayor from The Pas was extremely disappointed. Mr. Gary Hopper has phoned me on several occasions. Jobs mean a lot to some of those communities. They are hard to come by. They are not growing easily. Sometimes they are not growing at all. The wish of the community was that the office would not have been moved and that the community would have retained the benefits. One of the reasons why they wanted to keep the mining office in The Pas is that the transportation system in and out of The Pas is very adequate. For filing claims and for moving supplies, buying supplies, and so on, the railway and everything is just super for the mining industry.

* (11:00)

So it was deemed to have been an unfortunate political move instead of a logical move. When I talked to the people in The Pas, a senior geologist and a mine company president said, it is a step backward to achieving claim files and moving the mine recording office from The Pas to Flin Flon. I have numerous quotes and clippings from the newspaper in The Pas, which said that there was a promise that the office in The Pas would not be closed. It also quotes the Flin Flon MLA that he would also like to see the office stay open, and that this was not an acceptable solution. So the newspaper called *The Reminder*, serving Flin Flon and district, has brought to the attention of residents their concerns about the mining recording office being moved. As far as the accessibility, the industry believes that that was a logical place for that office. Apparently, it also serves Saskatchewan. So I suppose that the office has been moved and there is no further consideration for The Pas, that this is a fait accompli, and it is something that we need not continue to build a file on.

Mr. Cris Aglugub, Acting Chairperson, in the Chair

I was further concerned when Bill 19, which was started some years ago, I guess four years ago, the discussions that are encompassed are

brought forward in Bill 19 when the MLA David Newman was trying to understand what was happening in the industry. The Mining Association of Manitoba was included in the hearings, as were some other groups. Bill 19, I think, is an important bill insofar as it needs to address the justification of mining claims below the ground, as well as pits above the ground, and the method of licensing, and so on. I am just wondering if the Minister of Industry, Trade and Mines (Ms. Mihychuk) has heard the concerns of Mr. Flett, insofar as consultations are concerned, in the development of Bill 19.

Ms. Mihychuk: Well, I will start with the first issue, which was The Pas office. The decision was made on an administrative basis, given the challenges fiscally. I am sure that the member across the way understands that, when there are enormous fiscal pressures, departments are requested to look at becoming more efficient and effective at operations. The Pas office, when you looked at it analytically and logically by the number of clients and claims, clearly, was the most logical decision if you had to look at reductions, was the one to be made.

Mr. Chair, 38 percent of clients and 68 percent of claims represent interests from the Flin Flon area; 29 percent of clients and 23 percent of claims represent interests from the Winnipeg area; and only 27 percent of claimants, primarily prospectors, and only 3 percent of claims, represent interests from The Pas area. Given the member's understanding of business and the necessity to make tough choices, I am sure that, given the numbers, he will be able to see how it is logical.

Yes, it is often true that change is resisted; especially in rural communities that are seeing a decrease in population, there is extreme pressure to retain all operations, and any reduction is very difficult to accept. What we will do and are doing is trying to ensure each and every job, each and every person can find other positions and are able to fulfil their work careers. If it is their desire to move to Flin Flon, we will try to accommodate. If it is their desire to stay in The Pas, what we will try and do is find opportunities in other departments or positions with an equivalent type of classification or salary which will provide the transition for those individuals. I think the decision was based on the number of

clients and claims, and service will be provided effectively out of the Flin Flon office.

In terms of Bill 19, I am sure the member recognizes the process has been going on since probably the summer of 1999 and a consultation committee was formed on that bill which included Aboriginal peoples. Minerals occur not only in the MKO region, but also in southern Manitoba, in eastern Manitoba and in northern Manitoba. So to represent Aboriginal peoples of Manitoba, AMC was invited to participate and become an active member. They did nominate an individual who was a member of the committee. Minutes were exchanged. Comments were available.

I think Mr. Flett's comments are somewhat misleading. It is true that they did not sit as a specific representative. However, they are a member of AMC. So the suggestion that the department did not consult with Aboriginal people is inaccurate and I am quite confident the member would not wish the record to suggest something which was not true.

In addition, the innuendo that mining companies and the Mining Association, I think the member suggested Inco and Tanco have concerns. We have had consultations on a regular basis. The Mining Association, who represents the mining companies, clearly articulated in committee that they endorsed and supported the bill, Bill 19. So the suggestion that there are concerns, I would suggest, is, perhaps, inaccurate. They may have concerns about mining, which I can assure the member that I do, that the mining industry is going through a very tough time. Commodity prices, cheap production jurisdictions are making competition very stiff. So we must work very diligently to ensure mining is sustained, but this bill has gone through consultations, has been actively reviewed by the mining industry, by the prospectors, and has representation from First Nations.

