



Third Session - Thirty-Seventh Legislature

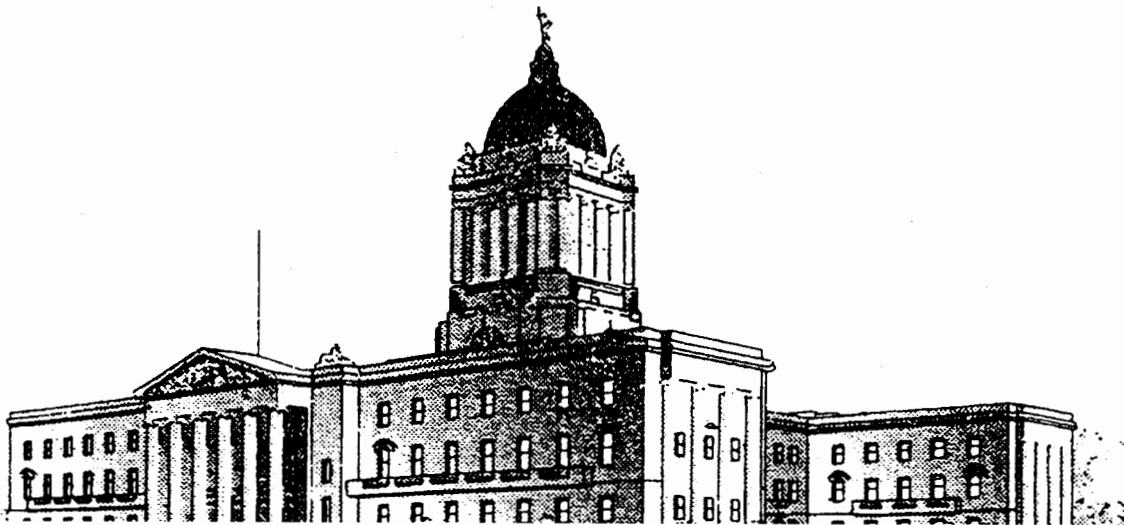
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
GERRARD, Jon, Hon.	River Heights	Lib.
GILLESHAMMER, Harold	Minnedosa	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
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PENNER, Jack	Emerson	P.C.
PENNER, Jim	Steinbach	P.C.
PITURA, Frank	Morris	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim	Assiniboia	N.D.P.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Joy	Fort Garry	P.C.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, August 6, 2002

The House met at 1:30 p.m.

Mr. Speaker: Clerk, please read.

PRAYERS

Madam Clerk (Patricia Chaychuk): The petition of the undersigned citizens of the province of Manitoba humbly sheweth

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Transcona-Springfield School Division

Mr. Ron Schuler (Springfield): Mr. Speaker, I beg to present the petition of Art Sayer, Tim Robinson, George Sinclair and others praying that the Legislative Assembly of Manitoba request the Minister of Education (Mr. Caldwell) to reverse the decision to split Transcona-Springfield School Division and allow it to remain as a whole or to consider immediately convening the Board of Reference to decide the matter.

THAT on November 8, 2001, the Minister of Education (Mr. Caldwell) announced a split in the Transcona-Springfield School Division but despite repeated requests has been unable to identify any benefits of this decision to the students and taxpayers of said school division; and

THAT this decision was not preceded by adequate public consultation as outlined in section 7 of The Public Schools Act; and

THAT this decision would result in significant hardships for the students in both Transcona and Springfield that would affect the quality of their education; and

Trans-Canada Highway-Twinning (Virden)

Mr. Larry Maguire (Arthur-Virden): I beg to present the petition of Isabel Zorn, Edith Hutchison, Jean Johnston and others praying that the Legislative Assembly of Manitoba request that the Minister of Transportation and Government Services (Mr. Ashton) consider making the completion of the twinning of the Trans-Canada Highway between Virden and the Saskatchewan border an immediate fiscal priority for his Government and to consider taking whatever steps are necessary to ensure that work begins in the 2002 construction year.

THAT the proposal by the Minister of Education on February 12, 2002, neither alleviates nor remedies these hardships; and

THAT this decision results in an increased financial burden on the taxpayers of both the Transcona-Springfield School Division and the province of Manitoba; and

THAT on March 13, 2002, the number of resident electors required by The Public Schools Act requested the Minister of Education to convene a Board of Reference to decide the matter.

READING AND RECEIVING PETITIONS

Transcona-Springfield School Division

Mr. Speaker: The honourable Member for Springfield (Mr. Schuler), I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

WHEREFORE YOUR PETITIONERS HUMBLY PRAY THAT the Legislative Assembly request the Minister of Education to reverse the decision to split the Transcona-Springfield School Division and allow it to remain as a whole or to consider immediately convening the Board of Reference to decide the matter.

Some Honourable Members: Yes.

Trans-Canada Highway—Twinning (Virден)

Mr. Speaker: The honourable Member for Arthur-Virден (Mr. Maguire), I have reviewed the petition and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

Some Honourable Members: Yes.

Mr. Speaker: Clerk, please read.

Madam Clerk (Patricia Chaychuk): These are the reasons for this petition:

Over the years, the Trans-Canada Highway between Virден and the Saskatchewan border has been the site of numerous accidents, a number of which have involved fatalities.

The safety of the motoring public on the Trans-Canada Highway between Virден and the Saskatchewan border would be improved if the twinning of the highway were to be completed.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Transportation and Government Services (Mr. Ashton) consider making the completion of the twinning of the Trans-Canada Highway between Virден and the Saskatchewan border an immediate fiscal priority for his Government;

To request that the Minister of Transportation and Government Services consider taking whatever steps are necessary to ensure that work toward the completion of the twinning of the Trans-Canada Highway between Virден and the Saskatchewan border begins in the 2002 construction year.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Standing Committee on Law Amendments Ninth Report

Mr. Doug Martindale (Chairperson): Mr. Speaker, I beg to present the Ninth Report of the Committee on Law Amendments.

Madam Clerk (Patricia Chaychuk): Your Standing Committee on Law Amendments presents the following as its Ninth Report.

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

Meetings:

Your committee met on Wednesday, July 31, 2002, at 6:30 p.m. in Room 255 of the Legislative Building.

Matters Under Consideration:

Bill 35—The Child and Family Services Authorities Act/Loi sur les régies de services à l'enfant et à la famille

Membership Resignations / Elections:

Your committee elected Mr. Santos as Vice-Chairperson.

Substitutions received prior to commencement of meeting held on July 31, 2002:

*Mr. Cummings for Mr. Laurendeau
Mr. Reimer for Mrs. Smith (Fort Garry)
Mr. Nevakshonoff for Ms. Cerilli
Ms. Korzeniowski for Mr. Rondeau
Mr. Santos for Hon. Mr. Smith (Brandon West)
Hon. Mr. Lemieux for Hon. Mr. Mackintosh*

Substitutions made, by leave, during committee proceedings:

Mr. Dyck for Mr. Maguire

Public Presentations:

Your committee heard 13 presentations on Bill 35—The Child and Family Services Authorities Act/Loi sur les régies de services à l'enfant et à la famille, from the following individuals and/or organizations:

*Maître Marianne Rivoalen, Présidente, Société franco-manitobaine Association des juristes
Bobbi Pompana, Dakota Ojibway Child and Family Services
Sydney Garrioch, MKO (Manitoba Keewatinowi Okimakanak)
Grand Chief Francis Flett, MKO (Manitoba Keewatinowi Okimakanak)
Trudy Lavallee on behalf of Chief Louis Stevenson, Acting Grand Chief, Assembly of Manitoba Chiefs*

David Chartrand, Manitoba Métis Federation
Leslie Spillett, Mother of Red Nations Women's
Council of Manitoba
Carla Engel, Métis Child and Family and
Community Services Program
Rosemarie McPherson, Métis Women of
Manitoba
Burma Bushie, Southeast Child and Family
Services
Donna Harris-Kirby, Private Citizen
Elizabeth Fleming, Provincial Council of
Women of Manitoba Inc.
Leona Freed, First Nations Accountability Co-
alition of Manitoba, Inc.

Bills Considered and Reported:

Bill 35—The Child and Family Services
Authorities Act/Loi sur les régies de services à
l'enfant et à la famille

Your committee agreed to report this bill,
without amendment.

Mr. Martindale: I move, seconded by the
honourable Member for Interlake (Mr.
Nevakshonoff), that the report of the committee
be received.

Motion agreed to.

Standing Committee on Law Amendments
Tenth Report

* (13:35)

Mr. Doug Martindale (Chairperson): Mr.
Speaker, I beg to present the Tenth Report of the
Committee on Law Amendments.

Madam Clerk: Your Standing Committee on
Law Amendments presents the following as its
Tenth Report.

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

Meetings:

Your committee met on Thursday, August 1,
2002, at 6:30 p.m. in Room 255 of the
Legislative Building.

Matters Under Consideration:

Bill 17—The Cooperatives Amendment Act/Loi
modifiant la Loi sur les coopératives

Bill 40—The Highway Traffic Amendment Act/Loi
modifiant le Code de la route

Bill 48—The Legal Profession Act/Loi sur la
profession d'avocat

Bill 50—The Resource Tourism Operators
Act/Loi sur les exploitants d'entreprises touris-
tiques axées sur la nature

Bill 51—The Statutes Correction and Minor
Amendments Act, 2002/Loi corrective de 2002

Bill 54—The Legislative Assembly and Executive
Council Conflict of Interest Amendment (Con-
flict of Interest Commissioner) Act/Loi modifiant
la Loi sur les conflits d'intérêts au sein de
l'Assemblée législative et du Conseil exécutif
(commissaire aux conflits d'intérêts)

Committee Membership:

Substitutions received prior to commencement of
meeting:

Mr. Dewar for Mr. Nevakshonoff
Hon. Mr. Lathlin for Hon. Ms. Barrett
Hon. Mr. Smith (Brandon West) for Ms.
Korzeniowski
Hon. Mr. Ashton for Hon. Mr. Sale
Hon. Mr. Mackintosh for Hon. Mr. Lemieux
Mr. Faurschou for Mr. Dyck
Mr. Laurendeau for Mrs. Mitchelson

Bills Considered and Reported:

Bill 17—The Cooperatives Amendment Act/Loi
modifiant la Loi sur les coopératives

Your committee agreed to report this bill without
amendment.

Bill 40—The Highway Traffic Amendment Act/Loi
modifiant le Code de la route

Your committee agreed to report this bill without
amendment.

Bill 48—The Legal Profession Act/Loi sur la
profession d'avocat

Your committee agreed to report this bill without amendment.

Bill 50—The Resource Tourism Operators Act/Loi sur les exploitants d'entreprises touristiques axées sur la nature

Your committee agreed to report this bill without amendment.

Bill 51—The Statutes Correction and Minor Amendments Act, 2002/Loi corrective de 2002

Your committee agreed to report this bill without amendment.

Bill 54—The Legislative Assembly and Executive Council Conflict of Interest Amendment (Conflict of Interest Commissioner) Act/Loi modifiant la Loi sur les conflits d'intérêts au sein de l'Assemblée législative et du Conseil exécutif (commissaire aux conflits d'intérêts)

Your committee agreed to report this bill without amendment.

Mr. Martindale: I move, seconded by the honourable Member for Riel (Ms. Asper), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Scott Smith (Minister charged with the administration of The Liquor Control Act): Mr. Speaker, I am pleased to table the Annual Report of the Manitoba Liquor Control Commission for the period April 1, 2001, to March 31, 2002.

INTRODUCTION OF BILLS

Bill 304—The Winnipeg Real Estate Board Incorporation Amendment Act

Mr. Stan Struthers (Dauphin-Roblin): Mr. Speaker, I move, seconded by the Member for St. James (Ms. Korzeniowski), that leave be given to introduce Bill 304, The Winnipeg Real Estate Board Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The

Winnipeg Real Estate Board", and that the same be now received and read a first time.

Motion presented.

Mr. Struthers: This bill enables the Winnipeg Real Estate Board to determine, by law, the size and composition of its board of directors, the terms of office of directors and when within the year elections to the board are held. It also enables forms to be prescribed by by-law, rather than having them prescribed in the act.

Motion agreed to.

Bill 204—The Smoke-Free Places Act (Non-Smokers Health Protection Act Amended)

Mr. Denis Rocan (Carman): Mr. Speaker, I move, seconded by the honourable Member for Morris (Mr. Pitura), that leave be given to introduce Bill 204, The Smoke-Free Places Act (Non-Smokers Health Protection Act Amended); Loi sur les lieux sans fumée (modification de la Loi sur la protection de la santé des non-fumeurs), and that the same be now received and read a first time.

Motion agreed to.

ORAL QUESTION PERIOD

Livestock Industry Tuberculosis

Mr. Jack Penner (Emerson): Mr. Speaker, the American government has declared Manitoba to be a tuberculosis zone. Effective August 17, all breeding cattle and farm bison that have been in Manitoba must be tested for bovine TB before being shipped to the United States.

On July 25 the Premier (Mr. Doer) stated, and I quote: "we will look at all measures we can take to try to deal with the problems of wildlife from Riding Mountain National Park going into the domestic livestock population . . ."

Mr. Speaker, given that the House recently passed powerful legislation dealing with the livestock disease, will the Minister of Agriculture today commit this Government to taking

the Premier's words "all measures" necessary to stem the spread of disease. Is the minister prepared to take those measures?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, I thank the honourable member for raising this issue which is indeed an important issue. I want to tell the member the Canadian cattle association is here in Winnipeg meeting with CFIA today and having discussions about the movement of livestock and about whether or not there is the ability to draw a zone and make it a smaller area where the testing will have to be done.

The member knows full well the legislation that was passed deals with the movement of domestic animals; it does not deal with the movement of wild animals. I have to tell you, Mr. Speaker, we have taken many steps since we have taken office to address the TB issue which the Opposition did not take. We put in place a TB strategy committee, we put in place resources to track elk, we put in place funding to help with the fencing of hay, much more than the previous government did. They knew about this disease since 1997 and they did nothing.

Mr. Jack Penner: Mr. Speaker, Bill 11 was just passed in this House. Can this minister tell this House today whether she is prepared to use the measures that were given by this Legislature, the powers given to her, and put into place a quarantine around Riding Mountain National Park?

* (13:40)

Ms. Wowchuk: Mr. Speaker, the powers that are within Bill 11 help to quarantine domestic animals and the movement of animals when disease is suspected.

I have to ask the member, if he is so concerned about TB in the wild herd, why his government did not do anything. I want to tell this House when they were in government they knew there was TB in the herd in Riding Mountain. They were told not to capture elk in Riding Mountain, but that government, instead of addressing TB in the wild herd and taking steps to control the disease, chose to capture elk. That cost the Manitoba government hundreds of

thousands of dollars, because they captured diseased elk and did absolutely nothing about it.

Mr. Jack Penner: I know the minister is perturbed because they have done nothing to stem the disease in this province.

Can the minister today tell this House whether she is prepared to offer to the cattle producers of Manitoba a compensation package that will help offset the costs all cattle producers and livestock producers will incur on breeding stock being shipped across to the United States and the testing and loss of income the cattle producers will incur because of her inaction, not to take action to maintain the disease in Riding Mountain National Park?

Ms. Wowchuk: Mr. Speaker, the member knows TB is a reportable disease that falls under the jurisdiction of the CFIA. CFIA and the Canadian cattle producers are meeting today to talk about this.

But, Mr. Speaker, I think it is absolutely appalling that this member would say we have done nothing when he knows full well in 1997, when TB was detected, they did nothing. They did not put together a TB strategy. Instead, what they did when they knew there was TB in the Riding Mountain herd, instead of putting together a strategy to address it and to try to control the disease, they went and captured them and tried to mix them into the farming community, into the domestic herds.

Dakota Tipi First Nation Soaring Eagle Agreement

Mr. Leonard Derkach (Russell): Mr. Speaker, my question is to the Minister responsible for the Manitoba Gaming Commission.

On Friday, a Mr. David Doer of Soaring Eagle Accounting wrote a letter to Chief Pashe—I guess he is recognizing Chief Pashe as the chief—indicating that he is resigning and his company is resigning from doing the accounting audit with regard to the gaming commission because they have had no co-operation for the past five months.

I would like to table the letter of resignation from David Doer and Grant Hayton.

Mr. Speaker, I want to ask the Minister responsible for the Gaming Commission who are Manitobans to believe. Are they to believe David Doer who says that for the last five months he has had no co-operation and could not get any information, or are they to believe the minister who said on July 24 that, in fact, good progress, significant progress in terms of coming into compliance has been made, when, in fact, Mr. Doer says no information can be obtained from his research into the accounting at Dakota Tipi?

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Indeed, I am very pleased to answer the question. I want to put on the record that this member, who was a member of the previous government, was part of a government that signed an agreement in 1994, Mr. Speaker, and had no audited statements submitted by Dakota Tipi in '94, '95, '96, '97, '98, and in fact the audit for '99 was not received until this Government came in, in February of 2000.

* (13:45)

An audit was received in 2001, and indeed when there were inadequacies with the audit that was provided we took action and referred it back in January of this year. We need no lecture from the member opposite about the auditing process with Dakota Tipi.

Dakota Tipi First Nation Soaring Eagle Agreement

Mrs. Bonnie Mitchelson (River East): My question is for the Minister responsible for the Gaming Control Commission.

Mr. Speaker, we have a letter from a Mr. David Doer as of Friday who indicates that for five months he had been trying to get information from those on Dakota Tipi who were responsible for gaming and had not been able to even start analyzing the financial records. We have a Minister responsible for Gaming who said as late as last week progress was being made and that information was coming forward.

Mr. Speaker, my question for the Minister responsible for Gaming in the province of Mani-

toba is: How can he justify his comments last week? Is he trying to cover up for what is going on at Dakota Tipi? What is he trying to hide? He cannot speak out of both sides of his mouth.

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, I am glad the member opposite, who was also a member of that government, talks about cover-up, because between 1994 and 1999, not only were the independent audits not provided, that Government refused to release information on communities who were in non-compliance. We have released that. I want to say that we need no lectures from members opposite in terms of compliance with gaming. Dakota Tipi did not follow that for five years out of that government.

Point of Order

Mr. Speaker: The honourable Member for Turtle Mountain, on a point of order.

Mr. Mervin Tweed (Deputy Official Opposition House Leader): *Beauchesne* 417: should not provoke debate. The minister clearly stated in this House and in the past that they have been in compliance. He sent me a letter that said they were in compliance. Now he is denying it.

Mr. Speaker: Order. I would just like to remind all honourable members, a point of order should be to point out to the Speaker a breach of a rule or departure from procedures in the House and not to be used for rebuttal or debate. I would ask the co-operation of all honourable members.

The honourable Member for Turtle Mountain does not have a point of order.

* * *

Mr. Ashton: Once again, the members opposite did not give any information on First Nations gaming authorities that were not in compliance. We provided that. Not only that, between '94 and '99, Dakota Tipi was operating, not only bingos that were not authorized by Manitoba Lotteries, but illegal slot machines. So, once again, we do not need any lectures from members opposite in terms of Dakota Tipi and gaming.

**Dakota Tipi First Nation
Soaring Eagle Agreement**

Mrs. Joy Smith (Fort Garry): Mr. Speaker, my question is to the Minister of Justice (Mr. Mackintosh).

Last week I tabled a letter written by the Minister of Justice. The minister indicated that he did not know who he was referring to in that letter. His staff wrote the letter. He just signed it. That is what the minister wants us to believe.

My question to the minister: Now that he has had time to discuss this with his staff, is he going to finally admit that he knew all along who he was referring to, who was the Premier's brother in that letter? He knew that all along. Does he really expect Manitobans to believe he did not know what he wrote in his letter?

* (13:50)

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, I want to get back to what members opposite should know under the framework agreement they put in place in 1994.

It is interesting, right from day one, when they have raised questions in this House, and I went back to the Member for Lakeside's (Mr. Enns) original question on the involvement of Soaring Eagle, what was interesting is he never once indicated the key element here that they were contracted by Dakota Tipi. It was no secret that Soaring Eagle was working with Dakota Tipi.

In fact, on July 24, I answered questions raised by the Member for Lakeside in terms of that. The key issue was the 15% commission. I want to put on the record that I apologize for being too generous to the Opposition last week. They raised the issue of the 15 percent. They never once pointed out it was a violation of the siteholder agreement. It took the Minister of Lotteries to do that.

As of this date, the VLTs remain shut down.

An Honourable Member: Mr. Speaker, something smells here.

Mr. Mervin Tweed (Turtle Mountain): Well, Mr. Speaker, the members on this side are absolutely right. Something does smell.

**Dakota Tipi First Nation
Gaming—Judicial Inquiry**

Mr. Mervin Tweed (Turtle Mountain): On three different occasions, the Minister of Gaming said that Dakota Tipi were in compliance. The Minister of Lotteries, she just did not know. We have the Justice Minister referring to a letter he sent in June where he did not bother to inquire who the third party was. Now we have the Premier's brother involved on a 15% take from VLT gambling.

My question is directly to the Premier (Mr. Doer). Will he stand today and now clarify for all Manitobans the smell that is emanating from that side of the House and call a public inquiry?

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Well, Mr. Speaker, I look at members opposite and, some of them, their faces look familiar from the 1990s when they had a level of ethics that was so low you could trip over it. I want to say on the record that they have all the way through this, I believe, chosen not to know the framework they set up.

The member opposite, if he would care to look at the framework, would understand that 1994 to 1999 there was non-compliance, there was illegal gaming activity, illegal slots and no independent audits. When we came into office, we got them to submit independent audits and—indeed, this is where they have played the word games—they provided financial information that was not adequate, which we sent back. They need give us no lectures about compliance or about gaming. In fact, if they want an independent review they might want to review why for five years they did nothing with the Dakota Tipi and we have to.

Mr. Tweed: I will ask my question directly to the Premier, because people in Manitoba want to know what is going on at Dakota Tipi. Will the Premier call a judicial inquiry where people have to report and present under oath the facts of the dealings going on at Dakota Tipi in which his

brother was involved, on the take for 15 percent? Will the Premier call the inquiry?

* (13:55)

Mr. Ashton: Well, Mr. Speaker, the member opposite talks about "on the take." I believe that was a name of a book on the Mulroney era, and I suspect the Filmon government will be the sequel to that book, because I can tell you, in this particular case, no relative of any member of this House has received any special favours. I contrast that to the 1990s. There are no million-dollar stock options for members of any family on this side.

They have the nerve to get up and raise questions like that.

An Honourable Member: Have you looked in the directory lately?

Mr. Speaker: Order.

Mr. Tweed: The government employees directory looks like a who's who of who knows Cabinet ministers and government members on that side.

Again, I will ask the Premier: Will he do the right thing, since none of his Cabinet ministers seem to know what is going on when you ask them individual questions, and report to Manitobans through a judicial inquiry as to the goings-on at Dakota Tipi gaming?

Hon. Gary Doer (Premier): I believe the minister has indicated last week that Deloitte & Touche, is it, has been hired to look at the issue—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Member for Turtle Mountain is waiting for his answer.

Mr. Doer: Thank you, Mr. Speaker. I believe Deloitte & Touche is looking at the matter of disbursements. I think that is very appropriate to happen. I am glad the ministers have taken leadership in this matter.

It is a very serious issue at that community. I think all members here should acknowledge the advice of the Minister of Aboriginal and Northern Affairs (Mr. Robinson) who counselled us a

number of times to the fact that there is a huge conflict in that community. There is tremendous social turmoil in that community, tremendous conflict.

The federal government has hired two bodies, The Exchange Group and, I believe, the Soaring Eagle group, one from Health Canada, one from the federal agency, the Indian Affairs Department.

I hope shortly the federal minister, Minister Nault, will utilize section 74 of the act and have a legitimate election in that community, along with the recommendation from the minister on a mediator. There is a lot of pain and obvious chaos in that community. The longer we wait for the federal minister to order an election, the longer the instability, the lack of consistency and lack of governance will take place in that community. Let us get on with the election.

Flood Protection Committee Meeting Schedule

Hon. Jon Gerrard (River Heights): Mr. Speaker, the all-party committee on flood protection for Winnipeg and the Red River Valley met in March and the beginning of April. There were a lot of unanswered questions. It is understandable that some time was needed after the last meeting to address these questions.

The clock is ticking and I ask the Premier today: When will the all-party committee be meeting again to see the updated proposal which we heard last week is to be submitted shortly and with high priority to the Canada strategic infrastructure fund? When will this proposal be submitted to the all-party committee for input and review?

* (14:00)

Hon. Gary Doer (Premier): Mr. Speaker, I reported at the last committee meeting that it was our intent to proceed with the floodway option with the federal government. There were two parties that agreed with that recommendation and there was one individual who did not agree with it. In fact, that same individual went and bragged to the Selkirk media that he was delaying the federal Liberals from approving the floodway option.

I notice this weekend he is now criticizing us for not getting action from the federal Liberals. One position in Selkirk, another position in Winnipeg. We have one position right throughout the province. I suggest the member get one position.

Flood Protection Infrastructure

Hon. Jon Gerrard (River Heights): There were a lot of legitimate, unanswered questions, which is why the all-party committee was not ready to give all-party approval.

I would suggest to the minister and the Premier when he is going to the Canada strategic investment fund and knows the limits of \$2 billion in that fund, I would ask the Premier: Where are the extra funds coming from above and beyond what can be obtained through the Canada-Manitoba strategic investment fund?

Hon. Gary Doer (Premier): Well, I assume now that the Leader of the Liberal Party might actually have one position. I assume from his question he is not taking the view that he is blocking the floodway expansion option, as he bragged about in the *Selkirk Journal*. He is in fact in favour of the floodway option proceeding, or is he in favour of the Ste. Agathe option? I am assuming he is now in favour of the floodway option.

But, Mr. Speaker, let me assure the member opposite when I went around the committee and had approval from one party and the Government party I did not wait for one individual from River Heights to hold us up. I wrote the federal government that same week. I have discussed this with Minister Manley, I have discussed it with the Prime Minister and we are proceeding with the floodway option with or without the Member for River Heights.

Mr. Gerrard: I ask the Premier, since he is moving forward without clarifying a lot of questions: Has the Premier got a commitment from the federal government? Where are the other funds coming from, except for the provincial funds, and why was he not lobbying last week the other premiers for support for a national program for disaster infrastructure prevention?

Mr. Doer: Let me get this straight. You have 13 different jurisdictions with a number of different projects that, quite frankly, are in a competitive situation one province to the other, and the member's advice to me is to get approval from the other members to say no to their project and yes to the floodway.

Well, Mr. Speaker, I have gone to the Prime Minister. I have gone to Mr. Manley. I have gone to Doctor Pagtakhan. So far the federal Liberal government has not yet stated whether they are in favour of the floodway option, the Ste. Agathe option, or no option.

We know where we are going. We are going with the floodway option. The Conservatives know where they are going. They are going with the floodway option. The Member for River Heights is the only one in this House who is confused and does not have a position.

North American Indigenous Games Update

Mr. Jim Rondeau (Assiniboia): After 11 days, the North American Indigenous Games have finished this past weekend. Many Manitobans have volunteered, participated in and watched these games with a great deal of interest.

Could the Minister of Aboriginal and Northern Affairs please update the House on the accomplishments and impact of these valuable games?

Hon. Eric Robison (Minister of Aboriginal and Northern Affairs): Mr. Speaker, I thank the member for the question.

I think that, first and foremost, it should be acknowledged that Aboriginal people did in fact feel a sense of pride following the closing of the games on Sunday of this week. I want to commend all 7000 athletes who came to visit the city of Winnipeg during the duration of the North American Indigenous Games.

I believe the best way to summarize the feeling of the games themselves is that it was a huge success with tremendous economic spin-offs for the city of Winnipeg and for the province of Manitoba. I believe it was a wise

investment for the City of Winnipeg, the Province of Manitoba and indeed the federal government to partake and be a partner with the group that organized this event.

I want to thank the volunteers as well, Mr. Speaker, including members of this House, members of this Chamber, the Leader of the Opposition (Mr. Murray), our Premier (Mr. Doer) and others for the amount of time they took off their ordinarily busy schedule to participate in the volunteering at the games, which, without the volunteers, would not have been successful.

Mr. Speaker: Order.

**Dakota Tipi First Nation
Soaring Eagle Agreement**

Mr. Leonard Derkach (Russell): Mr. Speaker, I found it somewhat strange that the NDP broke out in laughter when asked about an independent judicial inquiry. I want to ask how funny is it that the Premier's (Mr. Doer) brother was going to get rich off VLT revenues that are supposed to go to programs and children on Dakota Tipi, but because he was caught he is not going to get rich. How much money would he have pocketed as a result if he had not been caught?

My question to the Minister responsible for the Gaming Commission: Is he aware of any other contracts that Mr. Doer has with other First Nations reserves in Manitoba?

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, I think in the preamble to this question you see why the Conservatives all the way through have missed the clear and evident point that for five years when they were in government they did nothing: '94, '95, '96, '97, '98 and '99.

What we have done as Government is we have required audits. When we did not get sufficient information in January of this year of the last audit, we sent it back. We shut the VLTs down. They remain shut down. We put in place a special operating review. We suspended the gaming agreement August 1. We have acted.

Mr. Speaker: Order.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader, on a point of order.

Mr. Marcel Laurendeau (Official Opposition House Leader): Mr. Speaker, *Beauchesne* 417: Answers to questions should be as brief as possible, deal with the matter raised and not provoke debate. I ask that the minister listen carefully to the next question.

Mr. Speaker: On the point of order raised by the honourable Official Opposition House Leader, I would like to take this opportunity to remind all honourable ministers, 417: ministers should deal with the matter that is raised.

* * *

Mr. Ashton: Well, indeed, Mr. Speaker, what is fundamental also, I think this is where the members opposite have gotten so desperate, they keep avoiding to put on the record, as did the Member for Lakeside (Mr. Enns) when he first raised in this House that Soaring Eagle had a contract with Dakota Tipi, as do other consulting groups, including The Exchange Group.

The bottom line here, once again, for the member to talk about VLTs, there are no VLT revenues because we shut them down.

Mr. Derkach: On a new question, Mr. Speaker.

Mr. Speaker: The honourable Member for Russell, on a new question.

Mr. Derkach: Mr. Speaker, since July 16 we have been asking this Government a number of questions and, from day to day, the minister comes back with different answers to this House. We asked who the agreement was with or whether David Doer, Soaring Eagle, had a contract with the Government of Manitoba. I want to table in this House an affidavit sworn in Queen's Bench court on the 26th day of July, 2002.

* (14:10)

I want to ask the Minister of Gaming who Manitobans are to believe, and whether he can clarify for us the statements made by Mr. Arden

Pashe, who is a counsellor at the Dakota Tipi First Nation, who said in No. 10 on page 3, and I want to quote: As such, I am advised by David Doer, employee of Soaring Eagle, and do verily believe that the Manitoba Gaming Commission entered into an agreement with Soaring Eagle to provide the said audit on or before August 31, 2002, together with the audit for the year 2001-2002.

Mr. Ashton: Mr. Speaker, once again, I do not know if the member recalls when the agreement was signed in 1994, but in 1994 the agreement they signed with Dakota Tipi established the Dakota Tipi Gaming Commission. Indeed, once again, I want to indicate on the record, in terms of Soaring Eagle, the document they tabled themselves, which they are aware of through this court process, indicated that the Dakota Tipi Gaming Commission hired Soaring Eagle. That has been something that has been the subject of questions, the discussion of this debate for a considerable period of time.

Mr. Speaker, Soaring Eagle was working on behalf of the Dakota Tipi Gaming Commission. That has never been a secret. Quite frankly the member is missing the basic point which is that we have acted. As of this day the VLTs are shut down and the gaming agreement has been suspended, something that they never did in the five years they were in office.

Gaming—Judicial Inquiry

Mr. Leonard Derkach (Russell): Mr. Speaker, on a new question.

Mr. Speaker: The honourable Member for Russell, on a new question.

Mr. Derkach: Mr. Speaker, let the public understand why this party is so concerned about where this Government is going. Day after day we get inconsistent answers in this House, answers that contradict the day before's answers.

I want to ask the Premier (Mr. Doer) of this province: Because of the history of this issue, will he do the honourable thing now and call an independent judicial inquiry where people can be subpoenaed to come forward under oath and give evidence so this matter can be cleared up once and for all?

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Well, Mr. Speaker, this member should not talk about inconsistencies because right from day one the same member was part of the previous government that did nothing, has repeatedly put statements on the record that are patently false.

I want to indicate if he reads the affidavit itself he will understand that the process here was that Dakota Tipi hired Soaring Eagle to provide the additional financial information that the gaming commission required in January of 2002.

Unlike in the 1990s, we did not put our heads in the sand. Our Gaming Commission has acted to require that information. He should read the affidavit because the contractual arrangement has always been between Soaring Eagle and Dakota Tipi. In fact my understanding is even that is no longer an issue because Soaring Eagle has terminated its contractual arrangement with Dakota Tipi. There was no contract with the provincial government. The member knows that.

Dakota Tipi First Nation Gaming Agreement Suspension

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, the Minister responsible for Gaming suspended all gaming on Dakota Tipi on August 1, 2002, pending the special operating review by Deloitte & Touche. The minister further stated on August 1: We have now, pending the special operating review, put in place assurance that other gaming activities, including the Bingo Palace, will not operate.

Can the minister explain why, despite his announcement, the Bingo Palace was open last Friday night, last Saturday night and Sunday night, and gambling was still taking place? Why is gambling still taking place?

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, it is probably the same situation that occurred for five years when the members opposite were in government. Not only was there a bingo operation, there were illegal slot machines operating and the members opposite did nothing about it.

When we suspended the gaming agreement, what we did is we suspended the ability of any legal and authorized bingos to operate under that agreement. So, if there are bingos that are operating currently, that is outside of any agreement with the provincial government.

In fact, I was made aware of this, this morning. We have made the appropriate legal authority aware of that, because indeed that would be a violation of our laws. I would hope this will be investigated for what it is.

The bottom line is no authorized gaming going on at Dakota Tipi, thanks to the action this Government took.

Mr. Hawranik: On a new question.

Mr. Speaker: The honourable Member for Lac du Bonnet, on a new question.

Mr. Hawranik: The letter from David Doer and Soaring Eagle Accounting dated August 2 and tabled in this House states that Doer was informed by the Manitoba Gaming Control Commission that the bingo operations commenced last week and the Minister responsible for Gaming signed an Order-in-Council on August 1 of this year revoking the authority of the Dakota Tipi First Nation Gaming Commission to conduct and manage lottery schemes.

Can the Minister responsible for Gaming confirm that the opening of the Bingo Palace is in contravention of the Order-in-Council?

Given that the minister is saying one thing one day and another thing the next and obviously he does not know the facts, this cries out for the need for a judicial inquiry.

Mr. Ashton: Well, Mr. Speaker, it is the member opposite who does not know the facts.

I indicated that we had suspended the gaming agreement. Perhaps the member would care to listen to the answer. If there is gaming that is taking place it is outside of the gaming agreement. We have shut down any authorized gaming and the gaming agreement. We have shut down the VLTs. I suspect members opposite may be aware of this kind of activity because it happened for five years between 1994 and 1999 and they did nothing about it.

Mr. Speaker: Order. I remind all honourable members, questions and answers through the Chair, please.

Dakota Tipi First Nation Gaming—Judicial Inquiry

Mr. Leonard Derkach (Russell): Mr. Speaker, I want to quote from the minister's response on July 31, 2002: "I want to put on record again that it was Dakota Tipi and the federal government that hired Soaring Eagle. The provincial government has never had a contractual arrangement, has never hired Soaring Eagle, period." That is according to the Minister of the Gaming Commission. Today we table in the House an affidavit. Who is the public of Manitoba to believe?

I want to ask the Premier (Mr. Doer) whether today he is prepared to clear the air once and for all and call an independent judicial inquiry where individuals can be subpoenaed, brought forward under oath to clear the air for himself and for this Government.

Hon. Steve Ashton (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, once again, if the member would read the entire affidavit, including section 10, first of all it confirms what we have been saying on the record repeatedly in Question Period, that the Gaming Commission for the years 2000-2001 had said the audit that was submitted did not meet the specific requirements of the Manitoba Gaming Commission.

The document does not refer to any contract between Dakota Tipi and the Gaming Commission. It refers to the fact that there was an agreement to get that information put in place, not a contract. There is no contract between the Province and Soaring Eagle. As we speak, the gaming has been shut down, the VLTs. The gaming agreement has been suspended.

We have acted, Mr. Speaker, unlike the members opposite.

Mr. Derkach: Mr. Speaker, on a new question.

Mr. Speaker: The honourable Member for Russell, on a new question.

Mr. Derkach: Mr. Speaker, day after day the Minister of Gaming continues to change his story from one day to the next.

Mr. Speaker, when provided with the evidence he then has to change his mind.

David Doer, Soaring Eagle, were going to get 15 percent of all gaming revenues at Dakota Tipi until they got caught. It is now time to clear the air.

I want to ask the Premier, who has a great responsibility for this issue in this province, if he is prepared to call an independent judicial inquiry to clear the air for Manitobans and for himself.

Hon. Gary Doer (Premier): Mr. Speaker, to have a judicial inquiry to investigate the fact that two independent accounting firms, one, The Exchange Group, the other Soaring Eagle were hired by the federal government for work that was going to be done.

* (14:20)

I have said it before and I will say it again, I do not care who is working for who. I do not care who is in a contractual relationship. I have said it before and I will say it again, we believe that the chief, under section 74, the existing hereditary chief that they signed a gaming agreement with in 1994, who had been a hereditary chief, unelected for 13 years, we believe, Mr. Speaker, that power Mr. Nault has talked about should be utilized.

I hope the federal Order-in-Council is signed shortly. I believe the public will get an independent disbursement of the funds based on the Deloitte & Touche report. That information will be available to the Government, to the people of Dakota Tipi, to the federal government and of course to this Legislature.

Mr. Speaker: Time for Oral Questions has expired.

Speaker's Rulings

Mr. Speaker: I have a couple of rulings for the House.

During Oral Questions on July 25, 2002, the honourable Member for Russell (Mr. Derkach) raised a point of order concerning remarks spoken by the honourable Minister of Aboriginal and Northern Affairs (Mr. Robinson) while answering a question. The honourable Member for Russell asserted that the honourable Minister of Aboriginal and Northern Affairs had uttered a threat to the member to step out into the hallway.

The honourable Minister of Aboriginal and Northern Affairs, the honourable Member for Turtle Mountain (Mr. Tweed) and the honourable Government House Leader (Mr. Mackintosh) also spoke to the point of order. I took the matter under advisement in order to peruse Hansard.

The alleged intimidation of members is a serious issue. *Beauchesne's* Citation 93 advises that: "It is generally accepted that any threat, or attempt to influence the vote of, or actions of a Member, is breach of privilege."

Similarly, *Beauchesne* Citation 99 states that "Direct threats with attempts to influence Members' actions in the House are undoubtedly breaches of privilege." It is for this reason that I took the matter under advisement. Turning to the remarks made on July 25, page 3867 identifies the honourable Minister of Aboriginal and Northern Affairs as saying: "We will talk about it outside, Mr. Speaker" prior to the raising of the point of order by the honourable Member for Russell. In his contribution to the point of order, the honourable minister is also recorded as saying on page 3868 of Hansard, "If he would like to talk to me about that on a personal level, I am certainly free to talk to him. I can talk to him in the loge or outside, and that is what I was referring to If he wants to talk to me, we will talk about it outside. Mr. Speaker, that is simply what I was implying."

After having read the comments of clarification from the honourable Minister of Aboriginal and Northern Affairs, I am satisfied the honourable minister was not intending to convey a threat to the honourable Member for Russell (Mr. Derkach). As *Beauchesne* Citation 494 advises, "It has been formally ruled by Speakers that statements by Members respecting themselves and particularly within their own knowledge must be accepted On rare

occasions this may result in the House having to accept two contradictory accounts of the same incident." There may be a difference of opinion between the two members as to the intent of the comment, but I accept the word of the honourable minister that he did not mean to imply a threat.

I would therefore rule that there is no point of order, but I would also like to remind the House of the importance of members treating each other with dignity, respect and courtesy as we are all honourable members.

I have one more ruling.

Following Oral Questions on July 25, 2002, the honourable Member for Russell (Mr. Derkach) rose on a matter of privilege to assert that the Minister responsible for Transportation and Government Services had deliberately misled the House regarding the Dakota Tipi Gaming Commission being in compliance with gaming regulations. After offering comments on the issue, the honourable Member for Russell moved "THAT this House censure the Minister of Transportation and Government Services (Mr. Ashton) for deliberately misleading the Legislative Assembly of Manitoba and that this matter be referred to the Standing Committee on Privileges and Elections for review. The honourable Minister of Transportation and Government Services, the honourable Member for Turtle Mountain (Mr. Tweed) and the honourable Government House Leader (Mr. Mackintosh) also offered advice on the orderliness of the motion. I took the matter under advisement in order to consult the procedural authorities.

There are two conditions that must be satisfied in order for a matter to be ruled in order as a matter of privilege. First, was the issue raised at the earliest opportunity, and second, is there sufficient evidence that the privileges of the House have been breached to warrant putting the matter to the House. On the first condition, the honourable Member for Russell advised that he did indeed raise the matter at the earliest opportunity, and I am satisfied that this condition had been met. Regarding the second condition, whether there is sufficient evidence that the privileges of the House had been breached, Joseph Maingot advises on page 224 of *Parliamentary Privilege in Canada* that an

admission that a member had intentionally misled the House would be required in order to establish a prima facie case of matter of privilege. This concept is supported in Manitoba precedents by a ruling from Speaker Walding in 1985, a ruling from Speaker Phillips in 1987, by seven rulings from Speaker Rocan from the period 1988 to 1995, and by nine rulings from Speaker Dacquay from the period 1995 to 1999.

In her 1987 ruling, Speaker Phillips stated: A member raising a matter of privilege with charges that another member has misled the House must support his or her charge with proof of intent.

As ruled by Speaker Dacquay on April 20, 1999: Short of a member acknowledging to the House that he or she deliberately and with intent set out to mislead, it is virtually impossible to prove that a member deliberately misled the House.

I would note that the honourable Minister of Transportation and Government Services (Mr. Ashton) did not identify to the House that he had intentionally misled the House. Although the honourable Member for Russell (Mr. Derkach) cited that the honourable Minister of Transportation and Government Services provided different information to the House on several occasions, he did not provide proof that the minister purposefully intended to mislead the House, nor did the minister admit that he set out to deliberately mislead the House.

I would therefore rule that the matter is not in order as a prima facie case of privilege.

Mr. Leonard Derkach (Russell): Mr. Speaker, I respect your ruling, but I have great difficulty with your ruling, because Hansard does provide the proof. Subsequently, I challenge your ruling.

Mr. Speaker: The ruling of the Chair has been challenged.

* (14:30)

Voice Vote

Mr. Speaker: All those in favour of sustaining the ruling of the Chair, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to sustaining the ruling of the Chair, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Formal Vote

Mr. Derkach: Mr. Speaker, I am asking for Yeas and Nays.

Mr. Speaker: Yeas and Nays. A vote having been requested, call in the members.

The question before the House is shall the ruling of the Chair be sustained.

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Aglugub, Allan, Ashton, Asper, Barrett, Caldwell, Cerilli, Dewar, Doer, Friesen, Jennissen, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Mihychuk, Nevakshonoff, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith (Brandon West), Struthers, Wowchuk.

Nays

Cummings, Derkach, Driedger, Dyck, Enns, Faurchou, Gerrard, Gilleshammer, Hawranik, Helwer, Laurendeau, Loewen, Maguire, Mitchelson, Penner (Emerson), Penner (Steinbach), Pitura, Reimer, Rocan, Schuler, Smith (Fort Garry), Tweed.

Madam Clerk (Patricia Chaychuk): Yeas 30, Nays 22.

Mr. Speaker: The ruling of the Chair has been sustained.

MEMBERS' STATEMENTS

Islendingadagurinn

Mr. Edward Helwer (Gimli): Mr. Speaker, I rise today to put a few words on the record about

one of the most popular events in the Gimli constituency. This past weekend, I along with the Member for Kirkfield Park (Mrs. Stefanson), had the pleasure of attending the Icelandic Festival in Gimli. It is Islendingadagurinn.

Throughout its 113 years, the Icelandic Festival has brought together thousands of people from around the world for fun, food, festivities and family. It is a unique opportunity to celebrate Manitoba's rich cultural Icelandic heritage.

The Icelandic Festival's popularity is enduring. In fact, it is the second-oldest ethnic festival in Canada. It is held every August long weekend and has become a must-do activity in many people's summer vacation plans. This popular festival attracts more than 40 000 people a year to a town that normally has only 1800 residents.

This year's festival offered a great mix of new and traditional activities, including the ever popular pancake breakfast, art shows, sandcastle contest, beach volleyball, road races, fireworks, midway and of course the fabulous grand parade. The Saga Singers from Iceland, who performed a Viking musical, were well received. One of last year's new events, the Gimli Film Festival, proved so popular that it returned again this year.

When I see the amount of work that goes into this festival, and the many other events that take place throughout the Gimli constituency, I am reminded of how proud I am to represent this region of the province. There are literally hundreds of hardworking volunteers in Gimli and the area who organize this massive undertaking every year in order to preserve the Icelandic heritage.

To all the volunteers who worked so tirelessly to make the Icelandic Festival possible, thank you from all of us who attended the festival. Your hospitality was second to none. You left us with a greater appreciation of what an important role Iceland has had to play in Manitoba's history and culture. Thank you, Mr. Speaker.

North American Indigenous Games

Mr. Jim Rondeau (Assiniboia): Mr. Speaker, it is with great pleasure and pride that I rise in this

Legislature today to speak of one of the premier sporting events of the year, the North American Indigenous Games, the largest multi-sport and cultural celebration of its kind in Canada.

More than 6000 athletes participated in a total of 16 sporting events during the 11 days in various locations throughout the city of Winnipeg. Our city and our province became the meeting place for more than 15 000 visitors from across North America, South America and Europe.

Mr. Speaker, I would like to congratulate the thousands of volunteers, the hospitality of the people of the province, the athletes, coaches, staff, cultural performers, corporate sponsors and the 2002 North American Indigenous Games host society, all of whom made this unique sports and cultural gathering a great success.

I would like to express special thanks to the more than 1000 Manitoba athletes and their coaches for the outstanding level of participation during the competition. I understand that Manitoba won in the medal competition. I would also like to thank the people who actually brought the games to Winnipeg, who many years ago bid on the games, worked it through many years and actually brought it to such a success.

As a long-time contributor to the Indigenous Games, I am pleased to see the high level of participation from the people of our province. It was a pleasure to see the young men and women that I coached over the last decade that are now giving their time and knowledge as coaches and volunteers at this year's games. It was nice to see them giving back to their community and to the province.

It is also great to see many of the people from Assiniboia volunteering at many of the venues throughout the city. These games have been an opportunity to recognize and celebrate the leadership and dedication of Manitoba's First Nations and Métis people. They have left a powerful legacy of knowledge and experience within our Aboriginal and non-Aboriginal communities, along with a re-affirmation of what we as Manitobans can accomplish.

* (14:40)

Métis singer Phil Desjarlais's quote in today's *Free Press* says it all: "I'm very humbled to be here, actually. It's great. This whole scene is just beautiful. It makes us all proud." We are all indeed proud about this great achievement. Thank you.

Manitoba Festivals

Mr. Jack Penner (Emerson): Mr. Speaker, it gives me a great deal of pleasure to rise today to congratulate all the volunteers and organizers that organized the Manitoba Sunflower Festival which was held last weekend.

There were some 120 floats that participated in the parade, and there were thousands of people that lined the streets of Altona, Manitoba to view the floats and to participate in the celebrations that were to follow in the next couple of days.

I also want to thank the sponsors and the participants in the all-congregational church service that was held on Sunday morning. It was a great event. The second part that afternoon, there was something that is held traditionally amongst the Mennonite communities. That is having fropa of watermelon and rollkuchen in the afternoon. I believe everybody that was there enjoyed that event.

I also want to congratulate the organizers of the Flower Festival at Gardenton, the Ukrainian community and the Ukrainian celebration that took place at Gardenton as well. I want to thank and congratulate the organizers of that event and the tremendous number of volunteers that participated in organizing.

This last weekend, I participated in the Blueberry Festival at Piney. The reason I say this, I think this just demonstrates how diverse a constituency I represent and how diverse the people are in celebrating the various events and their heritage and their backgrounds. The Blueberry Festival, again, I think, was a clear indication of people taking the time to organize a celebration and celebrate the great wealth of traditions that we have in this province.

Youville Centre

Ms. Linda Asper (Riel): Located in Riel constituency, Youville Centre is a non-profit health

resource centre established by the Grey Nuns. Opened in January 1996, the centre offers a variety of excellent programs and a resource library as well as a computer through the Community Connections program for community use. A second centre on Marion was opened in 1984.

Youville Centre aims to enhance the health of individuals, families and communities. Some of its programs include: Taking Steps Bereavement Walking Group, an eight-week grief support education and walking group for people coping with the loss of a loved one; the Young Expectations series, a prenatal education and support program for adolescents and young adults expecting babies; Eat Healthy, Feel Good program, information about a variety of related topics, including healthy eating and coping with stress; Type 2 Diabetes Education program; and a health series for mature women.

Youville Centre also houses Boni-Vital Council for Seniors, a resource program that initiated the ERIK kit. Youville Centre serves all ages. It provides information for people to make informed choices. The community is very grateful to Sylvia Oosterveen, executive director; Suzanne Zonneveld, site co-ordinator; and Youville Centre staff members for their commitment to improving our health. Thank you all for your valuable contribution to our community in Riel. Thank you, Mr. Speaker.

St. Pierre-Jolys Frog Follies

Mr. Frank Pitura (Morris): Mr. Speaker, it is with great pleasure that I rise today to announce an exciting event that Evelyn and I were privileged of participating in in the Morris constituency this past weekend. That is the St. Pierre Frog Follies. Who could love anything more than watching our little green friends jump with all their might to try to win this competition? To honour this annual event, St. Pierre-Jolys hosted a weekend of activities including children's entertainment, the parade and much, much more.

Here is a bit of history about frog jumping. It began when a group of St. Pierre residents decided to develop a unique and memorable way to welcome people into their small town. On July 14, 1970, Queen Elizabeth II and Prince

Charles visited St. Pierre-Jolys. They were greeted by a crowd of 5000 Franco-Manitobans who were just hopping to begin their weekend-long welcome gala festivities, the most exciting event being the ever popular frog jumping competition. Mayor Fernand Lavergne had issued a public challenge to politicians and mayors of other towns to attend the festivities and to each bring a little green competitor with them. The occasion was most definitely successful as it was thoroughly entertaining. The winner of this momentous competition was Mr. Albert Driedger, Reeve of the Hanover Municipality, with his frog, Georges, who jumped an incredible seven feet one and a quarter inches. But, just like the Olympics, Mr. Speaker, frogs are jumping farther. This year, the winning frog jump was over 12 feet. To this day, the competition lives on.

For those of you planning to participate, here are a few tips on selecting your little green gaffers: No. 1, you can rent frogs from the Lily Pad Frog Farm or bring your own from home; No. 2, the hind legs must be muscular and strong; No. 3, the nose should be evenly shaped to guide the frog in a straight direction; No. 4, your frog should not be too big or too small, it should be just right; and, No. 5, do not hold the frogs in captivity too long or they may bond with you and refuse to jump away.

So, keeping all this in mind, on behalf of all the members of this Chamber, I would like to pay tribute to this historic and exciting event and encourage all Manitobans to take part. Thank you.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you canvass the House to see if there is leave to waive private members' hour?