Mr. Flett's concerns, I think, really reflect, perhaps, a more localized relationship between one organization and another. Again, I would just like to re-emphasize that minerals that will be affected by this bill occur in non-MKO regions. It would not have been appropriate to have MKO singled out as the representative

because other First Nations then would not have been represented.

I would also like to indicate that, as soon as we learned of Mr. Flett's concerns, we reviewed the bill. I have had an opportunity to meet with Mr. Flett and his administrative assistant, Mr. Anderson, and reviewed their concerns. They are talking, in a broader sense, about changing their whole mineral tenure or free entry system which is used in every jurisdiction of North America. To change that in Manitoba, some have suggested, would shut down the mineral industry in Manitoba for years to come.

I think that caution must be deployed, that, in fact, if the member consults with the Mining Association, that, indeed, they will confirm the record that the Aboriginal peoples were consulted and that the bill reflects what is needed at this time to improve the act and regulatory framework.

In addition, I would just like to, perhaps, clarify. If I understood, the member, in his opening comments, suggested that agriculture was the largest industry in Manitoba and that mining was second. This is only in terms of natural resources. If you look at the GDP per industry sector, finance and manufacturing is much, much larger than agriculture or mining. Manufacturing is approximately 15 percent of our GDP and, as the member knows, has been growing fairly significantly, even in some extremely tough times. That is an advantage to Manitoba. Agriculture is approximately 4 percent of our GDP. Mining is about 3.5 percent of our GDP.

So finance, the service sector and manufacturing are all considerably larger than our primary resources. However, I do not wish to downplay the importance of our natural mineral and agricultural sectors, but they are, in a relative perspective, not our primary industry in Manitoba. We do have a very sophisticated high-tech manufacturing sector. We are a global player in the finance world, and our service industry is very, very strong and competitive.

* (11:10)

Mr. Jim Penner: Mr. Chair, just in reply to that last comment, mining and agriculture create

wealth, and that is what I was referring to, that wealth is being created. When you actually take minerals out of the ground and sell them, it is creating wealth. When you harvest a crop, you are creating wealth. I think those are the two largest industries as far as creating wealth in the province is concerned.

Certainly, there are a lot of challenges to both mining and agriculture and in the business world. However, the challenges in the business world are probably, at least in retail, due to the overwhelming strength of the big-box stores.

But, going back to Mr. Flett, did the honourable Minister of Industry, Trade and Mines have an agreement with MKO to include them in developing policies and legislation?

Ms. Mihychuk: The intent of working with First Nations is clear; information must be provided. All peoples, especially, I think, those that have the potential of mineral claims and exploration, should and must be included and consulted. So I am prepared to work with any group in a collaborative way. Open information—I think you will see in the record from committee that Mr. Anderson mentions numerous times the availability of information now on the Internet. We are very pleased that our information is accessible to all Manitobans, the people of the world can now access that information virtually instantly. MKO is very aware of the information that is online and available through the department.

The committee to discuss the legislation and regulatory changes was created prior to any meetings with MKO specifically, but we have been in consultation through them and have asked them to work on policy issues through the mineral guidelines since 1999. I am very pleased to say that at the last meeting, the Grand Chief has indicated his willingness now to participate; prior to that had not been interested or had declined our invitations to participate.

So it is very important to work through any obstacles and come to the table and deal with these issues. I have, over the past, invited MKO to participate and the door remains open.

Mr. Jim Penner: My question to the Minister of Industry, Trade and Mines is: Was a memorandum of understanding signed by her, with the other party being MKO?

Ms. Mihychuk: The MOU that the member refers to was negotiated between myself and MKO. After consultations with other industry members, it was determined that this would be viewed as a special relationship with MKO and was not satisfactory to a broader sense of the community. Grand Chief Francis Flett was aware of that; I spoke to him personally. So I think the intent of the MOU is still there, that communication, collaboration and working forward is indeed my goal. However, we cannot have a situation which breaks down the rest of the circle.

In terms of First Nations, the mineral industry and government, all three players must be at the table. Having discussed this in detail with Mr. Flett, I find it somewhat surprising that the suggestion that that concern is not recognized by a party. Again, I would urge MKO to come to the table to continue to work to find a way that all members of the minerals industry and those concerned with the minerals industry can find consensus. As one very important partner, I would ask MKO to come forward as the Grand Chief has indicated, and that we find a solution that is satisfactory to everyone.