Mr. Speaker: Is there agreement to waive private members' hour for today? *[Agreed]*

Mr. Mackintosh: Mr. Speaker, would you canvass the House to see if there is leave for two

sections of the Committee of Supply to meet in Rooms 255 and 254 simultaneously with the House this afternoon while the House considers legislation?

Mr. Speaker: Is there unanimous consent for two sections of the Committee of Supply to meet in Rooms 255 and 254 simultaneously with the House this afternoon while the House considers legislation? Is there agreement? *[Agreed]*

Mr. Mackintosh: Mr. Speaker, would you also canvass the House to see if there is leave to sit this evening from 6:30 p.m. until midnight to consider Estimates in three sections?

Mr. Speaker: Is there unanimous consent for the House to sit this evening from 6:30 to midnight to consider Estimates in three sections? *[Agreed]*

Mr. Mackintosh: Mr. Speaker, would you canvass the House to see if there is unanimous consent for the House to vary its sitting hours tomorrow morning and Thursday morning to sit from 8:30 until noon and for Thursday, of course, instead of from 10 until noon?

Mr. Speaker: Is there unanimous consent for the House to vary its sitting hours tomorrow morning and Thursday morning to sit from 8:30 to 12 noon, instead of from 10 a.m. to 12 p.m? *[Agreed]*

* (14:50)

Mr. Mackintosh: Mr. Speaker, before calling debate on second readings, the Government will not be proceeding at this time with Bill 12. Would you please call the bills in the following order: 27, 41, 49, 39 and, by leave, 304?

Mr. Speaker, in addition, following calling of 304 by leave, would you call Bill 204 by leave?

Mr. Speaker: Just for information of the House, Bill 204 will follow 304, and they both require leave, once we reach that stage. Okay. That is just for information.

We will resume debate on second reading, and the Government has announced it will not be proceeding with Bill 12.

DEBATE ON SECOND READINGS

Bill 27—The Safer Workplaces Act (Workplace Safety and Health Act Amended)

Mr. Speaker: We will move to Bill 27, The Safer Workplaces Act (Workplace Safety and Health Act Amended), standing in the name of the honourable Member for Portage la Prairie (Mr. Fauschou).

Is it the will of the House for the bill to remain standing in the name of the honourable Member for Portage la Prairie?

An Honourable Member: No.

Mr. Speaker: No? It has been denied.

Hon. Jon Gerrard (River Heights): Briefly, Mr. Speaker, I am in general support of this bill and a better workplace, health and safety, but I have some concerns about certain sections of this bill. There is considerable diversity of opinion when one is looking at safety and safe processes whether the sort of administrative penalties are a plus or a negative. I think this is an area which needs to be looked at very carefully. I hope we get some good input at the committee stage on this and a number of other clauses.

Mr. Speaker: Is the House ready for the question?

An Honourable Member: Question.

Mr. Speaker: The question before the House is Bill 27, The Safer Workplaces Act (Workplace Safety and Health Act Amended).

Is it the pleasure of the House to adopt the motion? *[Agreed]*

Bill 41—The Manitoba Hydro Amendment Act

Mr. Speaker: Bill 41, The Manitoba Hydro Amendment Act, standing in the name of the honourable Member for Steinbach (Mr. Jim Penner).

Is it the pleasure of the House for the bill to remain standing in the name of the honourable Member for Steinbach?

Some Honourable Members: No.

Mr. Speaker: It has been denied.

Mr. John Loewen (Fort Whyte): I appreciate the opportunity to put some words on the record regarding Bill 41. I think this bill really brings home what this Government is all about, that is, a government of broken promises, a government that runs by a hidden agenda and a government that cannot manage.

Mr. Speaker, this bill demonstrates clearly and will continue to demonstrate for years to come to Manitobans how badly this Government has managed the finances of the Province of Manitoba in their just over two years of governing.

I do want to make it clear that my criticism of this bill is to be directed clearly and directly at the Premier (Mr. Doer) of this Province who is behind this bill, particularly with his closest advisors, what one would look at as yesterday's NDP. There is no doubt that the Premier, Mr. Doer, Mr. Kostyra and Mr. Schroeder, who is the chairman of Manitoba Hydro, have clearly been at work behind the scenes and put the Minister of Finance (Mr. Selinger) in an untenable position.

I want to say from the outset, Mr. Speaker, that I do have respect for the Minister of Finance. He has shown that he has integrity throughout his two and a half years as Minister of Finance. Unfortunately, in this case, he has been put in a position by the Premier and by the Premier's advisors where he has been forced to day in and day out stand up and try to justify to the people of Manitoba why it is that this Government is forced to go into Hydro and raid \$288 million, not out of a pot of cash sitting at Manitoba Hydro, but in fact even worse. They are going to Manitoba Hydro and forcing them to borrow money in order to help the Doer government out of its problem with its \$150-million deficit from last year and in fact the operating deficit that they will again have this year.

Mr. Speaker, to lay out this story, we have to go back to March of 2001. That is really when the crux of this matter began to unfold. At that

time we advised the Minister of Finance that he needed to pay careful attention to the economic downturn that was in the works in the U.S., that there was certainly going to be a spillover into Canada and into the province of Manitoba, and he needed to get his fiscal house in order. He needed to get his Government's spending under control. Otherwise, this Government was heading down the road for deficit financing.

The minister refused to acknowledge that at that time. As a matter of fact, he instead chose to in glowing terms describe how Manitoba's economy was still moving ahead. According to the statistics there was still economic growth in the province of Manitoba. But what was happening behind the scenes, and he must have been aware of it, he must have seen it, and hopefully he had the strength to advise his Premier of that, in fact corporate profits were on the wane. All across the U.S., all across North America, because of the economic recession we saw the corporate profits run a downturn. The result could only lead to government revenues being on the downfall as those reduced profits in turn reduced the amount of income taxes that corporations were going to pay to both the federal government and the provincial government. But the minister refused to acknowledge that. As a matter of fact, the first time he acknowledged it I believe on the record was in this year's Budget.

So we knew a year and a half ago that this Government was in for tough times. Economists were predicting it. We advised them. Did they react? No. They chose to ignore and they merrily went along their way, increasing their spending in virtually every department and increasing it significantly in many, many departments, all the while trying to convince themselves that somehow the economic downturn would go away and the money would keep flowing.

Well, Mr. Speaker, that did not happen, as we knew it would not. As a matter of fact, we found out when the Government finally released its six-month statements last year, and they released them towards the end of December. We finally found out from this Finance Minister that this Government was in serious, serious trouble. At that point they started floating solutions. Their first thought was, well, we will raid the

rainy-day fund for \$185 million. That was announced at the end of December.

* (15:00)

Again, keeping with this Government's agenda of managing by deception, they released those statements shortly after Christmas when most Manitobans were either still on Christmas vacation or really not paying attention to the financial affairs of their Government because they were in the mood to celebrate another new year. Purposely, when people were away, when people were on vacation, this Government and this minister made a purposeful decision to release this bad news hoping that Manitobans would not find out, would not pay attention, and life would just go merrily along.

Mr. Speaker, I am sure they were shocked and devastated at the response from Manitobans who indicated clearly, in very clear terms to this Government, that if they ended up in a situation where they had to drain the rainy day fund of \$185 million and risk the total collapse of the rainy day fund due to their mismanagement, due to their overspending within two years, as was the path this Government was clearly headed down, that there would be a serious price to pay from the voters in the province of Manitoba.

Mr. Conrad Santos, Deputy Speaker, in the Chair

Now, Mr. Deputy Speaker, we did not hear much until later in February, when the Government released to the public new information, information that there had been a federal accounting error and that, in fact, perhaps, perhaps the federal government was going to be demanding a significant amount, an amount in the hundreds of millions of dollars from the Province of Manitoba; and, again, their story: Oh, woe is me. What are we going to do? We might be faced with this.

Well, Mr. Deputy Speaker, that sets the stage for this Government's shenanigans. This minister announced in his Budget in April that this Government would dip into the coffers of Manitoba Hydro, would go to Manitoba Hydro and force them to borrow \$288 million to cover this Government's mismanagement, to cover this

Government's spending platform that is totally out of control.

During the lead-up to this Budget, the Minister of Finance (Mr. Selinger) must have found himself in a horribly, horribly conflicting situation because he is also the minister responsible for the well-being of Manitoba Hydro. So on the one hand, he knew full well that Manitoba Hydro did not have the cash, and he knew that because he was asking their advice in late February, in late December, in January and in February. He was getting information on a regular basis from Manitoba Hydro as to what effect taking a significant amount of money out of that corporation would have on the corporation.

He knew, he was advised that Manitoba Hydro was not sitting on a flush bank account, that Manitoba Hydro did not have a huge pile of cash for the Government of Manitoba to draw on, but he was caught in a situation where the Premier (Mr. Doer) and his advisers were demanding, demanding that he come up with cash from somewhere because they were seeing the revenue shortfalls and because this Government was unwilling and his ministers right across the board were unwilling to make the tough decisions and to hold back on their spending. As a result, they were going to be faced not only with a \$150-million deficit from last year, but, in fact, they were going to be faced with a situation where they were going to be running a deficit in the year 2002-2003 unless they forced Hydro to go out and borrow cash and pay a short-term dividend to the Province of Manitoba.

Mr. Deputy Speaker, this bill that has been introduced, I hope this Government is ashamed of it. They should be ashamed of it, particularly with regard to the preamble in the bill, because what are they trying to tell Manitobans in this bill? They are trying to convince Manitobans that, as a result of a federal accounting error and, worse yet, as a result of the events of September 11, that this Government has no choice but to raid Hydro to the tune of \$288 million. Now, that is clearly deception.

This Government knows full well, and, in fact, they were in discussions with the federal government at the time and, I understand, had

fairly positive discussions with the then-federal Finance Minister, Minister Martin, that in fact the issue about the federal accounting error was going to be managed and worked out in a matter that was fair to all the provinces that were involved, not just to the Province of Manitoba, but to all the provinces.

This Government has known, this Finance Minister has known, for quite some time that the federal accounting error would not pose a huge problem to the Province of Manitoba, and that the federal government was willing to deal with it in a fair manner. He has also confirmed that. That was confirmed in the news in the *Winnipeg Free Press* in an article on Friday, where he once again confirmed that even the new Finance Minister, whom we were led to believe by this Government, at some point, was maybe not as willing to treat the Province of Manitoba and the other provinces that were affected in a fair and even-handed manner, but, on Friday, we have the Minister of Finance admitting that he spoke to Minister Manley last week and that Minister Manley, and I will quote from the minister: He realizes it was a federal responsibility, and it is up to them to come up with a fair solution. So, Mr. Deputy Speaker, there will be no significant damage to the Province of Manitoba as a result of the federal accounting error.

We knew that. The Government knew that. The Government knew that last year when they started discussions. The Government knew that all spring before the Budget. The Government knew that until the introduction of this bill, but they went ahead and did it anyways. I have to give the minister the benefit of doubt. Maybe, somehow, in the far dark corners of his mind he thought that there might be some ramifications, but, I think, really what happened here is that he had no choice. The Premier, Mr. Schroeder told him that he had no choice but to continue on with his policy because, in fact, regardless of what the federal government did, the money had been already spent. They had already overspent last year by \$150 million. They ran a \$150-million deficit. They did not pay one penny to the federal government.

They are going to take \$288 million out of Hydro, presumably, as they say, because of some federal accounting error and because of

problems that might arise from that, and, in fact, they know (a) that they have not spent one penny to date and that none of the \$288 million is going to be used with regard to the federal accounting error and (b) that there is a very good chance that it may not cost the Province of Manitoba one red cent because, as Mr. Manley has indicated, as Mr. Martin indicated, the federal government will find a reasonable and fair solution to this problem for all of the provinces involved.

So, Mr. Deputy Speaker, that is one area of preamble that this Government should be amending, should be withdrawing, but it is not the worst. The worst part of this bill is this Government's attempt to blame their economic circumstances on the backs of the people who perished on September 11. This Government needs to be ashamed of that. That was a terrible, terrible moment in all of our lives to witness those tragic events, to see live on TV what had transpired and to realize that thousands of people had perished in those tragic events and that a great many, the majority of those bodies would not even be recovered.

This draw of \$288 million is not about September 11. This draw was about this Government's inability to manage the economy. It was not September 11 that caused the economic downturn. That economic downturn and the resulting reduction in corporate income tax revenue for this Province was well underway and the minister knows it. The minister knows it because he had seen the six-month financial statements and he knew from the projections where his corporate revenue was going, but this Government was caught in a terrible box.

* (15:10)

In the spring, they tried to convince everybody that everything is all right. The economy is okay. We are not going through this recession that the rest of North America was going in. It is not going to affect us. We have a diversified economy and everything will be all right. Well, in fact, they knew everything was not going to be all right. I am sure the capable officials in the Department of Finance must have advised this minister and this Government that everything was not going to be all right.

Instead of looking for a solution, instead of taking the hard decisions and looking at which of the programs, they were spending taxpayer money on which were not creating the results that were needed, were not efficient, were not providing good value to the taxpayers of the province of Manitoba, instead of looking at those programs and looking at where they could pull back on their spending—perhaps in the Department of Justice where the budget has gone up by over \$35 million in the last two years; perhaps they could look at that, understand clearly that money is not being used productively. Crime was not down. Crime is on the increase. That is just one small example of this Government's inability to manage, its inability to manage the resources the people of Manitoba have given it.

For this Government to indicate in a piece of legislation that is before this House that will for all time in the history of the province of Manitoba indicate this Government feels as a result of the tragedy of September 11 they had to go in and raid Manitoba Hydro of \$288 million is not only a travesty, it is an embarrassment. I would hope this Government would take the high road, do the decent thing when this bill comes to committee and remove that reference to September 11, perhaps instead refer to an economic downturn, because we could all understand that. Economies go up; economies go down. There are good times, and there are not-so-good times. That is what we have seen. We have seen that all across North America.

I hope this Government has the courage to remove that clause in the bill and to stand up and admit to everybody, not only the people in Manitoba. How does this Government think that the relatives of those people who perished in that tragedy on September 11 feel about their loved ones being used as a scapegoat by the province of Manitoba? I am going to ask them to give some thought, to have some feeling for those people who lost loved ones on September 11 and for this Government to do the right thing, to amend this bill at the committee stage to simply indicate because of their financial situation, because of a downturn in the economy, this Government needed, in their opinion, to raid Manitoba Hydro for \$288 million. I would ask the Minister of Finance (Mr. Selinger) if he

would consider that and consider bringing that type of amendment forward when this bill reaches committee.

Mr. Deputy Speaker, we will get into the details of exactly what has gone on here and the accounting behind this raid on Manitoba, how this Government has dealt with the accounting, how this Government has dealt with the employees of Manitoba Hydro, particularly senior officials at Manitoba Hydro who have been to the Public Utilities Board for a five-year review and have put their hand on the Bible and sworn under oath to tell the truth and have been cross-examined by a number of lawyers representing a number of interested groups as well as the lawyers of the Public Utilities Board. It paints a picture of a government and a Minister of Finance under immense duress. This is a government that will not do the right thing when they are faced with the facts. This is a government that has not only ignored what has been said under oath by officials at Manitoba Hydro but in fact has stood in this House on a daily basis almost and contradicted them. From a political perspective, I guess that is what they have to do. I guess that is what the Minister of Finance has to do because his Premier (Mr. Doer) has put him in this horrible, horrible box.

I am sure one day the Minister of Finance, when all is said and done, will likely indicate that, yes, he did know that Manitoba Hydro was going to have to go out and borrow the money in order to pay this dividend because he had the integrity to stand up and say that their promise to fix hallway medicine was irresponsible. I believe he recognizes this draw on Manitoba Hydro as being irresponsible as well, but I believe his Premier has put him in such a position, his Premier and his advisers, that he has no choice but to make the best of a very, very bad situation.

Mr. Deputy Speaker, in terms of the accounting, it has been shown clearly that Manitoba Hydro, although it has generated record profits in the last number of years, although its management has been fiscally responsible and has done their best to attempt to keep their spending on capital projects in line with the cash that is generated by the company, and in fact the Crown Corporations Council indicated that that

target was met last year, that Manitoba Hydro, who needs to spend a bare minimum of \$300 million a year on capital expenditures just to keep the plant running, just to keep the hydro generation stations working, just to keep safety at the necessary level, has to spend \$300 million at least, at a minimum. That was confirmed by the CFO of the corporation, Mr. Vince Warden, in testimony at the Public Utilities Board under oath.

So it came as a shock when the Government released the nine-month report of Manitoba Hydro. This came after they had announced they were going to take \$288 million out of Manitoba Hydro. Contrary to generally accepted accounting principles, this Government chose not to note in the third-quarter financial statements and they chose not to restate these third-quarter financial statements to indicate that they were taking \$150 million out of last year's earnings in the form of a dividend.

This must have been a horrible shock to the senior management at Manitoba Hydro, whose president and CEO is not only a chartered accountant but a Fellow. He has been appointed a Fellow of the Institute of Chartered Accountants of Manitoba. For him to have to lead an organization that publishes a quarterly financial statement which is in direct contradiction and in obvious contradiction of the Canadian Institute of Chartered Accountants handbook I think must have been a terrible, terrible event for him.

As a matter of fact, Mr. Brennan has stated on the public record, in an interview he gave to a local magazine, that one of his great prides was the fact that he had been awarded a fellowship by the Institute of Chartered Accountants. This minister forced him into a position where, as a Fellow, he had to issue a statement which was against the regulations of the Canadian Institute of Chartered Accountants. So not only is this minister in a horrible position, he, in turn, is then putting the senior management at Manitoba Hydro in a horrible position.

* (15:20)

Mr. Deputy Speaker, that statement for December 31, 2001, clearly indicates the direction the corporation is heading. For those nine

months the corporation had a profit of \$154 million. Yet their cash position had only increased by \$16 million, and at December 31 the corporation had \$14 million in its bank account. So they had already generated over three quarters of the profits they were going to generate for the whole year. Did they have \$150 million in the bank? Did they have \$130 million in the bank? Did they have \$120 million in the bank? No, not even close. They had \$14 million in the bank. This minister has the gall and had the gall to stand in this House and try to claim their dividend was coming out of export profits. He knew that was not accurate. He knew that was wrong. Yet he had no choice because his Premier (Mr. Doer) put him in this horrible position, this horrible conflict-of-interest position, where he had no choice but to stand up and try and defend a scheme that had been concocted by the Premier of this Province and his closest advisors.

The situation did not improve for him. The situation did not improve and, as a matter of fact, it deteriorated dramatically when the officials of the Manitoba Hydro Corporation, senior officials, went down to the Public Utilities Board and swore under oath to tell the truth to the questions that were being asked of them by the lawyers at the Public Utilities Board. What came out of that? What came out clearly was not only that the corporation had no cash, but under oath officials of Manitoba Hydro indicated they would have to go out and borrow money.

Mr. Speaker in the Chair

They would have to increase their borrowings to pay the dividend that was being demanded by this Government.

They go on at length under testimony. Under questioning by Ms. Kathy Kalinowsky, Ms. Carolyn Wray went on at length to explain the fact that the corporation has significant profits and has a significant amount of retained earnings does not at the same time translate into that corporation having cash. She was simply explaining what everybody in the know—I am including the officials at Manitoba Hydro, I am including the Minister of Finance (Mr. Selinger), I am including the Premier (Mr. Doer) and I am including his advisors—all of those in the know

knew, that Manitoba Hydro did not have and was not going to generate sufficient cash to pay the \$288 million that is being demanded by this piece of legislation.

They also knew this Government was going to have to change the law in order to take the money out of Manitoba Hydro. Thank goodness that the people who were responsible for passing that act had the good sense to understand that Manitoba Hydro was going to be a gem for this province and that the worst thing that could happen to Manitoba Hydro would be that various governments from time to time would just reach in and steal cash from the corporation. So they specifically put a clause in The Hydro Act indicating that governments could not take money from Manitoba Hydro, that there could be no co-mingling of funds.

This Government, this minister and this Premier paid no heed to that. Instead, they said, look, we need the cash. It is simple. We are in big trouble here. We have been told by the public just as we were told on the MPIC affair, if we draw down the rainy day fund, that the electors are going to be angry. So we will concoct this story and try and convince them that over at Manitoba Hydro, which is separate and a little more inclined to keep their numbers private we will just concoct this story about how we are going to go and take away from this big pile of cash that Manitoba Hydro has. But, in fact, the truth came out, and the truth came out very clearly at the Public Utilities Board's hearings, which is the purpose of those hearings. It is the one opportunity where the public gets representation to ask the senior managers of this monopoly very detailed and very serious questions about the direction the company is going in. It is the only protection the ratepayers of Manitoba have against either abuses from the company or the abuse of power that this Government is demonstrating through this bill.

Mr. Speaker, it is very clear from information provided to the Public Utilities Board that there are a number of significant, significant concerns that need to be addressed by Manitoba Hydro operating independently and operating on its own and without the heavy-handed government reaching in to reduce their cash

position. They are faced with a very clear reality that, if this province suffers a five-year drought, not only will they go from a profitable situation to a loss situation in the matter of a year, but those losses will be so great that in a period of five years the entire equity of the corporation could be eaten up. That would leave Manitoba Hydro in a situation where they could not even generate enough cash internally to make the payments on what we now learn is over \$7.4 billion of debt that is being carried on the books of Manitoba Hydro.

Mr. Speaker, we have a situation, and the possibility of a drought is not some wild incident that was concocted for the benefit of anybody. We are seeing, in very stark terms, the drought that is affecting Alberta, the drought that is affecting Saskatchewan, the drought that is affecting western Manitoba to a somewhat serious degree, and, in fact, if it had not been for storms earlier in the spring, Manitoba Hydro would be suffering this year. In fact, all of Manitobans would be suffering from a lack of water. That would definitely have a significant financial impact on Manitoba Hydro.

Mr. Speaker, we also see projections from Manitoba Hydro that did not indicate clearly that they will not be able to attain their debt equity ratios in the prescribed time. We see that has been extended from 2004 to 2009-2010. We also see that ratepayers of Manitoba Hydro are going to feel the pinch.

Manitoba Hydro is projecting rate increases of 2 percent a year. It was starting in 2002. Then this Government decided they had better cover their tracks. They had better make sure there are no rate increases at Manitoba Hydro prior to the next election. This is part of their hidden agenda. It is the same thing they have done with the public insurance company. Instead of going through the natural process, instead of letting it evolve through hearings at the Public Utilities Board, this Government is setting rates at the Cabinet table in order to try and curry political favour with the people of Manitoba. That will come back to haunt them—[interjection] That is right. The member so rightly indicates it is an attempt to take the spotlight off of their raiding of Manitoba Hydro for \$288 million.

Ratepayers will feel the effect of that. Officials of Manitoba Hydro, again, under oath, spoke very clearly that there was a need for rate increases and, in their view, that there was a need to do them on a small, incremental basis year by year to avoid the situation where they would have to have a very, very large increase in any one given year. They stated clearly their policy is to keep electrical rates below or at the rate of inflation.

* (15:30)

Because this Government has tampered with their ability to raise rates, because this Government is setting this type of policy at the Cabinet table and completely ignoring the Public Utilities Board in its role, ratepayers are going to be faced with some very significant increases after the next election. This Government knows it. This minister knows it. He should have the courage and the Premier (Mr. Doer) should have the courage to stand up to the people of Manitoba and tell them what effect this raid on Manitoba Hydro will mean to them in terms of their rates in the year 2004, the year 2005 and the year 2006.

If perchance we do see a drought, and that is a very real possibility, those rate increases will be compounded significantly by this Government's decision to raid Manitoba Hydro for \$288 million. We could well be looking at 6, 8, 10% annual increases in electricity charges as a result of this Government's management and as a result of the deception that has been put upon the people of Manitoba by this Government.

As I indicated, debt at Manitoba Hydro is going up and up, over \$7 billion in debt this year. This year their debt is larger than the general purpose debt of the Province of Manitoba. This Government, instead of doing the right thing, standing up and saying we overspent, the economy turned on us, we spent more money than we generated. Instead of taking that honest response to the people of Manitoba, they come here with this half-baked scheme to take money out of Manitoba Hydro to cover up for their problems.

They are simply forcing Manitoba Hydro to go out and borrow money to pay for the

problems that were caused by the Government of Manitoba. In simple terms, this is off-balance-sheet accounting. This is the same type of accounting that got the Enrons and the Worldcoms of this world in big, big trouble. So I would ask them to do the right thing.

I see my time is almost up. I do want to indicate that I hope the Minister of Finance (Mr. Selinger) will take the amendments that I have suggested and give them serious thought prior to the committee meeting and have the courage to bring forward amendments that reflect exactly what the situation is that this Government is facing. Because of their mismanagement of the economy, because of their inability to recognize that they were spending far more than they would receive, they ran into a situation where they needed cash, and they forced Manitoba Hydro to go out and borrow that cash in order to fill their coffers.

Mr. Speaker, I think this minister should also apologize to the senior staff at Manitoba Hydro for the position that he has put them in. We have a situation where most of the senior management went to the Public Utilities Board and swore to tell the truth and said one thing under oath. The CEO did not go there, but they brought him here to committee, and none of the people that went to the PUB came before the committee of this Legislature. So we got a little bit of a different story. This Government has forced them into a position where they had to twist and turn the facts, not to indicate the truth, but to indicate what this Government wanted them to tell. I admonish this Government for that. They are, in turn, not only placing the senior management of Manitoba Hydro in an untenable position, but they also are showing a complete and utter disregard for process and for the Public Utilities Board. Thank you.

Mrs. Bonnie Mitchelson (River East): I just want to put a few comments on the record about this ill-thought-out legislation and might ask the Minister of Finance if he might stand behind the principles that I know he has as an individual, a minister whom I have some respect for. I believe he came into this position believing he would be able to impact and influence a lot of positive things for the province of Manitoba. I think, Mr. Speaker, he must be extremely disappointed

today with his Premier (Mr. Doer) and those that advise his Premier, namely, Mr. Kostyra and Mr. Schroeder.

I just want to go back to when I was first elected in 1986, and the government of the day, the NDP government, had a very small majority. I experienced, in my first days in this Legislature, some of the underhanded things that had been happening while the NDP government had been in power. We found out very quickly that, before the 1986 election, they interfered very dramatically with the Manitoba Public Insurance Corporation and Autopac rates. Manitobans saw very clearly, after the 1986 election and they formed government, that the rates in Autopac had been kept artificially low before the 1986 election. Then, after the election, we saw a government, the NDP government, by the stroke of a pen around the Cabinet table, significantly increase Autopac rates.

Mr. Speaker, I want you to know that the public outrage was immense, something I had not experienced before, and we saw many members of the public certainly take this government to task. As a result, it was Eugene Kostyra's budget in 1988, the same person that is advising the Premier today, it was his budget that was defeated by one of the NDP members on that side of the House when they were sitting in government that caused the 1988 election and changed the government in the Province of Manitoba.

Now, Mr. Speaker, we see the same kind of activity, and the now-Premier was sitting around the Cabinet table when the decisions were made to not tell the truth to the people of Manitoba on the financial situation of the Manitoba Public Insurance Corporation before an election in order to get them re-elected, so that they could then manipulate and raise rates significantly. We also saw in 1986 the sad situation that the Workers Compensation Board was in.

When we came into office in 1988, we took several years to try to turn that corporation around and deal with the issues, and we are seeing again—now that a NDP government is in power, we are seeing for the first time ever the need to increase workers compensation rates. We have seen time and time again the

mismanagement and the political manipulation of Crown corporations by a New Democratic government.

What we are seeing today, is the same thing with Manitoba Hydro, where we have political manipulation, political interference with our Crown corporations. We saw an attempt by this Government to take \$30 million out of MPI to use for education, and we saw the significant public outcry. Manitobans have not forgotten what the NDP government did back in the eighties that politically manipulated our Crown corporations, our Crown jewels. We saw the public outrage, and we are seeing again today the manipulation through Manitoba Hydro.

I want to indicate that when my constituents heard that as a result of the \$288-million grab, as a result of the borrowing that will have to take place and the interest costs on that borrowing, when we see the increase of the water rental rates at Manitoba Hydro, we realize and Manitobans realize that this Government is taking a million dollars a day out of Manitoba Hydro.

Now, Mr. Speaker, that money is money that belongs to Manitobans. Manitobans pay Hydro rates. If, in fact, there is to be a benefit, Manitobans should receive that benefit by way of reduced Hydro rates, or that money should be used for capital expansion of Manitoba Hydro, so that all Manitobans can benefit.

What we are seeing here is Manitobans paying one of the highest provincial income tax rates across the country, and also on top of that, they are being double-taxed, because the \$288 million that is being raided from Manitoba Hydro is going into the coffers, the same coffers that Manitoba taxpayers pay into, to fund spending problems that this Government has encountered.

* (15:40)

Mr. Speaker, I just want to indicate that my 20-year-old son and I had a discussion last night. We do not discuss politics on a day-to-day basis, but he was making comment to me saying, boy, this Premier (Mr. Doer), and he used his name, I will not use it in the House—but says, he sure does not seem to have trouble spending other people's money.

Well, that is the mentality of this New Democratic government, Mr. Speaker, and they believe, if they put blinders on, they can justify spending and overspending, and it is other people's money. The money there belongs to the taxpayers of the province of Manitoba. We know, just looking across the way, that there are not too many on the other side of the House that have ever had to meet the bottom line, that have ever had to meet a payroll and have difficulty understanding what living within your own means and spending according to what you earn is extremely important. They believe that they can just run deficits and try to find the money in other places. *[interjection]*

Well, the Member for Elmwood (Mr. Maloway) is one of the members that continues to remind me about the hay wagon and the protest in 1987 that was orchestrated by Manitobans because they saw through the mismanagement and the spending ways of the New Democratic government. I would daresay today, Mr. Speaker, that, if that hay wagon was back out there today, it would have to have kerosene lamps on it. Because of the way this Government is treating Manitoba Hydro, we may not be able to afford hydro in Manitoba, and kerosene lamps might have to be used.

I want to remind the member from Elmwood that it was mismanagement under Eugene Kostyra, who was the Minister of Finance at the time, that defeated that government. I would hope that the Minister of Finance (Mr. Selinger) today would take a sober second thought about what the implications of this bill are going to be because I do not believe that he wants to go down in history like Eugene Kostyra went down in history, when his own members of his caucus voted against a budget because they were not being truthful to Manitobans.

Mr. Speaker, I think that this present Minister of Finance should rise above that and say that he does not want the same legacy and the same reputation following his name as the Minister of Finance as Eugene Kostyra had. So I would hope that this minister, who, I believe, has some integrity, would stand up and be counted, would stand up and indicate that the advice that was given to him by his bureaucrats and those at Manitoba Hydro, who knew the bottom line and

had shared that with him, with his Premier, and with his Premier's advisers would in fact reconsider, withdraw this bill and prove to Manitobans that he cares significantly about the bottom line, he cares about those that under sworn testimony in front of the Public Utilities Board have told the truth, that he would reconsider moving this bill forward and have the courage of his convictions, which, I know, he has, and remove this bill, pull this bill and protect the ratepayers of Manitoba Hydro and the taxpayers of the province of Manitoba.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise to say a few words about this bill which deals with the NDP government taking \$288 million from Manitoba Hydro. It is of considerable interest when one looks at the long-term debt of Manitoba Hydro that, in 1999, in the annual report released just recently, the long-term debt stood at \$5.883 billion. After a year of government, we have the long-term debt at \$6.611 billion. After two years of NDP government, Manitoba Hydro's long-term debt is \$6.968 billion. After three years of NDP government, it is \$7.137 billion.

The increase in the debt of Manitoba Hydro is partly related to the need to provide this money to the Government of Manitoba because the Government of Manitoba cannot go out and borrow money under The Balanced Budget Act. The NDP government wanted to make sure that they look pretty and did not draw down the rainy-day fund.

It is with sad commentary that the NDP government has taken and is continuing to take, over the next couple of years, substantial millions of dollars from Manitoba Hydro. Essentially, as a result of taking this money, Manitoba Hydro must go increasingly into debt.

* (15:50)

Mr. Speaker, Manitoba Hydro contributes in water rentals and assessments and a variety of other ways to the coffers of the revenues of the Government of Manitoba. I think that Manitoba taxpayers would expect some reasonable contribution from Manitoba Hydro to helping make sure that the Government revenues are in reasonably good shape. But the way that this was done

by the current Minister of Finance, who has become, in a way, the minister of ad hockery, in his last-minute approach to shifting many millions of dollars around, has not been an approach which meets the normal standards of good government and good planning.

When you take it the last minute after the year has passed, 150 million from the year just passed, as the NDP have done and are doing in passing this bill, then it is a poor approach to long-term planning. It is rather short-term manipulation. It is too bad that this Government, which, at times, though it has seemed well intentioned, has sought to govern through short-term manipulation instead of long-term planning.

Many of us who are citizens of this province and care deeply for this province would wish for a better approach to long-term planning, in which it is possible for companies like Manitoba Hydro to be able to plan over a several-year period without having to worry that the Government may dip into its pockets for the coming year or for last year for many tens of millions of dollars in order to meet the short-term needs of the NDP government, rather than the long-term planning needs of Manitoba Hydro and of the Province of Manitoba.

This session of the Legislature which began April 22, about six weeks after the average of the last 30 years which is the beginning of March, is another example of the kind of ad hoc approach to governance that this NDP government is pursuing. They start late and continue well into the summer, leave people guessing and make it difficult to plan, whether they are legislators or people working in the Legislature or people working in a variety of other areas of government. It is a sad commentary on the nature and the performance of this Government that they have worked on the basis of last-minute manipulation and an ad hoc approach to the way they do things, rather than good, long-term planning.

I have had the occasion to talk to a number of Manitoba Hydro employees who are rather perturbed at the way this Government has operated, perturbed that the corporation in the effort to provide energy to this province has

been undercut by these kinds of last-minute decisions.

This ability of companies like Manitoba Hydro, Crown corporations like Manitoba Hydro and people who work on behalf of them, to plan is clearly pretty important, and in hydro-electric power this is probably more important than a lot of other endeavours, because you have to plan long terms in terms of construction of dams and making sure that there is adequate energy supplies for businesses and for individuals and for export.

To have a minister who imposes last-minute decisions with very substantial financial implications on a company which should be based on solid long-term planning is certainly a difficulty for Manitoba Hydro and a rather poor example for not only the company but the Province.

Manitoba deserves better than this when it comes to leadership. If what served this Province best was the kind of ad hoc thinking, last-minute manipulation as we are seeing from the Minister of Finance (Mr. Selinger), then it is probably fair to say that Manitoba would have done better compared to other provinces in Canada than it has in the last 40 years, many of which have been the result of a lack of leadership by NDP governments and, of course, some by Conservative governments. But the problem has been that we have not done as well as other provinces, and we should be doing better.

One of the things that clearly has happened is this kind of political manipulation, for the Government to try to take advantage, rather than a government which thinks in the best interests of all citizens and plans in a framework which is most appropriate for the generation of electricity, power and energy for Manitoba citizens and indeed for the prosperity of all Manitobans.

When this legislation comes to a vote, I stand opposed to this kind of ad hockery, and I will vote against this bill. It is not a good bill. It is based on poor, last-minute financial planning. We need to do better.

Mr. David Faurshou (Portage la Prairie): I am pleased this afternoon to rise in regard to Bill 41's debate. I want to register at this time my

opposition to the passage of this bill. I want to state on the record that I believe this particular bill is one that serves the interests of government but does not, in any way, shape or form, serve the best interests of a Crown corporation of which I personally, as a Manitoban, am very proud.

I believe the operations of Manitoba Hydro over the past decade have been exemplary. I believe the pride of accomplishment is shared throughout the workforce that is employed by Manitoba Hydro. I know many of them personally. They all are very, very proud of their employees with Manitoba Hydro and treat the success of Hydro as a success of which they share personally.

However, there is great dismay amongst the members of the Manitoba Hydro workforce in regard to this bill that they believe, in the long run, is not in the best interests of their employer, Manitoba Hydro. They believe they have made great strides over the past decade in facing down an inordinate amount of debt that the corporation had, carried over from the previous administration when dam projects were under construction and a great deal of expenditures were made.

The ability to pay down those debts has been enhanced by the export of power from Manitoba to other jurisdictions, namely south of the border, where the change in exchange rate between the currencies of Canada and the United States has enhanced the amount of compensation Manitoba Hydro has had from the sale of hydro south of the border. This, in turn, has provided Hydro with the ability to pay down the debt. In essence, we as Manitobans have taken a greater equity position in Manitoba Hydro. I believe all Manitobans were proud of that fact.

However, Mr. Speaker, with the passage of this bill, all of that is turned around. Hence, as a Manitoban I am personally very, very disappointed because the operation of Manitoba Hydro has been in the best interests of all Manitobans to date, but I believe that Manitoba Hydro, in its best efforts, cannot accommodate what this bill requires of it without providing some shortcomings in either service or performance to the ratepayers of Manitoba or to its customers, domestic and abroad.

Mr. Speaker, I state my opposition to Bill 41. I do believe that Manitoba Hydro is a well-run Crown corporation which all Manitobans can be proud, especially those Manitobans employed by Manitoba Hydro.

* (16:00)

I might just say that, on the occasion that Manitoba Hydro employees showed what they are made of, the right stuff, when they went outside the boundaries of Manitoba and entered the province of Québec to assist in their righting of the power lines that were down by the ice storm and showed a great deal of capability, they did Manitoba proud in their efforts to restore power to those in Québec that were without because of the ice storm. When they returned home, we all could be very, very proud of what they were able to accomplish.

I also want to say, Mr. Speaker, that Manitoba Hydro has, until this time, really shouldered its fair share of dividends to the taxpayers of Manitoba with low rates to the ratepayers as well as monies paid towards the general revenues fund of the provincial government through water rental, which effectively is a tax paid in lieu of the Crown corporation status being exempt of income tax. They have provided a great deal of resources to the past governments as well as the current government. In fact, over \$103 million was generated through the water rental to the provincial Treasury from Manitoba Hydro this past year. I will say that is truly an amount which would be in excess of what that Crown corporation would have paid had it not been a Crown corporation and exempt of provincial income tax.

With those few words, I do want to say that I am not in support of Bill 41, and I believe that it is very short-sighted, but, in no way, do I want to imply any ill feelings or imply any ill effect that I see from a consumer standpoint towards Manitoba Hydro because I do believe that the corporation has come through some very, very adverse times, whether they be from the inordinate amount of debt that they had from previous governments or the storms that plague our province, from time to time. They have restored power to Manitobans in very short order. For

that, I would like to say thank you on behalf of myself and the constituents of Portage la Prairie. Thank you.

Mr. Speaker: Is the House ready for the question?

Some Honourable Members: No.

Mr. Speaker: No. Any speakers?

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, I only want to rise today to voice my opposition to this Bill 41.

It is an extreme atrocity that this Government would think that they could up and take \$288 million out of a Crown corporation in the manner in which they have done. It is part of the hidden agenda of this Government, and I am only going to take a few minutes to point out a couple of the shortcomings.

Our Member for Fort Whyte (Mr. Loewen) has pointed out all of the technical detail around this particular bill and why one should be opposed to it. I just want to say that this along with the Doer government has felt that they could just bury this one like they did or tried to, the Manitoba Public Insurance, of which they had to overturn in a matter of days, and they have not chosen to do anything of the sort with this. They have tried to bury this and not make it an issue in spite of the testimony that has been talked about by our Member for Fort Whyte, the critic for Hydro.

It reminds me of the five simple promises that this Government had in the election, of which they have broken all of them, including the one of course to fix hallway medicine. That one is still ringing in the hallways of the hospitals in Manitoba. For many who need care in this province, it is just not there for them. They are having to go elsewhere to get that health care.

The point I want to make is that this Government is spending a million dollars a day to finance a raid on Manitoba Hydro that was part of their hidden agenda, that they did not come forthright with the Manitoba voters in the use of these funds. Just to put it into perspective

and show that there is no shame in this decision by the Minister of Finance (Mr. Selinger), or, perhaps, as pointed out earlier, maybe it was beyond his venue or purview. Even though he has the final say, perhaps it was in the NDP's plan all along to take \$40,400 an hour from the ratepayers of Manitoba Hydro. That is what it amounts to when it costs over a million dollars a day to finance a decision like this, \$40,410.

Manitoba Hydro has been a good corporate citizen in the province of Manitoba, has been since its beginnings and has been in existence. It has participated willingly in a number of projects that have come to Manitoba. I would like to say that if you are going to take a million dollars a day to fund a \$288-million decision that was made under somewhat spurious reasons, as has been pointed out, then what will the rate of increase be over and above the 13 percent that they already had in the two years that they had, the 13 percent that was already on the books to be increased.

I would just like to point out that this \$288-million decision will be forever on the minds of Manitoba taxpayers, as Hydro's debt has now increased to over \$7.1 billion. Thank you, Mr. Speaker.

Mr. Speaker: Is the House ready for the question?

An Honourable Member: Question.

Mr. Speaker: The question for the House is Bill 41, The Manitoba Hydro Amendment Act.

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

Some Honourable Members: No.

Some Honourable Members: Yes.

Voice Vote

Mr. Speaker: All those in favour of the motion, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to the motion, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Mr. Marcel Laurendeau (Official Opposition House Leader): On division, Mr. Speaker.

Mr. Speaker: On division.

Bill 49—The Purchase of Winnipeg Hydro Act

Mr. Speaker: Resumed debate on Bill 49, The Purchase of Winnipeg Hydro Act, standing in the name of the honourable Member for Steinbach (Mr. Jim Penner).

Is it the pleasure of the House for the bill to remain standing in the name of the honourable Member for Steinbach?

An Honourable Member: No.

Mr. Speaker: No? It has been denied.

Mr. John Loewen (Fort Whyte): Mr. Speaker, Bill 49 will see the purchase of Winnipeg Hydro by Manitoba Hydro, which, in principle, this side of the House has no problem with, but once again we are very, very concerned that this Government has chosen to completely ignore process and has kept Manitobans and will keep Manitobans and Winnipeggers in the dark regarding the purchase of Winnipeg Hydro by Manitoba Hydro.

Once again this Government has struck a deal which requires legislation and has not taken that deal through the proper process. They have refused to take the purchase of Winnipeg Hydro to the Public Utilities Board, to give the proper scrutiny to this deal that only the Public Utilities Board can give to a deal like this, as they did with Centra Gas and Manitoba Hydro's purchase of Centra Gas. The Public Utilities Board needs to be convened, can conduct a complete and thorough review of all the terms of the agreement struck between Manitoba Hydro and Winnipeg Hydro and those issues that this Government is bringing before the Legislature in this piece of legislation. Once again, we see a government that has a hidden agenda. We see a government that is mismanaging the affairs of the Province of Manitoba, and we see a

government that is practising deception upon the citizens of Manitoba.

Mr. Speaker, we only need to go back to the last civic election close to four years ago when the now-mayor ran as part of his platform on his concern with the possible sale of Winnipeg Hydro. As a matter of fact, it was part of his platform that the City of Winnipeg retain ownership of Winnipeg Hydro. At the time, he identified the fact, which is well known, that Winnipeg Hydro and its facilities are in dire need of repair. It was his view at the time that in spite of the fact that very significant amounts of capital would have to be spent to refurbish the plant, as we will refer to it, of Winnipeg Hydro, he believed at the time—and, in fact, he had a report done by outside consultants which indicated that Winnipeg Hydro should not be sold. Now, I have not been privy to that report because it was kept secret.

* (16:10)

Mr. Speaker, the Public Utilities Board needs to be convened to get behind the reasons as to what has transpired here, to understand why the mayor of Winnipeg has changed his position, why he has convinced his councillors to approve this deal. We do not know the reasons. We do not know if it was because some sweetheart deal was struck between the Premier (Mr. Doer) and the mayor, or some sweetheart deal was struck between Eugene Kostyra and the mayor. We do not know what has gone on behind the scenes. The people of Manitoba do not know what has gone on behind the scenes.

For all we know, maybe this is part of the deal to build the True North Centre. Maybe the Premier said, look, mayor—and his opposition to that was loud and vocal throughout the years. Maybe the Premier went to the mayor and said, look, just keep quiet about True North because that is my dream. I want to build this edifice to myself where the Eaton's building once was, and, Mr. Mayor, if you keep quiet about it, we will just shovel a little extra on the purchase price.

Maybe he is following the same strategy that he has followed with his brother on Dakota Tipi. Maybe the mayor, maybe the City, has just

gotten 15 percent extra, 15 percent over and above the deal just to keep quiet. Maybe this 15% government has struck another 15% deal with the mayor and the City of Winnipeg quietly behind the scenes. We do not know that. We do not know that because this Government, again, is trying to create an art form out of the practice of deception.

Instead of doing the right thing, instead of taking this deal to the Public Utilities Board, this Government is simply hiding the facts from the citizens of Manitoba. We do not know if the proposed price is a good deal or a bad deal because nobody gets to see what is under the table. All we know is that four years ago the mayor was opposed to it. Now, magically, the mayor has convinced Council to be for it. So what has been shoved under the table? How much are we paying? They will not even release what their rate-of-return factor is.

Manitoba Hydro, based on bringing this annual payment back to a present day figure, are they paying \$240 million? Are they paying \$280 million? Are they paying \$300 million? We do not know. This Government will not tell us. They will not tell what the hurdle rate is with regard to the purchase.

We have a boon to the city of Winnipeg, \$30 million going, \$25 million going, year after year in perpetuity, which may not be a bad deal. The trouble is the deal will not be scrutinized, because the only place where it can be scrutinized is at the Public Utilities Board and this Government has refused to do the decent and honourable thing and take the purchase of Winnipeg Hydro to the Public Utilities Board.

Eventually, the Public Utilities Board will get into it in one of their five-year reviews, but it will be a long way down the road and the deal will be signed. This deal should be taken to the Public Utilities Board prior to this legislation moving through this House. This minister knows that. This Premier (Mr. Doer) knows it. Eugene Kostyra knows it. Vic Schroeder knows it. Again we have the same old NDP.

We have a Finance Minister who is advising a government, a previous Finance Minister, whose own member voted against his budget and caused the defeat of the Government. We have a

former Finance Minister, now chairman of Manitoba Hydro, who is the only Finance Minister in the history of the Province for whom the Auditor refused to sign the books, and we are supposed to take their word for the fact that this may or may not be a good deal for the province of Manitoba or for the city of Winnipeg. Well, I think not.

I would ask this minister once again to do the right thing, to hold off on this legislation, postpone it until another session of this Legislature and come back and present it to the Legislature and the people of Manitoba once a full and thorough due diligence and hearings have been had by the Public Utilities Board. That is the only venue. That is the only protection the citizens of this province have against a government that continues to abuse the power that it has been instilled with.

There are some other issues with regard to the purchase that need to come under scrutiny. I certainly have heard from a number of employees at Manitoba Hydro who are very upset about how they are being treated vis-à-vis how employees of Winnipeg Hydro are being treated. So you have employees who have been with Manitoba Hydro for periods of 25 and 30 years. Maybe they are kind of recognizing they are at the end of their productive working days and wishing to take life a little easier. They look across and see that employees with less service at Winnipeg Hydro are being given very generous packages not to continue their employment at Manitoba Hydro.

Naturally, they look at it and say, well, hold it. What is fair about this? For 30 years they have worked at Manitoba Hydro and helped to build that wonderful company up to what it is today. Here they are being subjected to a deal which provides benefits for the purchase company but not for the employees of the purchase income.

I think again these are issues that need to be discussed and need to be raised with the Public Utilities Board so that everybody can have a thorough understanding of the reasoning behind this deal.

Mr. Speaker, again, as I have stated, while in principle we on this side of the House have no

objection to the purchase of Winnipeg Hydro by Manitoba Hydro, in fact at the right price it is quite likely the prudent thing to do, but at the same time this Government needs to be completely open with the terms of that purchase. This Government specifically needs to address how much capital expenditure is going to have to go into the assets that Winnipeg Hydro is bringing to the table to bring them up to snuff. If that is going to add another 300, another 400, another billion dollars in debt to Manitoba Hydro simply to bring those assets up to today's standards with regard to safety and with regard to efficiency, then that is a different deal. Again, that can only be ferreted out by a full and thorough review held by the Public Utilities Board.

I would ask this minister to do as his Government has done with Bill 12, simply take this legislation off the table, ask the Public Utilities Board to convene special hearings this fall to deal with this situation, and when this House reconvenes in November, we can take a look at the sworn testimony; we can have the facts before us; and everybody can have a proper debate on whether, in fact, this piece of legislation should pass through this House or not.

Having said that, Mr. Speaker, we understand that the bill will go to committee, and there are some presenters. We are looking forward at least, hopefully, to finding out a few more details behind this bill at public committee, and we will have more to say on third reading. Thank you.

Mr. Speaker: Is the House ready for the question?

An Honourable Member: Question.

Mr. Speaker: The question before the House is Bill 49, The Purchase of Winnipeg Hydro Act.

Is it the pleasure of the House to adopt the motion? *[Agreed]*

Bill 39—The City of Winnipeg Charter Act

Mr. Speaker: Bill 39, The City of Winnipeg Charter Act, standing in the name of the honourable Member for Seine River (Mrs. Dacquay).

Is it the pleasure of the House for the bill to remain standing in the name of the honourable Member for Seine River?

An Honourable Member: No.

Mr. Speaker: No. It has been denied.

* (16:20)

Mrs. Bonnie Mitchelson (River East): Mr. Speaker, I rise today to speak on Bill 39, indicating that we on this side of the House recognize and realize that there was a need for a significant rewrite of The City of Winnipeg Act.

It was an old and outdated piece of legislation, Mr. Speaker, and to that end the former Minister of Urban Affairs, when we were in government, commenced a significant amount of work, consultation and discussion around The City of Winnipeg Act, and much of what we see in Bill 39 today is as a result of that work that was undertaken.

It is no small undertaking to rewrite something as significant as The City of Winnipeg Act, and so we recognize the work by those who have been involved to come to what we see as a more modern, more updated, user-friendly piece of legislation, if you can call 328 pages user-friendly.

One of the issues, though, that we have some concern about, Mr. Speaker, is the timing of the introduction of this legislation. We see it being introduced after the long weekend in July, a time when many are away on holidays and do not have the opportunity to go through such a significant piece of legislation as this and provide fair comment.

There are many individuals and organizations right throughout the city of Winnipeg and the surrounding municipalities of the city of Winnipeg that would like to be able to go through this legislation with a fine-toothed comb and make appropriate comments and their decisions on whether they support or reject all parts of the legislation based on discussion with the organizations and the members who belong to the organizations.

Unfortunately, we all know that things do slow down in the summer months and that

many organizations do not have formal meetings of their membership during the summer months and, therefore, have had some difficulty pulling their members together and getting a consensus on whether the portions of this act that might apply to them meet with their approval. So it is unfortunate that we have a government that would like to see this legislation passed without having everyone who would like to have opportunity to fully examine this legislation be able to make their comments and make informed decisions about support of all parts of the legislations.

As I indicated at the outset, Mr. Speaker, we do agree that legislation needed to be changed, and we agree with much of the legislation that we see in front of us, but there are some areas that we do have specific concerns and some areas that we would like the minister to look at amendments. As a result of presentations, I know that there are several individuals and organizations that have already registered to make representation at committee stage on this legislation. We will hear what they have to say.

Some of the issues that have been raised, I believe, are legitimate concerns and legitimate issues. There is one area within the bill specifically on assessment taxation and other levies with which we have some concern, and others in our Winnipeg, Manitoba community have expressed some concern. That is on the portioning and assessment for taxation purposes that has been changed or will be changed by this legislation. There are a lot of unanswered questions.