Mr. Jim Penner: In a document submitted on July 23 by MKO and signed by Francis Flett at the Standing Committee on Law Amendments, it was recognized, and I think we should correct this for accuracy purposes, that the Mines Legislation Review Committee was not started in '99 but rather in '98 by the former minister, made up of representatives of the mining industry, prospectors and the heavy construction sector. Then it is underlined here that MKO was not invited to participate in the activities of the Mines Legislation Review Committee and, therefore, did not contribute to the discussions leading to Bill 19.

That is in conflict with what I have just heard. I am not suggesting that either one is correct, but it is kind of interesting that we have this here in writing that the consultative relationship sought by MKO and promised by both the Manitoba minerals guideline and the MKO Manitoba MOU on mines and minerals have yet to be materialized. So the MKO feel that there is a closed-door review, that Bill 19 is an example of this. How would the honourable minister reply to these assertions by the MKO?

Ms. Mihychuk: I am informed by staff that the need for the review of The Mines Act originated in 1998, that discussions began, but the actual creation of the committee was done in the fall of 1999.

In response to the second part of the comment, I would just like to reiterate that the Government has invited MKO to participate in the continuing process of the Manitoba minerals guideline. However, it is MKO which has refused to participate to this point. At the meeting with Francis Flett, the Grand Chief, prior to the bill being introduced, or, I think, it was actually in between first reading and committee that we met with MKO, the Grand Chief did indicate that they are now prepared to come to the table and work with us, which is a significant, positive step. When one member of the circle refuses to come in, then we cannot have an open and successful dialogue. To date, unfortunately, MKO has refused to participate.

* (11:20)

Mr. Jim Penner: I do not know if this is significant or not, but MKO says that they were not invited to participate and that furthermore in hearings have said: We do not agree with Bill 19 the way it is being addressed and how it is addressed. We certainly do not support the move that is being made to change the legislation to make it easier for the mining industry to occupy and use and enter those lands without first consulting with First Nations and making sure that the rights and treaty rights of our people are also being honoured.

Were the rights and treaty rights an issue in the development of Bill 19?

Ms. Mihychuk: The rights and treaty rights of First Nations people are respected in the Canadian Constitution and set the precedent. This bill does not impact treaty rights or their land claims. It maintains the status quo.

MKO argues that, indeed, the free entry system, which is used in Manitoba, all provinces in Canada and, I understand, all jurisdictions in North America, are, in fact, stronger than the rights of First Nations. That may be so. That is a much larger question and, in fact, is in front of

the Prime Minister of Canada in a special committee that is discussing those larger issues.

This bill maintains the rights of First Nations, but also the rights to prospect. In a broader philosophical sense, MKO, from their perspective, would like to see the free entry system abolished. We in Manitoba are not prepared to do that unilaterally. We would suggest that, indeed, would jeopardize our mineral industry and that any change to the free entry system must be done that does not penalize the opportunity to develop our mineral resources.

I think MKO would clearly be one of the first groups to say we are tired of being excluded from the mineral industry. In fact, we would like to be active participants in it. So we must be very careful when we change the free entry system.

The mineral industry is one that is global, as the member has said. Companies will choose to come here, or they will choose to go to Indonesia, or they will go to Australia, or they will go anywhere else in the world. What is important is that the treaty rights are Constitutional rights and supercede this bill. This bill does not infringe on any of those rights.

Mr. Jim Penner: I am expressing the concerns that were expressed to me in regard to Bill 19. Certainly, I am getting an education here, but I need another lesson. Would the honourable minister, who says that nothing has changed, tell me what is the difference between a permit and a licence?

Ms. Mihychuk: The whole issuance of documents that allow prospectors, exploration companies and mining companies to do work, had in the past, I understand, created confusion. We had two such documents, one called Special Exploration Permits and the other one Exploration Permits.

There was concern raised that the use of the word "permit" suggested that those holders had the right to do activities, to go ahead and perhaps construct roads, bring in a water system, start mining, that "permit" was a very proactive word. So there was an attempt to regulate and clarify by using the word "licence," Mr. Chair. The word "licence"—although, as far as I am

concerned, they both mean the same thing. "Licence" now, the intent was to issue them with a document that said they were able to go out and explore in certain areas; they had the licence, but to create a road or to cut trees, they were still required to get a work permit. The permit to create environmental damage, to gain access was still required.