We went several years ago to a market-based assessment right throughout the province of Manitoba that provided a level playing field, Mr. Speaker, and we were moving towards, and we are almost caught up, I think, with having assessment done on current year's value. We are not quite there yet, but I think that this section 330 in Part 8 of the legislation causes some concern. It causes concern within the business community. There are others within the community, the condo owners, for instance, that are looking at this part of the legislation, and I believe that it is moving away from the standard that was set with changes to assessment and to portioning that were made a few years back.

Mr. Speaker, we believe that the Province will be setting, by regulation, under this portion of the legislation, a range of portioning that the City, then, can use in order to set portioning for different classes within the city of Winnipeg. The business community certainly has some concern about this, given that there is not specific portioning set out for specific classes in the legislation, that, in fact, it will open up to manipulation by the City of Winnipeg changes between residential and commercial.

They believe that the provincial government's removal of ESL, or commitment to remove and starting to remove ESL from the property tax base, has been discriminatory. It only applies to residences. It does not apply to the business community, and so they believe that already things have been moved by this Government into a one-sided situation, where businesses are being penalized. They also believe, and I would tend to agree, that if there are ranges that are set, we are moving away and allowing for manipulation of taxation and may unfairly burden the business community as opposed to residential property. So I guess the question becomes why. Why would, in fact, the Province transfer this responsibility to the City of Winnipeg and set variances within different classifications?

It is a concern. It is a concern also to the condo owners. Those kinds of questions will be asked at committee, and I believe also that the Province is shirking their responsibility, that, in fact, this has been set up as a standard right across the province, and we are going to see differences between the city of Winnipeg and the rest of the province of Manitoba.

* (16:30)

Mr. Speaker, that is one area that we have some concern about. We certainly will be asking some questions, and I believe we will hear representation from those that make presentation at committee stage.

Mr. Speaker, another area that we have some concern about, and it is not something that is new because it was something that was changed last year by the Province of Manitoba, was the size of the wards within the city of

Winnipeg. We have some difficulty with the differential being 25 percent within the city of Winnipeg.

When you look at provincial legislation, anything north of the 59th parallel, we see boundaries having the ability to be based on plus or minus 25 percent, taking into account the size, well, they are not wards outside the city of Winnipeg, but we are looking at constituencies; they are jurisdictions north of the 59th parallel. We know that there needs to be special consideration given when those who are representing a certain area have to travel great distances.

We see no reason why there needs to be a variance of 25 percent within the city of Winnipeg when you can drive from one side of the city of Winnipeg to the other virtually within 30 minutes, 45 minutes. We think that that is too much of a variance. Our legislation for setting provincial constituencies says that anything below the 59th parallel should be subject to 15 percent, plus or minus, variance in the size of our constituencies. We believe the same should apply for the city of Winnipeg as it does in legislation that governs our provincial boundaries. So we have some concern with that.

The other area that we have some concern with is the special zones that are going to be created as a result of this legislation. In explanation from the department, they indicated to us that those special zones were going to be created and could be created by the City of Winnipeg and that any tax revenue that was generated within those special zones would stay in those zones.

Mr. Speaker, we have some difficulty with that. The whole concept of Unicity was to ensure that the taxes that were generated were apportioned throughout the city of Winnipeg to meet the priority needs of the City of Winnipeg. If you combine the portioning issue with the special zone issue does that then allow the City of Winnipeg to have differential tax rates in those special zones to other parts of the city? And there also is no sunset clause on the additional revenue that might be generated in those special zones.

We can understand that there might be certain priorities that need to be met in certain

communities, in certain areas of the city of Winnipeg, but I guess our biggest concern is the inequity that that might cause, and is in fact this sort of moving away from the whole concept of Unicity where taxes that are generated are spent and the city of Winnipeg determines what the highest priorities are in a global sense and then allocates tax dollars.

Mr. Speaker, we have some concern that this might end up being just a slush fund for the city of Winnipeg in certain areas. I, for instance, do not believe that in my community there would be a special zone set up, and I do know that in many of the suburban areas of the city of Winnipeg there is a very high requirement for the payment of property taxes, and yet will those in the suburbs see the benefit of the tax dollars that are generated or created in the special zone? I believe that the taxpayers right throughout the city of Winnipeg have in fact paid property taxes in order to support the City and in many communities they do not see a significant return on their tax dollar.

What we are saying in this legislation, that a special zone can be created and any additional tax revenue that is generated is going to stay in that area and those communities that may have contributed in a significant way prior to the zone being created to support that area, will not see the benefit of the increased revenue that is generated. So I think it is creating an inequity. It is something that we do not support. We believe, and I guess it is a difference in philosophy between the New Democrats and the Progressive Conservative Party, but we do believe that it is not the politicians that necessarily generate or create an economic climate. We believe that the private sector is the engine that drives an economy and that incentives should be given to the private sector in order to improve circumstances and create business and create wealth, but it should not be the Government that is dictating that. So that is a difference of opinion, and we will be interested in hearing what presenters have to say about that issue as they come before committee.

As I said at the outset, Mr. Speaker, we do believe that this legislation is moving in the right direction. We believe there are some amendments that will need to be made. We will be

listening very carefully to those that make representation at committee stage and would hope that the Government would have an open ear.

I did want to just note before I close, that I listened to the minister's comments when she introduced this legislation and many of her comments talked about all the wonderful things that were happening in the downtown area, talked about downtown revitalization. I noticed with interest that there was a lack of any discussion in her comments about the suburbs of the city of Winnipeg. So I just wanted to put that on the record because I believe that the city of Winnipeg encompasses all of the city of Winnipeg, that those who live in the suburbs do contribute a significant amount to the tax base in order to generate the wealth or the money that the City of Winnipeg has to deal with.

Mr. Speaker, I know that all citizens in the city of Winnipeg deserve to receive some recognition for their contributions. I noticed that the minister did not appear to place much of a priority on the suburbs.

Another thing, too, that I am hearing from those communities in the Capital Region is that there will be some concerns raised on their part. Some have already passed resolutions that certainly merit some consideration. It is really too bad that the report or the study that is being done, the public hearings that are being held right now around the Capital Region, that that committee has not reported before changes to this legislation have been made. I would hope that those recommendations that might come forward as a result of that study that is ongoing right now will be included in any further changes to The City of Winnipeg Act.

So, Mr. Speaker, with those comments, I would like to hear what presenters have to say and believe that some amendments might be in order to try to make this bill a little more workable for all those concerned. Thank you.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise to put a few comments on this bill, which deals with the role and powers and abilities of the City of Winnipeg.

Clearly, cities play a tremendously role in today's world as generators of wealth, as generators of knowledge in a knowledge-based society. It is important that we pay a lot of attention to cities and that as a province and a provincial legislature we are making sure that we are moving forward in a progressive way in the relationships of the Province to the City of Winnipeg and indeed to other cities and municipalities in Manitoba.

* (16:40)

The bill before us deals with a number of changes. The members of the NDP government have, I think, made the case for the changes or the impact of the changes much larger than it is. These are necessary changes in general. There are a number which need to be looked at very carefully at committee stage and subsequently, but indeed I think if there is a general problem with this act, it is that we should have gone further in modernizing The City of Winnipeg Act and in positioning Winnipeg in Manitoba for a very vibrant future.

Many other cities, I note as examples what has happened in Alberta with respect to Calgary and Edmonton. Major cities have moved forward much further and faster than we are moving here. The same has happened in many cities in the United States. I think it is time that we recognize the important principle of subsidiarity, that in order to get the best government for people that we need to recognize who can do what most effectively and make sure that the relative governments have the powers and the abilities to best serve their citizens. Rather than trying to micromanage what happens at the City of Winnipeg, we should be making sure that the City of Winnipeg mayor and council have the abilities to get things done for people in Winnipeg and to build a very prosperous city, which is of course so important to all of us in Manitoba.

I would suggest that in fact the Government could have gone much further in modernizing The City of Winnipeg Act, in shortening the number of pages, bringing it up to date. I look forward to the presentations at committee stage with further suggestions, hopefully, in terms of what the next steps and the next major

development should be, because this is just a small step in a direction which in fact probably needs a much larger step.

Mr. Marcel Laurendeau (St. Norbert): Mr. Speaker, I will be very brief in my comments. I have a number of concerns with the bill the way it sits and I am hoping there are some amendments that come forward by the minister.

I did bring one issue to the minister's attention back when the bill was introduced in the House. That was about the local improvements. I see a difficulty for people in certain areas when a local improvement has to be gone through. The stages can take a very long period of time to go through, the advertising and all the rest.

I was hoping that the minister would be able to give the City the ability to pass the local improvement a little quicker, or change the steps, or give them the ability with the new improvements she has given them for managing themselves, so that the local improvements would not take six months to get through. If you have 100 percent of the people on the street who are onside with the local improvement there is no need to stretch it out and have the bureaucracy drag it out for an extra six months. I am hoping that the minister will take a serious look at that when we get it to that stage.

I do have some concerns with the tax zone that is spoken about in the act, because I am a believer that Unicity was formed so that the City would share equally. For us to be able to take one zone out and say the whole city would not share in those revenues I do not feel is consistent with the Unicity concept. So I oppose that section of the act.

Mr. Speaker, I am prepared at this time to see the bill go to committee and will ask the minister some questions. Hopefully, she will bring forward some amendments. I know that we will have a number of amendments as well.

Mr. Speaker: Is the House ready for the question?

Some Honourable Members: Question.

Mr. Speaker: The question before the House is Bill 39, The City of Winnipeg Charter Act. Is it the pleasure of the House to adopt the motion?
[Agreed]

Now we are moving to Bill 304, which is a private member's bill called by the Government. So the speeches will be limited to 15 minutes. We will need leave to move to that bill. Is there leave?
[Agreed]

SECOND READINGS

Bill 304—The Winnipeg Real Estate Board Incorporation Amendment Act

Mr. Speaker: I will now call Bill 304, The Winnipeg Real Estate Board Incorporation Amendment Act.

Mr. Stan Struthers (Dauphin-Roblin): I move, seconded by the Member for Assiniboia (Mr. Rondeau), that Bill 304, The Winnipeg Real Estate Board Incorporation Amendment Act; Loi modifiant la Loi constituant en corporation "The Winnipeg Real Estate Board," be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Struthers: Just briefly on this bill, I wish to commend the Winnipeg Real Estate Board on approaching the Government on this bill that needs to be passed. Just in a nutshell, what has happened in the past is that the board has had to make any changes through the act. This bill will help the Real Estate Board determine the size and the composition of this board and the composition of its directors, the term of office for directors and also the timing of their elections.

So it is my honour to present this to the House and hope that everybody supports the bill, and we can move it along quickly to the next stage in the committee work. Thank you very much, Mr. Speaker.

Mr. Marcel Laurendeau (Official Opposition House Leader): Mr. Speaker, we are more than pleased to support the Winnipeg Real Estate Board in their endeavours to have this bill brought forward. They approached us on it, and

we said that the best way to get a bill through the House is go see the Member for Dauphin, and that we were sure the Member for Dauphin would get this bill right through in a rapid hurry. We just did not know that he was going to hold it up. We were hoping that it would have been here three weeks ago, but we understand he was on a different time zone. But we are prepared.

Mr. Speaker: Is the House ready for the question?

Some Honourable Members: Question.

Mr. Speaker: The question before the House is Bill 304, The Winnipeg Real Estate Board Incorporation Amendment Act. Is it the pleasure of the House to adopt the motion? *[Agreed]*

Bill 204—The Smoke-Free Places Act (Non-Smokers Health Protection Act Amended)

Mr. Speaker: Speeches are amended. Speeches are limited to 15 minutes. Is there leave? *[Agreed]*

Mr. Denis Rocan (Carman): Mr. Speaker, I move, seconded by the honourable Member for Arthur-Virden (Mr. Maguire), that Bill 204, The Smoke-Free Places Act (Non-Smokers Health Protection Act Amended); Loi sur les lieux sans fumée (modification de la Loi sur la protection de la santé des non-fumeurs), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Rocan: Today I introduced this private member's bill to deal with the whole area of second-hand smoke in public places. The members of this House will be interested to note that the Premier (Mr. Doer) introduced a very similar bill when he was the Leader of the Second Opposition in 1988.

Mr. Speaker, the evidence is well documented in terms of the effect of second-hand smoke. It represents a major hazard to both smokers and non-smokers. Inhaling smoke from other persons' cigarettes can cause lung cancer. It can cause heart and blood diseases and other

chronic obstructive pulmonary diseases like emphysema and chronic bronchitis.

Indeed, 28 percent of Manitobans are still smoking, compared to only 17 percent in British Columbia. There is no such thing as responsible smoking. Tobacco use is responsible for 1800 cancer-related deaths in Manitoba annually or 45 000 throughout Canada. The Canadian Cancer Society estimates that, if smoking were eradicated, 30 percent of all cancer cases could or would be eliminated, not to mention all of the deaths related to heart disease and respiratory disease that could be eliminated.

Manitobans believe that each of us have the right to breath air that is free of tobacco smoke. This bill reflects the public opinion on the right of individuals to have as much as is practically possible.

This legislation, I believe, represents a positive step forward in dealing with the involuntary exposure to tobacco smoke in Manitoba. I would have to think this is a no-brainer, Mr. Speaker. Doctors and other professionals tell us that smoking kills, that there is a definite health hazard with inhaling second-hand smoke. We have a duty and/or a responsibility to the people that we represent.

* (16:50)

If memory serves me correctly, this Minister of Health (Mr. Chomiak) invoked his ministerial powers so that all residents of the city of Winnipeg would be protected from mosquitoes by allowing crews to spray malathion to help eradicate mosquitoes. This was a health hazard and he reacted, positively, I might add.

What is the problem here? Who or why or what are we afraid of? Is there something wrong with being a leader? What is wrong with banning smoking in all enclosed public places? Many of us have children. More of us have grandchildren, I guess, as I look around all members. But, case in point, Mr. Speaker, I think of a particular community centre that allows bingos on every Sunday night. In that same community centre at those bingos, there is smoking that is allowed, but what is grossly unfair is the fact that on Monday morning, that

same facility turns into a child daycare centre. The smoke that filled the room the Sunday night prior to the Monday morning, the stench that hangs around that particular building is still there for those very small, young people to inhale.

Mr. Speaker, I believe that this legislation represents a positive step forward in dealing with the involuntary exposure to tobacco in Manitoba. On January 1, 2002, the City of Winnipeg smoking regulation by-law came into effect. This legislation banned smoking in any indoor public place in which people under the age of 18 are allowed. We have seen the effects of this legislation. By limiting the law to places where minors are permitted, this by-law has had some negative, unintended consequences, such as youths being fired from their jobs so that employers could convert their establishments, in most cases coffee shops, to adult-only establishments.

This piecemeal fashion is not the way that this legislation should be handled. The City is taking on an issue that the Province should be handling, but they are doing it because this Government is afraid to touch the issue. It is incumbent on the Province to provide leadership and provide a solution to this patchwork of smoking legislation growing throughout the province. The Health Minister said that he would not draft a provincial smoking ban, but, and I quote his colleague the Minister of Education (Mr. Caldwell) who said that his Government would consider a smoking ban if there is consensus among the municipalities, as reported by the *Brandon Sun* on February 12, 2002.

Mayor Murray of the City of Winnipeg has also called on the Province to introduce and enforce a provincial smoking ban in all public places. I would suggest that there is a growing consensus among municipalities that they would like provincial leadership on this public health issue. Given the First Minister's own support of this legislation and his private member's bill nearly 14 years ago, I would hope that he and his colleagues will show their support for this bill and, once and for all, provide Manitobans the security of being free of second-hand smoke in all public places.

I would be remiss if I did not thank all members for allowing this bill to proceed in an expeditious fashion as we have today by allowing leave for me to introduce it for second reading today. But I would also like to thank the members in this Chamber, who will probably have good advice for me during second reading and at the committee stage when this bill goes to committee, which I hope it will. And I would hope that the advice I have given to the members is more than I have had to gather over a lifetime of smoking. As an individual who smoked two packs a day for 33 years, I sincerely believe I know what I am talking about today when I ask members for their support in helping me protect the lives and the health of all the young people who are coming here after us.

Thank you very much to all members.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I would like to compliment the Member for Carman for taking this initiative. Clearly, second-hand smoke and, indeed, first-hand smoke are major health problems and health hazards for citizens of Manitoba. It has been known for many years that there are considerable increased health problems as a result of second-hand smoke, which are, of course, similar to those from first-hand smoke.

The individual suffering of individuals who have been exposed, either first-hand or second-hand, to smoking who develop lung cancer, cardiovascular disease, chronic obstructive lung disease, which is basically a condition where the lungs deteriorate and progressively it gets harder to breathe, and many other conditions which are reflective of the impact of smoking and the components which exist in cigarette smoke.

Clearly, measures are needed to improve the awareness of problems to move us progressively towards circumstances where individuals will not be at risk from the smoking of others. Whether it be in public spaces or whether it be in the workplace. Clearly, the report which we had earlier on this year on workplace health and safety deals with the need to address the issue of smoking in the workplace in a more effective way than this Government has done.

There is an important role for the provincial government to look at how to do this on a province-wide basis and how to make changes effectively that would protect citizens from the adverse effects of second-hand smoke, and clearly, the kind of initiative that we have today hopefully will stimulate some more debate.

This kind of legislation has to be considered in the context of Manitoba winters, which are a little bit more severe than California winters where this kind of legislation is now in effect, from the point of view of individual health and also from the point of view of making sure that our health care system remains affordable and supportive of individuals to the extent that we need to be supporting individuals and optimizing health care is an important consideration.

It has been said that as many as perhaps 30 percent of the people in hospital beds in Manitoba could be there as a result of smoking first-hand or second-hand. Clearly, this is an area where there is an enormous impact on health care of practices in Manitoba and a need to recognize the difficulty sometimes of stopping smoking but the importance of making sure we have a cleaner, improved environment for all citizens in Manitoba.

Mr. Larry Maguire (Arthur-Virden): I just want to put a few words on the record in regard to Bill 204, The Smoke-Free Places Act (Non-Smokers Health Protection Act Amended) amendments that call for a prohibition on smoking in all enclosed public places in the province of Manitoba.

As has been pointed out, I seconded this bill put forward by the Member for Carman (Mr. Rocan). I would just like to point out as well that a number of these issues have been talked about in the province of Manitoba on a number of occasions. I think the Government would obviously be in compliance with this kind of an act, this kind of a bill, to make changes in Manitoba. Many public halls and arenas in the province of Manitoba are already smoke free. I would also encourage the Government to consider this bill because of the fact that, as has been pointed out, a number of jurisdictions have taken it upon themselves to put smoke-free legislation in place, particularly the City of Brandon. The City

of Winnipeg, as has been pointed, is dealing with it as well.

* (17:00)

At the Association of Manitoba Municipalities level this vote was very closely taken at last year's annual general meeting in Brandon, to the point where over 500 voters were in place at that particular location and this particular question only lost by about 20 or 30 votes. It was a standing count vote.

Mr. Speaker, I want to point out that at the Association of Manitoba Municipalities meeting that I was at, the district meeting this summer in Stony Mountain, a very similar motion to what was lost last year came forward again at that meeting in Stony Mountain and it was virtually unanimous to be in favour of this kind of movement going forward. So it will obviously be dealt with across the province of Manitoba by AMM again at their annual meeting in Winnipeg this fall. I know there are many people in that association who are working very hard to make sure the bill that has come forward or the question that will come forward to them is much more clearly understood than it was a year ago when there were a number of queries made that they could not have immediate answers to. It will be, think, much more clearly laid out this year, particularly when Manitoba is a province that, as has been pointed out, still has 28% smokers in this province versus virtually all other provinces in Canada being less than that, the ramifications on our health care systems in this country go without dispute, the numbers of lung cancer patients and heart disease patients alone dealing with that might be undertaken by reductions in smoking.

We are not asking people who are presently smoking to quit smoking by the formation of this bill but to make sure we are taking care of our youth and children in the future in regard to second-hand smoke.

It is like the NDP thinking they can stop people from smoking by bringing a bill in that buries cigarettes behind the counter, sort of out of sight, out of mind, when in fact if they would actually use some progressive legislation on some of these issues we might be able to do a

number of things, save the health care of some of our future individuals as well as reduce the number of smokers we have in this province.

Mr. Speaker, I will say that Mayor Atkinson and City of Brandon council have been very clear on this bill they have brought forward. Yes, there will always be some concerns in some areas, but I think in the long run the people of Manitoba, obviously over 70 percent of them not smoking today, have made a conscious decision. As my colleague the member from Carman has just indicated, a two-pack smoker a day over 33 years, it is not a habit that you shake lightly. I know of a number of persons who have taken it upon themselves to see the serious health risks that they put themselves at in relation to continuation of smoking.

I know in my own father's family there is certainly a concern in regard to heart disease and heart attacks. A number of these have come from individuals who unfortunately or fortunately chose to smoke most of their lives. That was certainly a choice that they made openly, but we had, as many other families, a history of heart problems. We know, medical records show that these kinds of actions enhance the knowledge that we know today of having heart and stroke problems.

So I am going to close by just saying that this bill is about our future children and grandchildren, as has been pointed out, and that we need to be proactive in regard to eliminating, if you will, smoking in enclosed public places in the province of Manitoba.

Mr. Stan Struthers (Dauphin-Roblin): Mr. Speaker, I move, seconded by the Member for Wellington (Mr. Santos), that debate on Bill 204 be adjourned.

Mr. Speaker: It has been moved by the honourable Member for Dauphin-Roblin, seconded by the honourable Member for Wellington, that debate be adjourned. Agreed?

Some Honourable Members: No.

Some Honourable Members: Yes.

Voice Vote

Mr. Speaker: All those in favour of adjourning debate, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to adjourning debate, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Formal Vote

Mr. Rocan: Yeas and Nays, Mr. Speaker.

Mr. Speaker: A recorded vote having been requested, call in the members.

Mr. Speaker: Order. The question before the House is shall the debate on Bill 204 be adjourned.

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Aglugub, Allan, Ashton, Asper, Barrett, Caldwell, Chomiak, Dewar, Doer, Friesen, Jennissen, Korzeniowski, Lathlin, Lemieux, Mackintosh, Martindale, McGifford, Mihychuk, Nevakshonoff, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith (Brandon West), Struthers, Wowchuk.

Nays

Derkach, Driedger, Dyck, Faurschou, Gerrard, Gilleshammer, Hawranik, Helwer, Laurendeau, Loewen, Maguire, Mitchelson, Murray, Penner (Emerson), Pitura, Reimer, Rocan, Schuler, Stefanson, Tweed.

* (17:10)

Madam Clerk (Patricia Chaychuk): Yeas 29, Nays 20.

Mr. Speaker: The motion has been carried.

* * *

Mr. Marcel Laurendeau (St. Norbert): Mr. Speaker, just before the member stood to stand this bill, I was attempting to put a few words on the record. I wonder if there might be leave to allow me to do so.

Mr. Speaker: Is there leave for the honourable member to put a few words on record to revert back to Bill 204? *[Agreed]*

Mr. Laurendeau: Thank you very much, Mr. Speaker. I want to thank the Member for Carman (Mr. Rocan) for bringing forward this bill. It takes a lot to stand up, and especially on an issue such as this, and take a stand. It is not a popular stand in a lot of circumstances. It is not a popular stand in a lot of areas. But it is a stand that has to be taken.

Mr. Speaker, I might be addicted to smoking. I smoke two packs a day, but the Government is addicted to the taxes that they receive from these cigarettes. That is the issue that has to be dealt with here. If we are going to stand up for the people today, we have to start making that it is very inconvenient for us smokers to smoke. The more places that are inconvenient for me to smoke, the less I will smoke. I stopped smoking in my home 18 years ago when my daughter was born because I knew it was not a healthy place for her. So we have some very cold days in winter when we have to smoke outside, but the addiction, I guess, to me is stronger than my will or my capability to stop smoking at this time.

Mr. Speaker, I want to congratulate the Member for Carman for bringing forward this bill, and I want to let him know that I would support this bill if this Government would have the jam to bring it forward.

Mr. Speaker: The bill has already been adjourned.

House Business

Hon. Gord Mackintosh (Government House Leader): On matters of House business.

Mr. Speaker: Order, please. The honourable Government House Leader, on House business.

Mr. Mackintosh: Mr. Speaker, I would like to announce the Standing Committee on Municipal Affairs will meet on Thursday, August 8, at 8:30 a.m., to deal with the following bills: 27, 39, 41 and 49.

Mr. Speaker: It has been announced that the Standing Committee on Municipal Affairs will meet on Thursday, August 8, at 8:30 a.m., to deal with the following bills: Bill 27, Bill 39, Bill 41 and Bill 49.

Some Honourable Members: Thursday, right?

Mr. Speaker: Thursday, August 8.

Mr. Mackintosh: Mr. Speaker, is there leave for that committee to sit simultaneously with the House on Thursday?

Mr. Speaker: Is there unanimous consent for the committee to sit simultaneously with the House? *[Agreed]*

Mr. Mackintosh: Mr. Speaker, I would like to announce that the following bill will be referred to the meeting of the Standing Committee on Private Bills that is meeting on Thursday evening at 6:30, and that is Bill 304.

Mr. Speaker: It has been announced that the following bill will be referred to the meeting of the Standing Committee on Private Bills that is meeting on Thursday evening, at 6:30 p.m., Bill 304, The Winnipeg Real Estate Board Incorporation Amendment Act.

Mr. Mackintosh: Mr. Speaker, would you please canvass the House to see if there is unanimous consent to vary the Estimates sequence so that the Estimates of Consumer and Corporate Affairs follows Industry, Trade and Mines in the Chamber, to be in effect for this evening only?

Mr. Speaker: Is there unanimous consent to vary the Estimates sequence so that the Estimates of Consumer and Corporate Affairs follows the Estimates of Industry, Trade and Mines in the Chamber, to be in effect for this evening only? Is there agreement? *[Agreed]*

Mr. Mackintosh: Finally, Mr. Speaker, would you canvass the House, due to the late sitting this evening and early sitting tomorrow morning, is there agreement to waive rule 74.(2) so that the remaining Estimate hours and departments for consideration are not printed on the Order Paper tomorrow? Instead, this information to be provided to the House leaders and the Member for River Heights.

* (17:20)

Mr. Speaker: Is there leave that due to the late sitting this evening and early sitting tomorrow morning that there is agreement to waive rule 74(2) so that the remaining Estimate hours and departments for consideration are not printed on the Order Paper? Instead, it is my understanding that this information will be provided to House leaders and to the Member for River Heights (Mr. Gerrard). Agreed? [*Agreed*]

Mr. Mackintosh: I move, seconded by the First Minister (Mr. Doer), that the House resolve into Committee of the Whole and that is to consider The Elections Finances Amendment Act, Mr. Speaker.

Motion agreed to.

* (17:30)

COMMITTEE OF THE WHOLE

Bill 46—The Elections Finances Amendment Act

Mr. Chairperson (Conrad Santos): Good afternoon. Will the Committee of the Whole please come to order.

Does the minister responsible for Bill 46 have an opening statement? [*interjection*] We thank the honourable minister for not having any statement.

Does the critic for the Official Opposition have an opening statement? [*interjection*] We thank the honourable member.

During the consideration of a bill, the enacting clause and the title are postponed until all other clauses have been considered in their proper order. Also, if there is agreement from the committee, the Chair will call clauses in

blocks that conform to pages with the understanding that we will stop at any particular clause or clauses where members may have comments, questions or amendments to propose. Is that agreed? [*Agreed*]

Clauses 1 and 2(1)—pass; clauses 2(2) to 2(5)—pass; clauses 2(6) to 4(1)—pass; clauses 4(2) and 5—pass; clauses 6(1) and 6(2)—pass; clauses 7 to 9(1)—pass; clauses 9(2) to 11—pass; clauses 12 to 15(1)—pass; clauses 15(2) to 16(3)—pass; clauses 16(4) to 18(3)—pass; clauses 18(4) to 20(2)—pass; clauses 21 to 24—pass; clauses 25 to 27—pass; clause 28—pass; clause 29(1)—pass; clauses 29(2) to 31—pass; clauses 32 and 33—pass; enacting clause—pass; title—pass. Bill be reported.

Committee rise. Call in the Speaker.

IN SESSION

Committee Report

Mr. Conrad Santos (Chairperson): The Committee of the Whole House has considered Bill 46, The Election Finances Amendment Act, and has agreed to report the same without amendment.

I move, seconded by the honourable Member for Elmwood (Mr. Maloway), that the report of the committee be received.

Motion agreed to.

Hon. Gord Mackintosh (Government House Leader): Well, Mr. Speaker, if we can resume the sittings of Supply.

Mr. Speaker: We will now move, as previously agreed, back to Committee of Supply, including the Chamber.

COMMITTEE OF SUPPLY (Concurrent Sections)

HEALTH

* (15:00)

Mr. Chairperson (Harry Schellenberg): Good afternoon. Will the Committee of Supply please

come to order. This afternoon, this section of the Committee of Supply, meeting in Room 254, will be considering the Estimates of the Department of Health.

It has previously been agreed to have a global discussion in 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.

Hon. Dave Chomiak (Minister of Health): I think I answered this, but I will just confirm that I indicated to the member that there are three MRIs in the city: one at Health Sciences and two at St. Boniface Hospital. The member had asked that, and I believe I had answered that, but I am not entirely certain.

The member also asked about the graduates from the Red River College Diploma Nursing Program. I am advised 80-85 students enrolled in the first class of the accelerated nursing program will graduate. On September 27, 70 will complete the Diploma Nursing Program. Mr. Chairperson, 10 to 15 students are expected to complete the program at a later date because of switching to part time, or having to make up time due to illness, et cetera. The 70 students that complete the program in September will be eligible to work immediately as graduate nurses, and will be eligible to write the national nursing registration exam in mid-October. We appreciate the support of the College of Registered Nursing in ensuring that the necessary paperwork, to ensure these graduates can write the examination in October, can be put in place.

Mrs. Myrna Driedger (Charleswood): I was not going to go back to this topic, but, over the lunch hour, I was sitting thinking about the answers from the minister this morning. I guess I sat there thinking about them. Because I have such grave concern in the area, I am going to revisit it with a few more questions that really arose for me because of his statements this morning. It is related to the cardiac surgery program.

The minister indicated that the cath lab at the Health Sciences Centre is closed. I wonder if

the minister could indicate when it closed, if it is still closed and how long it will be closed.

Mr. Chomiak: Both my references this morning and today are from memory but, as I recall, it closed, I think, in February and is due to open in, I think, in the next month or two; in the fall, I believe. That was a planned shutdown to put in place new equipment, including the biplane that I referenced earlier this morning.

Mrs. Driedger: Can the minister tell us what is to happen to patients? For instance, if they have surgery at the Health Sciences Centre, if they were to have a bypass graft, for instance, they have surgery. After surgery, something appears to be going wrong with the graft and they need to do an angiogram. Where will they go then for that angiogram?

Mr. Chomiak: As I understand it now, I better confirm this, Mr. Chairperson, those services would have to be provided at the St. Boniface Hospital at this point.

Mrs. Driedger: Would the patient then, who would probably be fairly ill, perhaps even critically ill, if they are running into trouble with a graft after surgery, I would assume then they are put into an ambulance and taken over to St. B. Then they would have their angiogram in the cath lab at St. B, and if they found something wrong, perhaps the graft did not take or there is a leak or something like that, then that patient would have to be taken back to Health Sciences Centre and surgery would then have to be performed at the Health Sciences Centre. Would that be accurate?

Mr. Chomiak: I am not going to get into the details or the specifics of the actual procedures and how that might be undertaken, but I will ask the WRHA to determine that information. As I indicated to the member, my information was from memory, so I better confirm that before it is taken as gospel.

Mrs. Driedger: Would the minister, in his opinion, think that a critically ill patient should be sent to St. B for an angiogram, then back to the Health Sciences Centre for an operation to correct the problem? With all of the activity, two ambulance rides, a patient perhaps critically ill,

would the minister, in his view, think this was in the best interests of the patient?

Mr. Chomiak: I let medical decisions be made by medical personnel. One of the things I am very happy we are doing is renewing equipment investment in the cardiac program that was allowed to deteriorate during the 1990s.

Mrs. Driedger: Would the minister consider in his view that this kind of scenario is providing safe care to patients?

Mr. Chomiak: We are very concerned about safe care provided and we rely on the experts in all of the programs to advise us with respect to what is the most safe and appropriate way to deal with patients.

Mrs. Driedger: Is the minister confident that the briefings he is getting then from the WRHA are as full and thorough as he would need, because ultimately the decisions about where programs are and about what happens to programs ultimately rest at his desk? Is he comfortable and confident enough that the cardiac program is well run and safe? Is he confident enough with the briefings that he is getting, the thoroughness of them, that he feels, in his view, that the program is well run and safe?

Mr. Chomiak: Yes, Mr. Chairperson, I ask the member if she has any reason to suggest otherwise?

Mrs. Driedger: Based on all the information there is out there on the cardiac surgery program, the fact that we are still doing the same number of surgeries with five physicians as we would with nine, perhaps twelve as in the past; the information that is out there on mortality rates, the information that is out there on the inexperience of some of the surgeons. My questions are based around the information that so far is out there. Based on all of that, I am asking the minister if he feels confident that the briefings he is getting from the WRHA meet his needs, so that he can make a decision—the best decision—based on patient safety and the quality of a program, and the fact that it is well run and he has full confidence in it.

Mr. Chomiak: Mr. Chairperson, I have already answered those questions.

Mrs. Driedger: I think the minister has, perhaps, given some indication about it, but I am not sure he has fully answered it. I do not want to put words in his mouth, so that is why I am trying to be somewhat careful in what I am asking, and giving him full opportunity to state where his feelings are around this particular program. Basically, from what he has indicated so far, and again, I hope I am not putting words in his mouth, from this morning, I gather that he said he is confident with the program and he feels it is well run and safe. Would that be an accurate statement to make?

Mr. Chomiak: Mr. Chairperson, we fund the health authorities across the system to operate the programs across the system. At Manitoba Health we fund the programs, we set policy, et cetera, and in return, we expect and hope that the programs operated across the system are the best possible under the circumstances all throughout the province of Manitoba.

I have never made a habit of going around and saying that everything is 100 percent, or perfect, because I watched the previous government straddle in the wind and flip in the wind regarding the cardiac surgery programs with children during the 1990s, and I learned very many valuable lessons. I pointed out to the member opposite, during the course of my introductory remarks, that we place a good deal of attention towards the recommendations in the Sinclair inquiry and the Thomas report.

Let me point out an example that came up during the hearings, or the first collaborative discussion that took place several months ago concerning medical error; again, something that was not part of lexicon. It came up that there had been a what I guess, could be termed an error, with a catheterization of a child. There was a pretty significant media story about this particular catheterization. The child had to be flown to Edmonton. As a result, the program was immediately shut down. An outside observer was brought in to examine the program or review the program. It came out that the program was functioning at least, or better, than it should have

been functioning, and that what had occurred was an error that does occur.

It was unfortunate that there were all kinds of comment and discussion linking it back to the Sinclair inquiry, et cetera. In fact, the parents who received the program were quite upset because they were very happy with the program. What had occurred was a clinical occurrence that occurs on occasion, but what happened was that because of the microscope that the program is under, because of that, it garnered a lot of media attention. I was very pleased that, in fact, the conclusion of the outside observer was that the program may have overreacted to the occurrence, but better to overreact in this instance than underreact. It is a learning experience.

The reason I am saying that, Mr. Chairperson, is the member wants assurances. We continue to try to improve the program. As I have said on many occasions in this committee, the program is rebuilding. We are rebuilding and developing a program. When you rebuild a program there is some dislocation. There is not 100% certainty across the program, but you are rebuilding on the hope that you develop, attract and build one of the better programs in the country. That is what we are trying to do.

The process of development and rebuilding cannot wait. The cardiac programs in this province have been in a suspended state for a long period of time and we have to get on with it. Wade-Bell said get on with it and we said we are going to get on with it. We are redeveloping and improving the program the best we can.

* (15:10)

I am advised the surgeons who provide the care, let us just extrapolate the numbers that it is within the range of what they can and should do. As I said to the member, if five cardiac surgeons drop off a tree and are of high quality and want to become involved in the program we are not going to tum them down, I doubt. Whether or not that is going to happen, if one looks at the Krindle report it is very clear that cardiac surgeons are not exactly in plentiful abundance across the system.

In fact, that was one of the criticisms and one of the points made by Judge Krindle when

reviewing the program to the extent that she said it is a small group. It is very difficult, for example, to state or indicate you could get an independent review, necessarily, that no one knew anyone in the program in terms of cardiac surgeons. So I just point that out to the member and indicate it is a developing program. We continue to develop, we continue to build. The key factor, I indicated what I felt were some key difficulties earlier in my response this morning.

Mrs. Driedger: Earlier this morning I had asked the minister if he has asked for a written report from the WRHA or a review of the program. Has that request been made to the WRHA?

Mr. Chomiak: I have not conveyed to the WRHA the member's request to me from this morning, no.

Mrs. Driedger: As the Minister of Health, I would assume he wants full and thorough knowledge about the program and obviously would like some assurances that the program is, in fact, running very well and is providing safe, quality care. Certainly, I do not expect the minister to go running out and ask the WRHA for a written report based on what I am saying. I am asking the minister what he has done to get to the bottom of all of these issues that are floating around out there related to the cardiac surgery program, a program that appears to be in some degree of challenge. What are the minister's expectations of the WRHA in reporting to him about what is happening?

Mr. Chomiak: As I recall, there were concerns expressed by a particular surgeon who voluntarily gave up his privileges to provide surgery at the program.

A number of allegations were made. There were press conferences held by the Member for River Heights (Mr. Gerrard) and an individual by the name of Linda West, who is a consultant/works at the university, was a contract employee with the Department of Health, is running for Tory nomination. They held a number of press conferences concerning the cardiac program, wherein they indicated that this particular instance of this doctor required a major investigation regarding this doctor. They indicated this doctor's mortality rates were better

than anyone probably in the universe, well, at least in North America. They indicated that because of that there should be a major investigation, because this doctor had given up his privileges.

We asked the WRHA to review this situation. They made the decision, as the employers are the agency responsible. When there were still more press conferences held, we asked for an independent third-party review and a judge. Judge Ruth Krindle reviewed the allegations of the physician in question.

If I had to sum it up in a nutshell, it would be that there were none of the concerns reviewed. That is whether or not the doctor had been treated fairly, and whether or not there was a reasonable process, were inappropriately conducted.

Now, if one were to review this particular report, and the information in this particular report, one would find, for example, that there was a third-party review of aspects of the program undertaken, if one reviews this. In fact, that was one of the factors that was considered in arriving at information that was used by the WRHA to deal with this individual and to deal with the program.

I guess one of the things that I am trying to say to the member is that there is significant information in that report that I think is of use, in terms of discussing the response of the WRHA to instances of concern, complaint, et cetera, as it concerns aspects, or an aspect of, the cardiac program.

Mrs. Driedger: When we look at the whole cardiac surgery program, we see that four doctors have quit in this last year. I did read in the paper about the news conference where the two individuals mentioned, talked about, increased mortality rates. We are left with five physicians, and there certainly have been allegations made that two to three of the surgeons that are left, two to three of these five surgeons that are left, have minimal experience.

The minister likes to talk about the Doctor Del Rizzo situation, but I think where I am going is bigger than just the Del Rizzo situation. I am

really asking in my questions about the bigger picture of the cardiac surgery program.

I guess I would ask the minister: Does Krindle's report then satisfy the minister's need for knowledge about the cardiac surgery program enough that he is confident from what Krindle's report says, that that is sort of enough of a review. It does not need to be reviewed anymore.

Mr. Chomiak: Mr. Chairperson, I do not think that any program anywhere across the system does not undergo constant and continuing review, both by the health authorities and, ultimately, by the Department of Health.

* (15:20)

Mrs. Driedger: Would the minister, as was done with the baby situation, be prepared to bring in a physician from another province to have a look at the program, and make some recommendations, just to be doubly sure that the program here is actually providing the kind of care we want this province to be known for, and that the care is, indeed, safe and that, indeed, mortality rates are not going up?

Mr. Chomiak: Mr. Chairperson, on the mortality rates, I have indicated to the member, and I thought the member was in agreement, that we would review the mortality rates when we had comparative data that was available to review in the fall, when that data was there. The data that the member is referring to was data provided by a particular surgeon or surgeons, and I am advised that there is comparison data that is being collected for use by Manitoba with respect to its cardiac program. I am advised that the data, and the information with respect to the cardiac program, is going to be in a position in the fall where we will be able to make those comparative analyses.

Mr. Chairperson, as I indicated to the member previous, I believe that there is peer review, an outside peer review, that has been undertaken of the particular programs. We try to do that with all of the programs across the system.

Mrs. Driedger: But the minister has not asked anybody to come in specifically to look at this

program as a whole, to determine if it is meeting the standards that need to be met, as they did with bringing in the doctor related to the situation around the cardiac problems with babies.

Mr. Chomiak: Mr. Chairperson, well, in fact, with respect to the pediatric, there were 12 deaths that occurred that were totally out of sync with the appropriate responses that occurred during the pediatric program.

There was a virtual revolt of the anesthetists during that period of time. The nurses who raised warning bells were not listened to. The parents were not collectively talked with. The consent forms were not adequate. The information was not provided. The physician was not adequately or appropriately checked or trained or followed up with, or provided or made part of a team. On and on and on, Mr. Chairperson. That was what happened during the pediatric deaths and the pediatric cardiac inquiry process, which was the longest inquest in Canadian history and dealt with systematic failures. We have taken those lessons and tried to build them across into all of our programs. The WRHA and the other regions have in place processes. Let me give one example. The WRHA was cited as having a good job of having nurses on the complaints committee to deal with difficulties so that nurses were listened to with respect to programs. As I understand it, there is a whole series of initiatives. Additional consent forms have been put in place across the system. I made a report to the Legislature which I am sure the member has read that outlines all of the changes and the significant factors that have changed as a result of the baby death inquiry.

Now, having said that, Mr. Chairperson, it is clear that we have to be vigilant, and when there are problems we should follow up on problems, and we continue to follow up on problems. That is why when there are concerns raised by a particular cardiac surgeon, Doctor Del Rizzo, the WRHA reviewed it, and then we asked for an independent third-party review of the situation. As I indicated from the report it was found that the situation which occurred with respect to Doctor Del Rizzo was a fair and appropriate process as concerned Doctor Del Rizzo and that

Doctor Del Rizzo was dealt with fairly with respect to the program.

Now, as I understand it, Doctor Del Rizzo's mortality statistics that he provides appear to be comparatively better than statistics that have been provided for other comparative situations by Doctor Del Rizzo. I am not in a position to judge whether or not his particular stats are appropriate, but I have said that what we are going to do and what we are having to do is to review all the mortality rates on a comparative basis, so that we have some idea what was going on.

But the review, independent third-party review of the situation, found that Doctor Del Rizzo was appropriately dealt with. The reason I am saying that is because when the matter first came to the attention of the floor of the Legislature, I said I am not in a position to decide who should be hired or fired. Indeed, not I nor the Member for Charleswood (Mrs. Driedger), I believe are appropriate individuals to decide who the WRHA should hire and who the WRHA should fire.

What I indicated is we have to trust the judgment of those authorities with respect to the individuals and hold them responsible in terms of the results and in terms of the information, how they perform and what occurs.

As I understand it, the WRHA has recently been accredited for its surgery programs including, as I understand it, the cardiac program. That was a review by outside peers, whereby the whole region was accredited for its programs. That has occurred relatively recently.

Now, there were areas where there were some weaknesses in programs, some of the areas in mental health that we are working on. But the program has been, as I understand it, accredited with respect to the surgery and surgical programs.

Mrs. Driedger: The minister really has not answered the one question about whether or not he is satisfied with the briefings and accepts the briefings and what the WRHA is putting forward to him. You know, with the answers that he has provided to date, it appears that he seems to be

satisfied with the information that he is getting from the WRHA. He is not questioning what they are saying to him; that he is satisfied with the program, that he is satisfied with the five physicians.

Could the minister confirm, basically, that the information that he is given from the WHRA? He is satisfied with it, and there really are no further questions to be asked of the program?

Mr. Chomiak: Now, Mr. Chairperson, first off, the member is putting numerous words into my mouth and I do not want this to go on incessantly. But to suggest to me in a question whether I am satisfied with information and to confirm that on the record, I do not think is a fair or appropriate question to be putting, with respect to my opinion on the appropriateness of the volume or the type of information. There is a variety of information that I derive and is provided to my attention.

The WHRA has advised me that, at present, five surgeons to provide cardiac surgery are sufficient at this point to undertake the work that is required of them. I have said, on numerous occasions, that if there were high-level cardiac surgeons who wanted to come to Manitoba, we would not close the door on them. The member has cited a number of instances and allegations that were brought to the attention of the public through news conference and, otherwise, almost exclusively by the doctor who resigned his position and an individual who is running for a nomination of the Conservative Party and the Leader of the Liberal Party (Mr. Gerrard). Now, that does not mean that all three of them are necessarily wrong with information they brought forward, and I have indicated that mortality rates, we are going to look at on a comparative basis.

The member has asked about the number of surgeons. I have indicated my response to the number of surgeons. The member is going to ask me: Am I satisfied with the program? If I say, yes, once there is problem with the program, the member is going to say, well, the minister said he was satisfied, therefore, the minister is, et cetera. If I say I am not satisfied with the program, Mr. Chairperson, the member is going to

say, well, what are you going to do to improve the program?

My response to that is we rely on the health authorities to provide us advice as to the appropriateness, the quality and the type of program. We monitor it, and it is an ongoing development. Plus, in this particular instance with this particular program we are rebuilding a program that went through a very difficult period both in the nineties and preceding that. There were very difficult circumstances that occurred in a variety of areas and across the spectrum with respect to this program; not just in the child end of it, but as well as funding ahead, as well as ongoing. That is why the previous government put in place a commission, John Wade and Mr. Bell, to review the cardiac program and other programs. So there was a significant review that was undertaken of this and other programs.

We recognized when we came to office that we had to rebuild this program. How many more times do I have to say that is why there is close to a \$20-million commitment to rebuild this program, and to continue redeveloping and rebuilding this program? New equipment, new individuals and a co-ordinated continuum of care being offered via this particular program. There have been some recent concerns regarding a particular cardiac surgeon. We put that to a third party who concluded pretty conclusively that the process was fair, and had been reasonably undertaken. The information provided with respect to the particular individual, particular surgeon, was canvassed by the judge, who concluded with respect to the review: The complaints against the doctor on each of those dates were numerous, were diverse in nature, were serious, came from many reliable sources, and frequently involved conduct similar to that which had been previously dealt with on an informal basis and which had, apparently, persisted. Based upon these facts, I am satisfied the WHRA had a reasonable basis to refer these complaints to the formal process under the by-law to rescind the privileges of Doctor Del Rizzo.

I am satisfied that the process followed by the WRHA was reasonable and fair. The complaints were investigated by persons competent to perform the investigation. No bias has been

shown on their part. Doctor Del Rizzo was, at all material times, represented by able counsel experienced in the defence of doctors. Doctor Del Rizzo was, on each of the two occasions, given an outline of the concerns of the WRHA and given ample time and distance to consider his position and to make his decisions.

I am satisfied that Doctor Del Rizzo arrived at his decision to restrict his practice and to resign voluntarily, rather than to proceed through the formal route provided by the by-law, free of all improper pressure from the WRHA.

* (15:30)

Mrs. Driedger: There are some statements in the Thomas report that I would just like to put on the record; a reminder to the minister about some of these comments. This is from page 15, two separate parts of this page, and I quote: Even though there is a straight-line delegation of authority from the minister to the RHAs, the enforcement of political accountability seems somewhat more complicated in practice under the new arrangement. In effect, another link has been added to the chain of accountability leading back to the minister and the Government. Where provincial leadership and involvement ends and the responsibility of the RHAs begins is not entirely clear in practice.

In the next paragraph, it says: There is an initiative underway to clarify the relationships between the minister and the RHAs. Efforts to develop separate as well as shared responsibility and accountability domains should proceed as expeditiously as possible. Without a clarification of the relationships between the minister and the RHAs and of the accountability mechanisms that will be used, the achievement of political accountability becomes somewhat problematic. Confusion surrounding who is responsible for what can lead to discretionary accountability in which the minister and others in the health care system find it convenient to be accountable when good news is being reported and prefer to avoid or minimize their accountability when there is bad news.

One sentence from page 16, it says: A clear delineation of where political responsibility ends and administrative accountability begins, along

with more transparency regarding political involvement in decision making, would ensure a clear focus for accountability.

Certainly, when we were in government and the minister was the opposition Health critic, he accused us a number of times of hiding behind the WRHA and not willing to face up to some of the responsibilities and accountability he felt we should have been showing at that particular time. I would like to ask the minister if that is not exactly what he is doing right now in this particular situation with the cardiac surgery program.

Mr. Chomiak: No, it is totally and completely different than the member's characterization. I am glad that the member has got on to the Thomas commission report because one of the major recommendations was that the department be reorganized to be not a deliverer service but to be an agency that is accountability, looks at policy, et cetera, and that is one of the essences of what Thomas indicated, that the Department of Health, in terms of the transition, was, if I could put it this way, neither fish nor fowl. There was a need to clarify the rules, but it cannot happen overnight.

Mr. Chairperson, we came into office with mixed-up rules, mixed-up responsibilities, trying to refine them, trying to redefine them, and we are still working on it. That is why we have legislation to deal with physician profiles. That is one output of Thomas and one output of accountability. Another output, as I indicated to the member, is dealing with medical error, not even talked about for the past decade, but it has now become part of our everyday language. I am not blaming anyone for that, but Thomas and some of the other reports coming out of the United States, particularly the report done in the United States, points out that this now should become a focus of our attention. So we are focussing on that and those particular issues.

We have reorganized the department along the lines as recommended by Thomas for the very issues of accountability and for the very issues that the member is referring to. We took our direction from the Thomas commission and the Thomas inquiry in regard to how we were

organizing the department, specifically based on that particular point.

Now, the member, I know, is talking about, again, the member is back in the 1990s, which I thought the member wanted me to avoid. I am trying to avoid it, but the member keeps bringing us back. We looked at the way the department was organized. We reflected on Thomas, and that is why we are undertaking what we came to do. Now let us put it in context, Mr. Chairperson. The member would have me—or, if not the member, then certain people—hire and fire surgeons at the WRHA. Is that an appropriate role for a Minister of Health? I do not think so. What is an appropriate role is to ensure that the WRHA or any agency has the appropriate resources and there is the appropriate follow-up and the appropriate standards set and follow-up to those standards that are put in place in order to deal with individual programs, not to deal with individual and personal hiring and firing decisions. That is, in essence, what the member is asking with respect to the cardiac program and the circumstances surrounding a particular cardiac surgeon, or the suggestion by the members that cardiac surgeons have resigned or left a particular program. That is one point.

The other point is to what extent we deal, on a qualitative and quantitative basis, with our programs. As I have indicated, Thomas itself is only just over a year old, and I know that people want us to do everything within the first year, the second year, but, given all of the developments and all of the things we have done in health care, I think we have made significant progress in a significant amount of areas, including, as I have said, Sinclair and Thomas being at the core of changes and the core of development.

With respect to accountability, we hold the WRHA, we hold the regions accountable for the delivery of service just as we hold the professional bodies accountable for the problems of individual members to those professional bodies. Let me do a parallel situation.