The intent was to clarify, and the terminology I think, whether we are successful, I have mixed feelings about, but that was the intent to use one word, "licence," rather than having the two-word "special permit" and "exploration permit." The intent is that a person or a company has the right to explore but still requires specific work permits of entry, of tree removal, et cetera.

Mr. Jim Penner: The document I have identifies "licence" as a long-term authorization intended to convey rights and interests, whereas a "permit" is a shorter-term authorization issued to any person fully compliant with requirements. That would be similar to what I think I just heard.

The concern of the First Nations people who gave me this is that the substitution of "permit" with "licence" for mineral exploration activities and providing a right to enter, use and occupy will further complicate resolving issues about the relative priority of the interests of the minerals industry and treaty rights. They feel it is complicating and increasing the opportunity for or the probability of conflict by changing the word "permit" to "licence." They further explain this by saying that the holder of a forest management licence would obtain site-specific cutting permits to harvest the timber, similarly for traplines and so on.

Was there any discussion about problems the word "licence" would create as opposed to the previous term of "permit"?

Ms. Mihychuk: I think the explanation or the example of forestry is a perfect one, where the licence gives the overall right and the permit is what is required in the short term to actually get the job done. That was the intent of this change.

In fact, AMC, who was the Aboriginal representative on this working group on the Legislative Review Committee, indicated no

concerns with the change from "permit" to "licence."

* (11:30)

Mr. Jim Penner: The document signed by the Government of Manitoba, as represented by the Minister of Industry, Trade and Mines here today, and represented by the Manitoba MKO, by the Grand Chief, Mr. Flett, was signed on November 18, 1999. It addressed the need for co-operation between the Manitoba Department of Industry, Trade and Mines and the working group on mines and minerals. It was a memorandum of understanding including the MKO. Does the minister recall seeing this document, which she signed?

Ms. Mihychuk: As I indicated previously, we worked on that document, but, unfortunately, after the two members, MKO and myself, representing the department, serious concerns were raised by the other members of the circle. I had informed MKO of those concerns and that unilateral MOU in the mineral industry was not satisfactory, that, indeed, we needed to work on finding something that would be satisfactory to all members of the circle. The suggestion that that document has been ratified, I think, is misleading. Indeed, we did not find consensus or concurrence from all members of the circle. We have subsequently invited MKO to participate in further dialogue, at which point they have refused.

Mr. Jim Penner: So the circle is broken. I just would make one more comment then in regard to Bill 19. Is there consideration being given to make another attempt at healing the circle?

Ms. Mihychuk: Absolutely. As I said previously, we have met with Grand Chief Francis Flett. He indicated at that meeting two or three weeks ago that he was prepared to come to the table and work to proceed on building a stronger relationship with all members of the minerals working group. We are very pleased that the Grand Chief has indicated his willingness to come back into the circle. We look to proceed with moving that forward.

Mr. Jim Penner: Has the Department of Industry, Trade and Mines estimated or calculated

what the closing of the Ruttan Mine, how that will affect our mining GDP in the province?

Ms. Mihychuk: Specifically, the answer to the question is that we have not calculated specifically the impact. Some of the factors that would have to be considered is that the loss of concentrate from Ruttan will be displaced by concentrates that are coming into the Flin Flon smelter operation from other locations, from B.C. and, hopefully, from around the world, through the Port of Churchill and otherwise. So we will continue that operation, and the concentrate will be replaced.

There were 300 jobs in the Ruttan operation. Those will be lost. However, to counter some of that, we have a new mine coming on-line this year, and that is the Triple 7. That will increase the amount of concentrate ore that is coming into the smelter. So there is a fairly complicated balance. The loss of Ruttan is particularly severe to the community of Leaf Rapids, of course. But the concentrates will be replaced by other sources.

Mr. Jim Penner: Secondly, Mr. Chairman, I am wondering what the possibility is of Bissett, the Harmony Gold operation, being restored in the future.

Ms. Mihychuk: The Bissett mine is on care and maintenance. I am aware of at least two groups who are investigating the possibility of re-opening. The Bissett operation is very sensitive to the price of gold, as we see gold rise. Hopefully, it continues on that trend. Right now, it is in a bit of a dip. I think over the weekend, we saw it at 304 U.S. per ounce. And it was up to, I believe, almost 320. So we saw a bit of a decrease in the value of gold. But, if we do see it resurge again, there is a very strong possibility that a buyer group would come in and reopen the Bissett mine.