If there is a complaint made to a professional body about a particular individual, would the member have me interfere in the allocation or the judication of that particular

situation? I think not, insofar as we have professional bodies that are autonomous and who we entrust with the delegated power to make decisions with respect to individuals within their profession. In some ways similarly we look to the regions to deliver programs. We set the goals. We provide the funding. We set the overall policy. Then we hold them accountable for the delivery of service and the delivery of programs.

* (15:40)

The member is asking me specifics. Am I satisfied with X, Y and Z? I indicated to the member I am not satisfied any day. Every day I would like us to get better and improve the situation. We are looking at it on a constant and regular basis as we go along through the system.

With respect to the member's reference in terms of the Thomas commission, I am very pleased that we have been able to make significant progress. I do not think people thought in a year we would make the progress we did with respect to Sinclair and Thomas. Again, is that enough? Is it enough for the parents? Probably not. Is it enough for me? Probably not. Is it enough for the Member for Charleswood? Probably not. But in terms of a system and in terms of change, I think there has been significant change and significant improvement as a result of Sinclair and Thomas that has occurred since Sinclair and Thomas's time.

We are continuing to develop. We reorganized the department. We have put in place health accountability policy and planning. There are significant changes that are going to be continuing to occur with respect to standards and with respect to performances by the regions. We are developing those. There will be announcements and further announcements in due course with respect to those particular issues as we go along.

Mrs. Driedger: I would like to ask the Minister of Health: Why do we have to wait until this fall for the mortality rates to be available for the cardiac surgery program?

Mr. Chomiak: As I understand it, there is a comparative analysis being put together in order

to look at mortality rates on a comparative basis comparing appropriate levels with levels outside of Manitoba that will give us a better indication and an appropriate indication of where we are at vis a vis cardiac mortality rates as opposed to some of the information that I have seen that has been brought forward by individuals who bring forward information that purports to show detailed comparative information.

Mrs. Driedger: Is that kind of information not available now?

Mr. Chomiak: I believe we have canvassed that information with the member.

Mrs. Driedger: Could the minister tell us why cardiac surgery mortality rates were not kept over this past year?

Mr. Chomiak: As I indicated to the member, we are going to be providing comparative statistics that will deal with those issues. As the member indicated, when she is prepared we will look at that information on a comparative basis when we have an opportunity to review that.

Mrs. Driedger: I would think it would be of some concern to the minister that for a whole year cardiac surgery mortality rates were not kept because the nurse that was keeping them retired and then for some reason with her retirement the mortality rates were no longer kept. I understand that, after all of this has come to light again, she has been brought back from retirement and is going back over this past year to compile all those mortality rates. Does that have anything to do with us having to wait until the fall for all of this information to be finally available?

Mr. Chomiak: There seems to be a preoccupation with mortality rates. That is one indicator. There are numerous other indicators that ought to be utilized and ought to be compared. There is numerous information that is being compiled across the system and within the system and through the system as it relates to a variety of factors.

There are performance measures that are occurring with respect to the agreement reached

between the federal government and the provincial government. There are performance indicators that are in place both within the regions and between the Health Department and the regions, Mr. Chairperson.

One of the things that concerned me was that information came out on an individual surgeon's statistics that were cited and were used as an example, based on that individual surgeon's statistics, as an example of that particular individual's performance and, I daresay, was extrapolated across the system, which I think is inappropriate. I think it is better that we look at the comparison of the programs and compare all of the factors and all of the indicators, particularly with peer groups and with comparative numbers from other jurisdiction in order to have a better understanding of where we fit in the total scheme of things, Mr. Chairperson.

Mrs. Driedger: The minister did not answer probably my last two questions. I could try again. I will ask him: Are we having to wait until this fall for the mortality rates to be available and for this comparison to be available because the mortality rates have not been kept for the past year due to a retirement of the nurse that was compiling them? Is that the reason we are having to wait until the fall?

Mr. Gerard Jennissen, Acting Chairperson, in the Chair

Mr. Chomiak: I do not know if the member is aware, but we are in a much more comparative environment. For example, the member loves to cite statistics, and only recently we have been able to get, in some cases, comparative statistics. Only recently has the health system started to work towards a comparative analysis of the statistics across the line. I constantly use CIHI statistics as a comparative basis. Every time I use CIHI statistics that are favorable, the member finds a way of dismissing it.

Now the member is saying, well, you should be having additional statistics dealing with it. Each procedure needs to be calculated, and there are variables related to the complexity, the risk and the results. We are trying to develop an appropriate system that will better compare and give us a better indication, which is what we

have been told to do right across the system, compare and look at it.

I do not know what argument the member is making. I do not believe it is in fact accurate, the way the member characterizes it. We are always trying to put our program in a better understanding, better comparative basis. That is why we are waiting till the fall in order to gather appropriate comparative numbers.

* (15:50)

Mrs. Driedger: The minister made some comment about retroactively going back. Well, I understand that it was the cardiac surgery program that brought back the nurse to do the analysis of the mortality rates because for some reason upon her retirement they ceased to be collected anymore, something which seems a bit odd to me, but I certainly think it is quite feasible for them to retroactively go and gather this information. I mean, that certainly is part of the analysis of the successes of a surgical program and is information that truly should be kept. So why they quit doing it I am totally surprised, but certainly do not see a problem in that kind of information retroactively being gathered because it is still useful and still valid.

Is the minister aware that probably in January of last year—and I may have brought it up in Question Period at some time—a nurse in the system indicated to me that the cardiac surgery program at the Health Sciences Centre is crumbling? So, as much as the minister likes to talk about rebuilding the program from the nineties, a lot of these problems are what has happened since he has become the Minister of Health and it is happening under his watch.

It concerned me that this particular nurse, who is very knowledgeable about the cardiac surgery program and on the front lines of it, would feel that the cardiac surgery program is crumbling at the Health Sciences Centre, which, I guess, is in the back of my mind as I am asking him all of these questions about the program, because it seems that since January of last year I have been bringing this issue forward from time to time questions and concerns about it. The

concerns, I guess, just continue to escalate about the particular program, and that is why I am having a hard time just sort of leaving it because, as more information comes forward, the more I am uncomfortable with the situation as it is.

I know that in the media there was some report that two to three of these surgeons are inexperienced. I am going to assume that a Minister of Health, upon hearing something like that, is going to ask the WRHA for a full report on those five surgeons, so that the minister would have some confidence in the program; and, because the minister is accountable overall for health care in the province, he would want some assurances that, in fact, the program is being run as best as it can and as safely as it can.

Did the minister ask for physician profiles to be developed for him on those five surgeons that are doing cardiac surgery in Manitoba right now?

Mr. Chomiak: Mr. Chairperson, I am glad the member is supportive of our initiative to put in place legislation for physician profiles. I was not in attendance at the occasion. I hope the member and the Conservative Party are supporting our initiative to put physician profiles. That was one of the key recommendations of the Sinclair-Thomas inquiry, that information be provided to the public about doctors, and, further to that, we are the first jurisdiction in Canada. Now I know the member wants us to do all things that, for the last 11 years, were not done, but we have put in place legislation with respect to physician profiles that will allow the public to have a view and to have the public review the physicians and have an idea as to the type of individual that they are involved with, with respect to those issues.

I believe the member has reversed the previous government's position, and wants us to consolidate all the cardiac programs at St. Boniface. At least, I take it from the member's question that that is what she would like to do, which is, I think, the Linda West solution, if I understand correctly.

We made a decision, in conjunction with the WRHA, to have one program, two sites. As I have indicated to the member, it is a developing program, it is a rebuilding of a program. When

you are rebuilding a program, Mr. Chairperson, it is not going to be 100 percent without difficulty, without challenges. We have recently had a challenge with respect to one particular surgeon, which I have discussed with the member, and we will continue to have challenges as we rebuild a program that had difficulties, and continues to develop.

Mrs. Driedger: The minister did not answer the question that was posed to him. Has he asked for physician profiles on the five remaining cardiac surgeons?

Mr. Chomiak: As I indicated to the Member for Charleswood, it is not the Minister of Health that hires, nor is it the Minister of Health that fires physicians. Now if the member suggests otherwise, that would entirely change the entire nature of our health care system. In fact, that is totally contrary to what is recommended in Sinclair and Thomas. Sinclair and Thomas do not suggest that the minister step in and become the expert, and do the hiring and firing. Sinclair and Thomas suggest that we rely on the appropriate authorities to undertake the appropriate jobs, with the systems in place, in order to deal with difficulties. I am astounded that the member would suggest that I make the decision as to hiring or firing particular individuals. Mr. Chairperson, 2000 doctors received remuneration within the health care system; 12 000 nurses, 10 000 to 15 000, or 20 000, that are hired and dealt with by the appropriate authorities.

Yes, some individuals are hired by the Department of Health, direct agencies and civil servants. But, with respect to the physicians that are employed by, or have privileges with the various institutions and health authorities, Sinclair and Thomas would not approve of the minister stepping in, and hiring and firing those individuals.

Mrs. Driedger: Certainly, the minister is attempting to put some words in my mouth, because I am not, for a moment, suggesting that the minister hire or fire any physicians. But also Thomas has said that confusion surrounding who is responsible for what can lead to discretionary accountability, in which the minister and others in the health care system find it convenient to be

accountable when good news is being reported, and prefer to avoid, or minimize their accountability when there is bad news.

Does the minister not feel that, if there is a program which appears to be troubled, that he has the accountability that is his job, to get into that situation, ask questions, ask comprehensive questions and find out what is going on. Does the minister not feel, as the Minister of Health who is ultimately responsible for health care, does he not feel that is his job to try to vet out some of the major concerns about why a program might be in trouble and to try to address those issues?

* (16:00)

Mr. Chomiak: It is the role of the minister in the Department of Health ultimately, the decisions do stop at the desk of the Minister of Health and accountability ultimately does rest with the Minister of Health through the Legislature and through the function of the Legislature.

Mrs. Driedger: If the minister is agreeing with the comments of Thomas that there does have to be accountability from the minister, not just in good times but in bad times, does his accountability not mean investigating some of the concerns that are arising related to the cardiac surgery program?

Mr. Chomiak: I am quite prepared to debate what Thomas said about minister responsibility, but let me just point out when concerns were raised about the cardiac surgeon at Health Sciences Centre, we acted and put in place a third-party review.

Let me just outline what concerns, according to Judge Krindle, occurred. A copy of his summary was given to Doctor Del Rizzo: (1) placing patient at risk while proceeding with elective cases so display of fast-tracking could continue, several sources;

(2) choice in surgical procedures, several sources, one mortality redirection based on in-operative discussion;

(3) pre-operative assessment (a) some elective patients have never seen their surgeon,

several sources; (b) last-minute angiogram review, several sources; (c) last-minute letter review from recollection, couple of sources; (d) patient not seen prior to surgery, several sources; (e) documentation absent, several sources; (f) delay in seeing consults, a couple;

(4) post-operative care (a) does not round daily during the week, several sources; (b) very superficial when does rounds, several sources; (c) carried by the residents, several sources; (d) behaves as if he was a cardiac fellow, several sources;

(5) in operative care (a) late, sometimes disorganized, several sources;

(6) behaviour personality (a) not ever responsible for adverse outcome, ICU resident, assistant, clinic, et cetera, several sources; (b) degrades others publicly, broadcasts the errors of others, several sources; (c) anger outbursts, demanding, stressful, several sources; (d) two moves: finger the blame to someone else, pats self on the back.

Those were the outlines and the concerns concerning Doctor Del Rizzo that were reviewed by the WRHA. Without getting into detail, those were the concerns reviewed, those were the concerns put to Doctor Del Rizzo. Doctor Del Rizzo was put and given the option of following the procedures of the WRHA with respect to going through the medical by-law procedure that has been put in place at that particular hospital. He chose to resign rather than go through that process.

When issues came to our attention that there were concerns, I discussed it with the WRHA and was advised that the WRHA felt they had reasonable reason to take the action they took. We then ordered an independent third-party review. The independent third-party review reviewed the operations of that particular surgeon and found the appropriate processes had been undertaken.

Now I had two choices. I could have done nothing, or we could have done the third-party review. We did the third-party review when issues came to our attention that there were problems with respect to that issue. When a

substantive issue comes to our attention, it has always been our policy to do follow-up and concerns. That is part of a judgment call. That is part of something that we do on a daily, regular basis. It happens on a regular basis and it continues to happen on a regular basis.

Having said that, part of our role and responsibility is to put in place structures so that it does not have to get to the desk of the minister, it does not have to get to that level before decisions are acted upon, so that there are appropriate systematic checks in place.

That, in essence, is what Thomas and Sinclair is all about, that there be enough systematic checks in place in the system so that issues get picked up early and resolved early. Now, that does not mean they will always be resolved to the satisfaction of a particular complainant or a particular individual. The bottom line, of course, is the quality of health and the quality of care provided.

With regard to Doctor Del Rizzo, I did not try to take a stand on one side or the other. I had patients come down who indicated he was the best surgeon they had ever had. Doctor Del Rizzo indicated he was one of the best surgeons, maybe one of the best in the country, and had the WRHA saying we are having real problems with this surgeon and we feel we took the appropriate action. So we took the appropriate action by having an independent third party review the results and the experience. They reported back that the WRHA—there is an example. It is not something esoteric, it is something substantive. Problem raised, follow-up, action, action taken.

Now, Mr. Chairperson, every single day in the health care system, as the member knows, there are 15 million contacts a year between patients and doctor. In terms of patients and nurses, there is probably ten times that. In terms of lab tests, it is tens of millions. In terms of diagnostic tests, it is tens of millions. We know an unfortunate amount of mistakes are made on a regular basis.

The goal of any health care system is to minimize mistakes, to minimize errors and to put in place systems to ensure that one minimizes

those mistakes and those errors and those faults. That is our ultimate role and responsibility. That is something we take very seriously. That is something that we work on, on a regular basis. That is why we put in place physician profiles. That is why we reorganized the department. That is why we put in place a follow-up to Thomas. There are numerous follow-ups with respect to Thomas that we intend to continue to implement and implement as we go along. That is why there will be more developments in this area in the next 60 days, next 90 days, depending upon how appropriate and how quickly we can put systems and other matters in place.

I do know that when you look at comparative statistics with respect to a number of issues, Manitoba fares well. Let me give an example.

The member raised the concern several weeks ago about hip and knee replacements, how bad it was. Well, not only are we doing significantly more than when the member was in government, but, more importantly, on a comparative basis, we had the second best record in the country. Well, the member could say you are not good enough, and I say, yes, we should try to be the best, but we are still investing and working on it.

There is an example. Comparative statistics done not by us, by an independent third party, and not by the Fraser Institute or others, but an independent third party, said second best in the country. Well, I do not know how else we can compare. Is it a subjective analysis of the Member for Charleswood or is it the objective analysis of an independent third party? That is what we are striving for.

That is not to say that the recommendations and the suggestions of the Member for Charleswood are or any other member are without substance and should not be followed up on. We follow up on all of the issues that are raised, and the member knows that. The members of the Legislature know we follow up on a daily basis on issues raised, and we continue to follow up and we will continue to follow up. The essence of Thomas and Sinclair was an accountable

system, and we are moving towards more accountability in the system, not less.

Mr. Chairperson in the Chair

* (16:10)

Mrs. Driedger: The minister is certainly avoiding answering my specific questions and keeps deflecting back to Doctor Del Rizzo, you know, probably trying to avoid having to deal with the bigger issue and the bigger picture of the problems that we are hearing about in the whole cardiac surgery program. Doctor Del Rizzo was one piece of it, and, as I said earlier, my concern is on a much bigger scale than Doctor Del Rizzo, because it appears that there is far more to this issue than what happened with Doctor Del Rizzo.

I am asking the minister about his accountability, and what he is doing as the Minister of Health in tackling a problem that has arisen and a program that appears to be in some trouble. You know, as Thomas says, this is more than just about discretionary accountability. The minister is the Minister of Health for the program, and my question is related to some specific parts of that. The minister said that his ultimate role and responsibility was to minimize mistakes and errors, and my question fit right into that, and that was after we have heard that, of the five surgeons, two to three of these surgeons are very inexperienced.

I only know what I know from reading it in the paper, and I am asking the minister: As a Minister of Health, would he not be concerned to know that, as regards two to three of his five cardiac surgeons, it is being said that they are quite inexperienced, maybe one to two years experience at most? Has he asked for physician profiles on those five surgeons; at least to give him a comfort level that the program is, in fact, operating soundly and safely, or has he not asked for this information on the surgeons? This is not about hiring or firing them. To me, this is about the accountability of a minister who is in charge of our health care concern.

Mr. Chomiak: Yes, Mr. Chairperson. Extrapolating what the member suggested, therefore, Doctor Del Rizzo, because he had more experi-

ence than someone else, should have stayed on as a surgeon. Is that correct from what the member said?

Mrs. Driedger: Mr. Chairperson, I am certainly not prepared again to be on the merry-go-round, or to tangle with the minister. This is about the accountability of his role as a Minister of Health, and I think it is a fair question to ask him if he has asked for the physician profiles of the five surgeons. If he is so adamant that this is a wonderful thing to have, he has heard that his program might be in some trouble. Would it not make sense that he as the minister would want to know, if he believes so much in his physician profiles—would he not want to know what those profiles were of the five remaining cardiac surgeons?

Mr. Chomiak: Yes, Mr. Chairperson, what I have heard from the member is that she talked to a nurse, a year ago January, who talked about program difficulties. She read something in the paper and she got some mortality statistics from Linda West with respect to the cardiac program. That is what the member is basing her conclusions on.

Mrs. Driedger: We are back at it again, Mr. Chairperson, where the minister is being totally evasive. The minister is playing around with the information again. The minister is totally avoiding what I think the Thomas report indicated a minister should not do. This minister is certainly, once again, skating around an issue, as is his famous track record on answering questions, totally avoiding answering the questions.

I can keep repeating this question till six o'clock if the minister would like me to do that. You know, he has certainly been an proponent of physician profiles. So, if everybody wants to sit back and get comfortable, I will keep asking this question till six o'clock. There are enough concerns, I think, legitimate concerns out there about the program. We see all the bumping that is constantly going on. The staff at St. Boniface Hospital have indicated that it is now the norm. We are hearing about some incredibly big challenges to the cardiac surgery program, and we have heard allegations that two to three of the remaining cardiac surgeons are inexperienced.

Has the minister asked the WRHA for information on this via physician profiles so that he has some degree of confidence in the cardiac surgery program?

Mr. Chomiak: Mr. Chairperson, would the member feel better if I provided outlines of the backgrounds of physicians at the WRHA?

Mrs. Driedger: I would be happy if the minister would answer the question as to whether or not he has already asked the WRHA for physician profiles on those five surgeons. Has he done his job?

Mr. Chomiak: Mr. Chairperson, does the member suggest that we should have physician—I think, by the member's comments, that she is supporting the provision of legislative physician profiles in Manitoba. Do I understand that correctly?

Mrs. Driedger: Well, the minister is going to have to wait to committee to hear that, or he could read my comments in the debate on second reading if he wants to know my position on that. I am certainly asking him if he did his job when he heard about problems in the cardiac surgery program. Has he done his homework? Has he done his job as the Minister of Health and sought out further information so that he has a comfort level with the program being offered in Manitoba?

Mr. Chomiak: Mr. Chairperson, I have just been handed a note which seems to indicate that some of the information the member put on the record might be inaccurate, but I am just going to have to do a follow-up on this with respect to the particular facts and just confirm that because we would not want to put anything inaccurate on the record.

Mrs. Driedger: I think, if the minister is going to make a comment like that, I will wait for him to verify what he wants to say and if there have been some inaccuracies. What I am asking for is a clarification of issues, and I am asking him what he has done in terms of whether or not he has done his job. So, certainly, I will give the minister some time to address this.

Mr. Chomiak: Mr. Chairperson, yes, I think I have done my job, and I continue to do my job on a regular basis to the best of my ability and will continue to do that.

With respect to the information the member said about gathering of cardiac surgery stats, I understand, from the information provided to me, that the individual retired as the data collector and the WRHA immediately rehired her on contract for last year to provide the information. I am advised that the statistics have been gathered as they have been previously. I will confirm that, because that is contrary to what the member said. I want to confirm, sometimes these things get confused in terms of the interpretation, so I do not want to go on record 100 percent on this. That was the issue that I was raising earlier.

Mrs. Driedger: The minister was indicating there was inaccurate information put forward. I was seeking clarification, because certainly the nurses from St. B that have been talking to me have indicated that when the nurse retired, statistics were not kept for a year. I am not putting that forward as fact. I was asking for clarification. I would certainly appreciate that the minister not run around and indicate I am putting misinformation on the record. All I am seeking is clarification of information that I have, and he has every opportunity to put forward what that accurate information is.

Certainly, the nurses from St. B have indicated to me that when Verna Tribula retired, in fact, those stats were not being kept for a while and she was brought back from retirement, obviously probably on a contract basis to go back and collect all of that information. I would ask that the minister be accurate in how he is putting forward his information, because asking for clarification is not putting forward fact. I am seeking the truth in all of this.

Mr. Chomiak: I appreciate that the member is seeking information. I thought the member made a statement that the data were not collected for a year. That is what I thought the member had said. I note the member said in her comment now, for a while, so I understand that there are different interpretations. I actually indicated to the member that, on something like this, I was

even hedging the information that is provided because these things are fluid. That is the information that is provided to me.

I was under the impression that the member was making a statement of fact. If it was only a question the member was making, and was putting that in the context of it, then that is the way that the question was put.

Mrs. Driedger: Considering who gave me the information, I am not at all prepared to call her a liar. The information came from a nurse, and somebody I hold in very high regard at St. B. I am going to assume she knew what she was talking about. I am going to respect her expertise in this area. I am going to respect the information she put forward.

The minister continues to avoid the whole issue of whether he has asked for position profiles on the five surgeons that are remaining. Is he at all concerned? Have they all passed their exams? How many years' experience have they had? Is it true that some of them may only have one year of experience? What does that experience include? Do these surgeons do all of the various types of cardiac surgery, or are some of them limited in the surgery that they can do? Has the minister not been concerned enough about the program to delve into this and find out whether or not he can get that information related to the physicians.

* (16:20)

Mr. Chomiak: I want to clarify this, if the member is making a statement or asking me a question. Is the member asking me to specifically provide her with that information?

Mrs. Driedger: I am just asking the minister if he has asked the WRHA for that kind of information for his own use.

Mr. Chomiak: So the member is not asking me to provide her with that information. The member is nodding her head to say no. She is not asking me to provide that information. Okay. Then I will await the member's next question.

Mrs. Driedger: The minister has not answered the question. Has he asked the WRHA for physician profiles on those five surgeons?

Mr. Chomiak: I have had numerous discussions with the WRHA concerning numerous programs and numerous individuals.

Mrs. Driedger: It appears the minister is extremely evasive, which is actually making me more concerned than I was when I started this. I guess that is why I have a gut instinct that is telling me maybe there is more to this than I even realize with the minister's evasiveness on addressing this.

Mr. Chairperson, if we are looking at five surgeons and if a couple of them are somewhat inexperienced, maybe they have only been operating for a year, but those five surgeons are spread out between two hospitals, how exactly is Doctor Oppenheimer able to keep a close eye on those younger surgeons?

Mr. Chomiak: Now we are getting down to specific questions about specific programs, not general policy questions. I am not in a position to supervise surgeons. I am not trained to supervise surgeons. I would not even remotely begin to suggest whether or not Doctor Oppenheimer is in a position to supervise surgeons. He has been given responsibilities under the WRHA. It is not an area I am capable of making the decisions on.

We are on to an operational issue. I have been patient with the member who has asked numerous operational questions and made implications and statements about certain programs and certain individuals. I have been very patient with the member, but that goes far beyond the capacity of the Minister of Health with respect to some of those issues.

The member now wants me to go into every surgical suite across the system and make value judgments with respect to the surgeons or the doctors operating. That is not my role.

Mrs. Driedger: I think the role of the Minister of Health would certainly be to be concerned if we have five doctors spread between two hospitals. We might have three doctors in one, two in another, if they are all there operating at the same time and somebody runs into trouble. Did the Minister of Health ask anybody what would be the backup if there is an emergency,

that one of these doctors runs into an emergency? What is the backup if there is an emergency? This gets right to the whole root of patient care and patient safety.

Mr. Chomiak: I have asked the member whether or not the member would like specific information and the member appears not to want specific information. What the member wants are my opinions, Mr. Chairperson. Generally, opinions are out of order in this Chamber, in this committee, but I have tolerated that. I have indicated to the member, if the member wants specific information about specific individuals or specific programs, I will endeavour to try to obtain that from the specific health authority.

Mrs. Driedger: After hearing all of the information on the cardiac surgery program, knowing that we only have five surgeons, knowing that the catheterization suite at the Health Sciences Centre is closed, which causes me some concern, I would like to ask the Minister of Health if the program should be centralized right now at St. Boniface Hospital until we have more doctors in Manitoba and until the cath lab at the Health Sciences Centre is open again. Would it be more prudent right now to concentrate all of that manpower in one hospital to ensure that patients are not put at risk?

Mr. Chomiak: Mr. Chairperson, that is an operational decision that has been made by the WRHA with respect to their decision to operate one program, two sites. I thought we had dealt with this previously with regard to Bell-Wade, but the member keeps coming back and back and back.

Mrs. Driedger: Well, I think the minister would like me to believe it is an operational decision, but it was his Government that politically made the decision and encouraged Brian Postl to change his mind and sing from a different song sheet and reverse a decision that had been earlier made to have only one site. So I would think that if it worked before, that a political decision was made before, certainly there is room for a political decision to be made here. Certainly, the minister has that authority and discretion to do something that might be in the best interest of patients. Would he not see that, perhaps even on a temporary basis, until we can get more

surgeons into Manitoba and until that cath lab is open, does he not see it as a prudent option to consolidate cardiac surgery at St. Boniface Hospital?

Mr. Chomiak: The member is asking me to make a political decision on an operational decision, Mr. Chairperson. That might be the way the member felt things were in the past, or suggest things should be in the future, but I do not and will not make a political decision based on the member's demands.