Mr. Jim Penner: The honourable minister, I understand, is well versed in mines. I am wondering if the concentration of the ore would not be a determining factor, as well as the trade price.

Ms. Mihychuk: At Bissett, there were a couple of other even more complicating factors. The

stoup in the mine is actually one of the deepest that we have, I think. Harmony Gold extended the shaft considerably, went through a lot of capital enhancement to continue mining the gold vein. That is one approach.

So concentration or the quality of the vein is important. Secondly, is operational costs, how much water, how deep is the operation. Overall processing choices is also important. Some of the new models include, perhaps, a smaller scale in using what we would consider less economic deposits but are closer at surface. So there are a number of factors, but, really, the overall issue is the price of gold. It is very commodity price sensitive. It is important to relate to what we are getting for an ounce of gold. If that goes up, then, of course, the Bissett deposit becomes very attractive indeed.

* (11:40)

Mr. Jim Penner: I was particularly interested in Bissett first of all because I got lost there one year when I was moose hunting—I did not see anybody for 24 hours—and, secondly, because Mr. Smerchanski went bankrupt there at least three times in his years that he owned the Bissett mine. We were always wondering what the viability was. Certainly, if you look at the history of that mine we would not want to see any tax dollars go into that facility if the history of it is any indication of the lack of practicality. But apparently somebody has put capital in there. Is it true that it could possibly reopen again?

Ms. Mihychuk: Harmony Gold, a South African mining company, put in significant capital investments. The mine does have good potential. I remember back in the early eighties that people had written off the Bissett area. Sometimes, there is a little bit too much legend versus science that goes around in prospecting camps. Some deposits which are very good can be written off. Others continue to explore when, perhaps, the science would indicate that we should have given up long before, but that is part of prospecting and the wonderful world of minerals.

I think the evidence that we see is that there could be a significant play in the Bissett deposit, that there are some geological factors that may

indicate that it is related to the Red Lake gold mine and those very successful gold deposits in Ontario. If you look analytically at the amount of exploration and work that has occurred in that region, it is fairly sparse and shallow. So, with a more extensive explorational program, we may be able to have an economic, sustained gold mine in that region. It is well within the realm of possibility. In fact, as I said earlier, there are two significant plays they are investigating the opportunity in the Bissett area. So I would say there is a very good chance that the Bissett mine will reopen.

Mr. Jim Penner: If it is not out of scope, could I ask the honourable minister how they feel that Bill 27, The Safer Workplaces Act, will affect the interest in mining in Manitoba?

Ms. Mihychuk: The consultations on workplace, safety and health have occurred with, I understand, the Minister of Labour. I have not specifically been approached on this bill, but I do understand that industry has concerns. Those concerns have been addressed to the Department of Labour.

Mr. Jim Penner: Mr. Chair, it seems to me that, with the fines and penalties that can be placed on the CEO at the discretion of the inspector, that would drive investment capital out of the province. Is there any concern in Industry, Trade and Mines that maybe the methods of supervising the mines are going to scare away investment capital?

Ms. Mihychuk: I think that the discussion of workplace, safety and health with the mining sector is particularly sensitive after the horrible and tragic accident in Flin Flon. Sometimes, it seems that we may jump to conclusions that mining is unsafe, but, if you looked at the actual track record of the mining industry in terms of providing safe workplaces, it has improved dramatically in that Manitoba has a very impressive record. However, those tragedies are so public and rightly so. All of us are with those families and the conditions of mines.

In fact, it is my understanding that there are many, many more accidents on farms, in new manufacturing plants that are expanding rapidly where there is a very high turnover. Those things are very important. In a sense, what I have heard

is that mining is getting a bit of a bum rap, that, indeed, it is an industry that is used as an example of needing huge improvement when, in fact, if you looked at the investments and the results, the mining sector has done a very admirable job. They have very concerted workplace safety programs.

Do I feel that Bill 27 will result in a mining company not choosing Manitoba for investment? I do not believe that. I believe it is important to monitor, to ensure that our workplace safety inspectors understand the industry, that they are cognizant of what could fail, that they provide preventative recommendations before taking punitive steps. It is my understanding that, indeed, that is the intent. However, for those industries—and I would suggest it is not mining—those companies, and I think it is very few of them, that refuse to correct their workplace safety, and there are continued worker injuries. Then, sometimes, penalties are important. So there is concern out there.

Do I think that it will shut down mining? I do not believe so. I think that mining has gotten a bum rap. I think that their success at prevention and reduction of lost days is admirable, and can be put up to any other sector very well. Indeed, working in a mine is relatively safe. There are a lot of precautions. I have been underground numerous times and know many, many people who have had successful and healthy careers working in the mining industry. But it is, and can be, dangerous like other sectors. No, I do not think that this will prevent the establishment of a new operation.

Indeed, again, I want to just congratulate the mining industry in being proactive and trying to prevent those terrible accidents that occurred in the past, and that we must look at them objectively, and other sectors are more problematic than the mining sector.

* (11:50)

Mr. Jim Penner: I agree with the minister. I think the mining industry is getting a bum rap. The mining stakeholders feel that The Safer Workplaces Act is targetted at them. In one of their mines, they were using remote-controlled machinery where no person was sitting on the

machinery, and they had to put seatbelts on that machine, even though there was not a seat.

This Bill 27 was put through in B.C. under the NDP government, and is under consideration for being withdrawn. It was also introduced in the Saskatchewan government under the NDP, but it was pulled. Now it is being introduced in Manitoba. So I just have to say that I am a Manitoban. I would like Manitoba to grow and progress. I think we should reconsider the way this legislation was written. I think it really, really needs study, and should not pass.

So I know Bill 19 will pass, and I am hoping that the First Nations people will understand. I would like to get into discussing what the trade mission was in Moscow. But having only a few minutes left, I am thinking that we should pass the Estimates.

Ms. Mihychuk: I know that the member raised the Moscow trip earlier in another process—Interim Supply. It is not a normal trade mission from ITM. In fact, it was a Team Canada mission where the Prime Minister selects the location. In fact, the Russian component is fairly small. It was not recommended. This would not be considered one of our targetted countries.

In fact, the opportunities to do reliable business in Russia are fairly limited. We have not taken a trade mission there. However, the premiers are encouraged, and I think it does good for Manitoba to participate. Our Premier did participate, and then went on to Germany, where we were successful in doing some real business.

But I would be very pleased to discuss the department's activities, in terms of trade missions, with the member opposite at any time, and look at, perhaps, some recommendations he may have for potential new targets or areas that he would like to see us develop or continue to work on.

If we are concluding, I did want to just indicate that I agree with the member that our success rate at commercializing R & D dollars into the creation of startups is very troublesome, and that we have, over the last couple of years, really emphasized the development of a process to take those R & D dollars and create wealth in

jobs. I think that he has identified an area that Manitoba does need to improve on, and I concur with his identification of that.

In terms of attracting new investments, I just wanted, for the record, to indicate that Manitoba last year was successful at achieving more venture capital accumulation. Let me word that properly. That Manitoba's venture capital pool increased more substantially than any other jurisdiction in terms of a percentage, so that more money was coming into Manitoba than, for example, other jurisdictions on a per capita basis or a percentage basis. It was being invested primarily in the knowledge-based sectors, ICT and biotech. There are some indicators that indeed money is coming into Manitoba. I just wanted, for the record, to indicate there are some positive signs in Manitoba in terms of venture capital.

The Acting Chairperson (Mr. Cris Aglugub):
Item 10.1 Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$420,800–pass; (2) Other Expenditures \$83,000–pass.

1.(c) Financial and Administrative Services (1) Salaries and Employee Benefits \$1,119,500–pass; (2) Other Expenditures \$317,000–pass; (3) Computer Services \$110,000–pass.

1.(d) Policy Planning and Co-ordination (1) Salaries and Employee Benefits \$397,200–pass; (2) Other Expenditures \$148,500–pass.

1.(e) Manitoba Office in Ottawa (1) Salaries and Employee Benefits \$120,100–pass; (2) Other Expenditures \$82,700–pass.

1.(f) Manitoba Bureau of Statistics (1) Salaries and Employee Benefits \$788,300–pass; (2) Other Expenditures \$173,000–pass; (3) Less: Recoverable from other appropriations (\$60,000).

1.(g) Grant Assistance–Manitoba Horse Racing Commission \$104,000–pass.

2. Business Services (a) Industry Development-Financial Services (1) Salaries and Employee Benefits \$790,800–pass; (2) Other Expenditures \$362,400–pass.

2.(a)(3) Programs (a) Manitoba Industrial Opportunities \$10,511,000–pass; (b) Vision Capital \$1,372,400–pass; (c) Manitoba Business Development Fund \$1,313,100–pass; (d) Third Party Managed Capital Funds \$2,520,100–pass; (e) Less: Interest Recovery (\$7,668,600)–pass.

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 Estimates.

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, August 6, 2002

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