Mr. Chairperson: Is there leave to have a five-minute break? [*Agreed*]

The committee recessed at 4:28 p.m.

The committee resumed at 4:34 p.m.

Mr. Gerard Jennissen, Acting Chairperson, in the Chair

The Acting Chairperson (Mr. Gerard Jennissen): Committee of Supply, please come back to order.

Mr. Jack Reimer (Southdale): Mr. Chairperson, I just came into the room here a little while ago, and I happened to be listening to the minister's reply and the critic's questioning of certain areas in the Estimates. The one area that sort of has a bit of a recognition in regard to what the questions were is in regard to cardiovascular surgery.

I just want to ask the minister a couple of questions. I am referring to the annual statistics of Manitoba Health and where it shows the number of specialist physicians by specialty practice, and I am looking at the numbers here: for '98-99, where there were 12 surgeons, cardiovascular surgeons; in 1999-2000, it is 9 cardiovascular surgeons; and, from the indication of what I have just been listening to in regard to the critic and the minister were now down to five cardiovascular surgeons between two hospitals. I want to ask the minister: Is there a problem here? I would be concerned about this. I would be concerned about this personally. I mean, this is more or less—I am being a bit

personal on this, but I would think that this is a bit of a problem. I wonder whether the minister could comment on that.

Mr. Chomiak: I think the member knows that whenever issues are brought to our attention that bear follow-up, we follow up and we endeavour to deal with issues on a consistent and a regular basis and to the best of our ability. The member will know that there was an issue raised concerning a particular cardiac surgeon who resigned. When that occurred we put in place an independent third-party review of the particular circumstances. I know the member was probably in one of the other committees perhaps when we dealt with some of the specifics of it, but we dealt with it. As I indicated previously to the Member for Charleswood (Mrs. Driedger), the volume and the number of surgeries with respect to the number of surgeons is, I have been advised by the WRHA, appropriate to deal with the number of surgeries that take place.

Mr. Reimer: I am really not concerned about the minister's comment about a certain doctor. I mean, he can talk to the critic about that, but I am talking about the numbers, the actual physical numbers of physicians that are not here in Manitoba. From all indications we have gone from 12 to less than half of that. I would think that there is a problem there. But I hear the minister gerrymandering around, wordscaping with the critic here and not being truthful, whether it is truthful to me because I am in opposition or to the people of Manitoba.

Does he not see a problem there? I would think that there is a problem when you have five cardiovascular surgeons from Manitoba, and, from what I understand, some of them are relatively new in the game, and I can say personally, when I was having problems I made sure I went to a doctor with experience, because, if anything, you want the confidence of knowing that whoever is looking after you has got the depth, the experience, the scope and the understanding of where the problems are and where they are not. It would appear if you have five doctors spread between two hospitals, some with relative inexperience, that there is a problem.

Now, the minister can talk all he wants about Doctor Del Rizzo and all these other types

of things, but I think there is a problem there. If the minister feels there is not a problem I would like to know why he does not feel there is a problem there, what he is doing to correct the problem, or whether he feels that this is okay, this is the norm, this is the way health care should be looked after here in Manitoba.

Mr. Chomiak: First off, the member is making assumptions based on what the member was advised I think from the Member for Charleswood. I offered the member from Charleswood information regarding the background of those doctors. Plus, the leading proponent of consolidating all of the surgeries at St. Boniface under one is one Linda West, Mr. Chairperson, long-time consultant with the Conservative Party, candidate for the Conservative Party, who is advocating that. I hear the same line, the same arguments being made now by the Member for Southdale with respect to consolidating all of the services and indicating—

An Honourable Member: Point of order, Mr. Chairperson.

Point of Order

Mr. Reimer: The minister knows well that I never said "consolidate." I am asking him a question. Does he see a problem with the numbers going from 12 to 5? That is the question. Not consolidation, not Linda West. He could wordsmith with this critic here, but I am asking him specific questions. Is there a perceived problem with only 5 cardiovascular doctors looking after the province of Manitoba.

The Acting Chairperson (Mr. Gerard Jennissen): It is not a point of order. It is a dispute over the facts.

* * *

* (16:40)

Mr. Chomiak: Mr. Chairperson, as I indicated to the member and the critic, I answered that question already.

Mr. Reimer: Would the minister then inform me of what his answer was?

Mr. Chomiak: Mr. Chairperson, as I indicated last week to the Member for Charleswood (Mrs.

Driedger), and I believe I indicated earlier in the day, the WRHA advises me that the five cardiac surgeons that the WRHA has providing cardiac surgery are adequate and qualified to meet the requirements for the cardiac program here in Manitoba, but I also indicated that, if there were ten or five more cardiac surgeons that we could attract and bring to Winnipeg, I would not dissuade them from that particular point.

Mr. Reimer: I thank the minister for that answer. Can he inform me or the committee whether there is an active recruitment policy on right now to get more cardiovascular surgeons here into Manitoba?

Mr. Chairperson in the Chair

Mr. Chomiak: Mr. Chairperson, I believe we are continually recruiting specialists for cardiovascular. With respect to whether or not there is a position that is being offered to any individuals with respect to cardiac surgery in Winnipeg, I do not think so.

Mr. Reimer: I can assume then, from the minister's answer, that the five that are there, the minister seems to be satisfied that they can handle the load for cardiovascular surgery that is required here in Manitoba?

Mr. Chomiak: Mr. Chairperson, in my discussions with the WRHA, I have been advised that they feel that the number of surgeons that they have at present are adequate to meet with, deal with the volume in the province.

Mr. Reimer: Can the minister inform me, he did mention that there is recruitment, but is there an active recruitment to get more cardiovascular surgeons here in Manitoba?

Mr. Chomiak: Mr. Chairperson, part of the problem and difficulty with answering this question is twofold. Firstly, we are developing an \$18-million program that it is going to utilize across the system, and we are in the developmental stage. Secondly, we have just come through a very difficult period with respect to the resignation of a cardiac surgeon, and that complicates the issue to the extent that I think I have already answered the question. I have been advised by the WRHA that the five are qualified

and are adequate for the needs of Manitoba, but I certainly would not discourage additional cardiac surgeons if we are in a position to hire them.

Mr. Reimer: Mr. Chairperson, I can possibly read into that answer, then, that there is a satisfaction level, and it would appear that there is not an active recruitment in that particular area, from what the minister has implied. Am I right in that assumption?

Mr. Chomiak: Mr. Chairperson, the member can interpret it any way that the member would like. I have indicated there are five, and I am advised by the WRHA that they have, both, the sufficient—they feel that the number five that they have are adequate to deal with the needs of Manitobans.

Mr. Reimer: Mr. Chairperson, I can only assume then, and it is a matter of logic in working out the numbers, that, if you have 12 physicians in '98-99, if you are waiting for cardiovascular surgery, your wait is not as long as it is going to be when you have less than half of those amount of surgeons on staff at the present time. So it would appear, then, that the waiting lists—and which indications are—for cardiovascular surgery are increasing, if you have less than half the amount of qualified surgeons to do the work. Does the minister see that as a problem of trying to eliminate some of the waiting lists for cardiovascular?

Mr. Chomiak: As I pointed out, first off, that is one of the dangerous points about extrapolating information like that, Mr. Chairperson. I can indicate that the waiting lists for cardiac surgery are down from December '99 to the last statistics I saw. They are actually down.

Mr. Reimer: Just as the minister has mentioned that using figures can, sometimes, work for you or against you, I would only assume that because of the amount of surgeons that are now available, and the aging population, and the amount of recommended cardiovascular surgeries that have been undertaken, I find it very, very difficult to believe that waiting lists are going down, unless the minister is saying that the operating theatres are operating at a longer period, over different hours.

Maybe the minister could inform me whether this is picking up the difference between 12 doctors and 5 doctors now, and the fact that waiting lists are going down, and the number of requirements are going up. It is hard for me to visualize that, but the minister seems to feel that this is going down. So I wonder whether he could just comment on that.

Mr. Chomiak: I think the member has to understand that you cannot divide a ratio of the number of surgeons, necessarily with the number of surgeries. It is dependent upon slates, and it is dependent upon scheduled slates. It is dependent upon location. It is dependent upon the availability of support staff. It is dependent upon the availability of preoperative follow-up, the number of beds available, et cetera. It is a variable.

It is also a factor with respect to other types of procedures that can be offered without necessarily offering surgery, per se, or heart by-pass surgery as we know it, as the only means by which to deal with particular kinds of ailments. It is a whole variety of factors. The Province utilizes the QD heart system that is from Ontario, for both QD and types of treatment, et cetera. Generally, it is true that there are less cardiac surgeons than there were, say, five years ago, Mr. Chairperson. We are doing roughly the same amount of surgeries. The wait list has actually gone down. Our challenge is not, as I have been advised, from the surgical viewpoint, the number of surgeons. Our challenge is the number of nurses, both the ICU and critical care nurses available. I have made that point clear on numerous occasions. It is the availability of the critical care nurses, relating to surgery, that is the major factor concerning the heart surgeries and the heart program.

Mr. Reimer: The minister, in his explanation, is correct in a lot of the areas that he has answered his question on, in regard to the support services that are available, and the amount of people that are involved in that particular area of cardiovascular surgery. The support services, through the nurses and through all the other components involved with that, are extensive. It does take a lot of manpower. It does take a lot of people involved. It does take an awful lot of equipment. The alternatives are coming about very fast and rapid in that particular area. But the end product

always will revolve around a surgeon and a surgeon that will do the procedure.

I am only stating the optics and the obvious of saying when you have 12 surgeons down to 5, which is less than half, we have surgeons in there who do not have that particular amount of experience, the sophistication of operating now is changing drastically from year to year almost. The amount of people who are going into the system, if you want to call it, because of the ageing population, is increasing. There has to be the obvious question. There is either a problem there that is just on the edge of being a major problem for cardiovascular surgery here in Manitoba, or there is a tremendous advancement in efficiencies that is saying the waiting lists are going down. The obvious assumption is, it is hard to imagine that is the actual case.

* (16:50)

I only point that out to the minister. As Minister of Health (Mr. Chomiak), he does have the ability—as he mentioned, the buck stops at his table—to look at these things in a very critical manner, because cardiovascular surgery for anybody who has gone through it, whether it is on the waiting lists or through the whole process itself, it is hard to walk in someone's shoes and not understand the ramifications of wanting the comfort factor that comes with experience and comes with the ability for a proper procedure being implemented and that everything falls into place. It does. Here in Manitoba we have the facilities and hopefully we have the abilities to make the proper decisions regarding surgery and that.

Cardiovascular surgery, when you have 12 physicians, you have a tremendous, tremendous amount of experience there. It is like anything. The more experience, the more rapidity that is involved, whether it is in cardiovascular or vascular surgery, or whatever the surgery is, it builds up a sense of comfort and of achievement and confidence whenever the patient or the individual is going in for consultation or for the actual surgery.

Mr. Chairperson, I would think, as Minister of Health, granted, there is an awful lot of areas that are on his plate, if you want to call it, but

cardiovascular surgery and the fact that the population is becoming more and more increasingly available for surgery because of the efficiencies that are involved with it and to have five people, the whole operation, I should not say the operation, the whole program revolve around five people, the reliance on those five people has to be tremendously heavy. Whether it is an emergency that comes up in the emergency room or the fact that there is even the vacation schedule, if you want to call it, it is going to put a real demand on the facilities.

I would only mention to the minister I would think this should be looked at as an area where there should be some concentrated effort, not only for the recruitment but the retention and the improvement of the cardiovascular surgery here in Manitoba.

I do not want to get into an argument with the minister about other people's controversy regarding Linda West or Doctor Del Rizzo. I am only bringing these things to the minister's attention to look for answers and possible solutions. He does not have to say it is going to be an overnight success, but if there is a direction toward a solution on this, I think there is a comfort factor.

Mr. Chomiak: As the originator or one of the originators of the original type of pasta that twirls in circles, I appreciate the member's question, but the member is not dealing with specifics.

The member says to me he hears about—let us talk about facts. The member resents the fact that I talk about the one surgeon who resigned. Before this surgeon resigned, there were six. The WRHA asked one to resign or offered one that option. I will say that again: One was given the option of going before the medical by-laws, one who had a lot of experience. There were six surgeons, now there are five. The sixth surgeon resigned, Mr. Chairperson, according to independent Judge Krindle, for appropriate reasons. Is the member with me still? The sixth person resigned for appropriate reasons.

The WRHA assures me, or indicates to me, that the five surgeons provide quality,

appropriate work. I am prepared to provide information to the members, I offered it to the Member for Charleswood, about backgrounds of the five surgeons who offer cardiac surgery. The members are talking about, though, not specifics, albeit the member said at one time there were twelve—not all full-time, I suggest—but, having said that, one of those twelve was the doctor who resigned. So it is not as simple as extrapolating twelve to five and then extrapolating the information from that.

The WRHA is responsible for the program. When a concern came to my desk about a particular surgeon and allegations—remember what the allegations were, and that is why I go back to this—the allegations were that this surgeon had the best mortality rates, this surgeon was the best surgeon, other surgeons were being let go because of this surgeon, et cetera. So we took the problem, reviewed it independently by a judge, and the judge concluded that the WRHA, who are responsible for this, had made the appropriate decision with respect to that particular surgeon. In that sense, we went from six to five, and the WRHA has told me at this point the five surgeons that they have offering surgery are able to meet the requirements.

I know there are problems in the cardiac surgery program. I have been very public with it. I have said it. I said it a year and a half ago. I said it a year ago. I am saying it now. The major difficulty that I am advised we have with the cardiac program at this point is in respect to critical care nurses and the through-put of surgeries as a result of critical care ICU nurses. The member might appropriately ask: What are you doing to resolve that situation? Without going into the rhetorical discussion we get into, I want to say that, as I understand it, they have increased the size of the critical care class of nurses and they are putting them through several months faster than they did in the past in order to train and qualify more critical care nurses. We have also in the collective agreement put in place the highest standby fees to nurses in order to entice them to work in more critical areas to the extent that we can.

So we are trying to deal with that nursing issue because I am advised that that is the major difficulty with respect to the cardiac program.

That basically covers the member's question. If we could have 12 cardiac surgeons and 12 cardiac surgeons could function to the best of their ability maximizing their skills and maximizing their through-put in the number of patients, et cetera—it is not that simple. Probably, if we had 12 surgeons at this point, we would still be in difficulty. I know we would be in difficulty because we have difficulty in terms of the through-put of nurses. It is not as simple as extrapolating 12 to 5 or saying that, gee, the resignation of 1 cardiac surgeon is of no concern with regard to this program. Many of the issues raised by the Member for Charleswood and others who will go unnamed with respect to the cardiac program arise from concerns raised by this particular surgeon. When concerns were raised by this particular surgeon, we had a review by an independent third party.

* (17:00)

Mr. Reimer: Just one quick, I guess, question and comment on that. My questions were not the result of Doctor Del Rizzo. I just want to put that on the record. It is not because of what was said or what was happening because of the background with Doctor Del Rizzo. My concern was in the broader contents of the numbers of doctors that were available, the number of doctors that are now available and whether the service was being provided. The minister answered those questions. He seems to feel that the WRHA can handle it, and he is satisfied with the answers that they are giving him that five is okay for Manitoba.

I am just saying that I do not think that it is right. I do not think that it is right that you can go from 12 to 5, or less than half, and think that the program is still okay. I do not care what the minister says. The optics just do not seem to come through that way because, at one time, I think we had some—I do not know that much about it, and I will agree to it. It is not my background as Health critic. I can only come and question the minister on the optics as I see them and through the books that were presented to me in regard to the numbers and having a bit of a personal experience through the system.

As I say, my questions did not come out of the so-called inquiry through Judge Krindle.

That is not my background in regard to my critic responsibilities. Mine was brought out of just general concern as to the way the program is presented, the way I see it and what is going to happen and how it is going to happen, very simple.

Mr. Chomiak: I would not disagree with the conclusions reached by the member as a result of information. I can indicate to the member that we are rebuilding the program, that we are in the process of rebuilding a cardiac program that has encountered some difficulty in the past. We are rebuilding the program. Naturally, the member has concerns which he wishes to raise.

Mrs. Driedger: I would just like to indicate that I am prepared to move on into other lines of questions, but I am extremely disappointed with the minister's evasiveness in dealing with this issue. I think there are some real serious and legitimate concerns around the issue. I would encourage the minister to give some thought to, even on a temporary basis, looking at a temporary solution of consolidating the program at St. Boniface Hospital until we have more surgeons in the province and until the cath lab at the Health Sciences Centre is opened.

I have no idea that he has been speaking to Linda West, and she has recommended the same thing to him. I have not spoken to her about this, so I am not aware that was her recommendation. It is one that I have, actually, just within the last few days, come to that decision after gathering more of this information and hearing more of the minister's position, or lack of position, on this issue. I am prepared to move on, but I move on leaving this one with some pretty grave concern about the area of cardiac surgery in Manitoba, but I will go on to another line of questions. There still are many issues to deal with.

We started out today on the Deloitte & Touche report and then veered off onto the cardiac surgery, but I will bring this back to the Deloitte & Touche report. The minister has agreed to table the report, and I do appreciate that. I look forward to getting the whole report and having an opportunity to look at it. Knowing that the minister has had an opportunity, as he said, to read the report, I wonder if he can tell us why so many nurses are angry and there is an extremely negative tone, especially in critical

care, and morale is low in critical care and productivity is low in critical care. Is that addressed in the Deloitte & Touche report?

Mr. Chomiak: Mr. Chairperson, just summing up on the cardiac program, I am not entirely certain what the member is suggesting I have been evasive about. I indicated, when there was a problem raised with respect to a physician, we undertook a review by an independent third party. I also indicated that we are attempting to put together quantitative and qualitative statistics with respect to cardiac mortality rates on a comparative basis to have a comparison of the program. I also indicated that, be it the critical incident reporting, be it the standards committee, all of that, developments from the pediatric cardiac interest have been implemented or put in place with respect to dealing with these issues. So I do not know where the member is coming from with respect to concerns.

I have offered specific information to the member about the cardiac program that she has refused. That is her right, Mr. Chairperson. I, too, will proceed, keeping in mind the summation that, when there are concerns raised, we follow up on those concerns and that we continue to look at those. I have never said that there was not difficulty in the cardiac program. In fact, I outlined for the member information that perhaps the member was not even aware of with respect to the program. I have provided the member with that free and willing in order to provide for better information. So I do not know where the member is insisting that I am being evasive with respect to the cardiac program. I feel that we are continuing to develop.

The member has asked about Deloitte & Touche as it respects cardiac critical care nurses. One of the issues, of course, with respect to Deloitte & Touche, and the MNU did not participate, they were one of the few unions that did not participate in Deloitte & Touche. Of course, while this was going on, we were in negotiations with the nurses with respect to their collective agreement. There are a variety of issues that continue to interact and proceed as we move along.

I do not know if the member appreciates collective bargaining, but, when you are in

collective bargaining, Mr. Chairperson, while one continues to talk to the other side, positions are taken on each side with respect to the negotiations. The member cited this morning concerns about the—*[interjection]*

Mr. Chairperson: The committee will recess for a recorded vote.

The committee recessed at 5:07 p.m.

The committee resumed at 5:30 p.m.

Mr. Chairperson: Will the committee come to order. The floor is open for questions.

Mrs. Driedger: Mr. Chairperson, I will come back to the question earlier posed on Deloitte & Touche, and, because we just had something interesting happen in the House, I would certainly like to have the minister comment on why he was not prepared and why his caucus was not prepared to have any debate on Bill 204, The Smoke-Free Places Act (Non-Smokers Health Protection Act Amended). This was a private member's bill put forward by a member from my caucus amending The Non-Smokers Health Protection Act to prohibit smoking in all enclosed public places. Basically, the NDP brought closure to the debate on this issue, and I would like to ask the minister why.

Mr. Chomiak: Mr. Chairperson, the members opposite have adjourned debate on tens and tens of bills over the past several months since we have been here, but, when we adjourn debate the member calls it closure. I find that a curious twist. The motion was to adjourn debate. We are into some significant business of the Legislature, and we have numerous issues that we are dealing with. Today, a private member's bill came forward, and the matter was brought forward today. We adjourned debate today on that private member's bill.

Mr. Chairperson, as the member will know, we are making significant changes to The Non-Smokers Health Protection Act. This particular session we are going into committee,

as I recall, the day after tomorrow, with respect to public presentation, on that particular bill.

One of the criticisms, I should say, of the Government in the changes that we have made to the present bill was, quote, non-advisement or not providing ample information to the public prior to bringing in amendment. We were criticized for not providing a notice to the public with respect to that bill, even though we did have a hearing process. In fact, we received information from good friends of the Member for Charleswood (Mrs. Driedger) with respect to our amendments. In any event, as a result of these concerns expressed, I met with the group that was concerned about the bill, and we had officials continue to meet. There had been some meetings, and continue to meet, and we also indicated that we would set up a committee that would review the implications and some of the operations of the act as we amended it and moved forward.

There are a variety of options to deal with non-smoking and how we could best deal with this difficulty in our society. I note that I did not see this act come forward from the previous government year after year after year. I also note that we were able, through consensus in the Legislature, to bring about our first non-smoking act, I believe it was, early in the nineties.

I know that some people are saying, for example, that we should follow Nova Scotia experience and make possession an offence, which has been the scenario followed in Nova Scotia. I know some individuals are indicating that we should make possession of cigarette or tobacco products by youth as an offence. There is a whole variety of opinions. The one thing we do know is that smoking kills people. We do know that it is an addiction. We do know that it is a difficult issue for people to deal with. We do know that we have been moving the issue forward in Manitoba. We brought in legislation to provide for non-smoking sections in public places. We empowered municipalities to put in place by-laws respecting non-smoking, of which the two largest urban centres in the province, Brandon and Winnipeg, have brought in by-laws concerning this matter.

* (17:40)

As part of our comprehensive smoking package aimed primarily at children, because children is where the strength, or the weaknesses, if you want to put it that way or flip it around, lie with respect to smoking, we brought in a comprehensive program dealing with children, dealing with smoking.

As members will know, we were providing assistance to the municipalities that choose to bring in bans on smoking. We also have brought in a program at high schools to help high school kids quit smoking. Our whole strategy has been based on trying to prevent kids from smoking, or, if they are smoking, assisting them in quitting smoking. That is where we have been aiming our efforts, Mr. Chairperson.

I know that over the past decade in Manitoba, there has been an act that came into place, the original act, Mr. Chairperson. And then we have brought about our amendments that move it forward to deal with, particularly, youth smoking. Quite clearly, the goal in a preventative health care system is to deal with stopping people from smoking, and if they are smoking to the extent possible, to assist them in dealing with their addiction.

The Member for Charleswood has asked a specific question. I know how attentive she is in paying attention to my response as I go through the issues concerning tobacco legislation. The member has thrown around words regarding—
[interjection]

Mr. Chairperson, I am having trouble even hearing the feedback on my own conversation. I wonder if you might suggest to the Member for Charleswood that she will get her chance to reply or ask questions.

Mr. Chairperson: Order. I hear a lot of people talking here. Just keep the conversation down and let the person speak that is recognized.

Mr. Chomiak: Thank you, Mr. Chairperson. We know that prevention, and preventing tobacco use, is a significant health benefit to all Manitobans. That is why our activities are generally aimed at young people and preventing young people from beginning smoking.

The intention, with respect to the retail sales, is to denormalize everyday use of tobacco, and to not suggest to children that it is the right thing to do, or the cool thing to do. What we have found is no matter what prohibition is made on advertising of the lifestyle, advertising of cigarettes, the industry still comes back with options and still advertises and still promotes the use of cigarettes and tobacco.

What we are trying to do is—in conjunction with efforts that were made by the federal government, and initiatives that were agreed to by all provinces and the federal government—to denormalize tobacco and to try to deal with the elimination of smoking for the health benefits that could derive from the elimination of that particular vice.

We agreed, in fact, Mr. Chairperson, at the last federal-provincial ministers' meeting that I had the occasion to attend in Newfoundland in late September, early October, that we would all try to invoke as many measures as we could. Since that time, I note that most jurisdictions, Manitoba included, have raised the price of their tobacco and their tobacco products. We know that price is a significant factor, in terms of smoking and in terms of the elimination of smoking.

Secondly, as I indicated, Mr. Chairperson, we brought in significant amendments, most notably—and I am curious as to how the Opposition will vote on this—prohibition of displays of tobacco and tobacco products where youth are present. This is deliberate. This is thought out. This has been a strategy that has been put in place in order to denormalize tobacco, as well as ensure that there is less likelihood that young people, or a young person, will take up smoking, and, to a lesser extent, that someone who, perhaps, was a smoker and is no longer a smoker, is less tempted. That is less of a factor but, certainly that is an issue that comes to the fore on occasion.

So we have a pretty comprehensive bill before the Legislature, and a comprehensive strategy, Mr. Chairperson, with respect to tobacco and to tobacco legislation. It is an incremental move forward, as we move forward to develop a

tobacco free Manitoba, to the extent that we can and that we should do that.

We are continuing in our efforts, Mr. Chairperson, to deal with the smoking, and I hope we have the support of the Opposition when we go to committee to deal with our measures to denormalize and ensure that children do not take up smoking. I personally cannot comprehend anyone, in any way, shape or form encouraging, or supporting the use of tobacco, or tobacco products by children. We are certainly looking forward to the support of all members of the Chamber in regard to this particular matter.

We note that the City of Winnipeg has recently used the enabling legislation. Remember, Mr. Chairperson, any municipality, or local government, can enact a ban on smoking in public places. They have that power. The local government. That was done deliberately. The local government. The government that is at the local level, the municipal level, has the power. If they do that, if the local governments pass that kind of legislation, they will have our support, in terms of resources to assist them in advertising, and in educating the public, because we do know from studies, and otherwise—

Mr. Chairperson: Point of order?

An Honourable Member: Point of clarification.

Mr. Chairperson: Point of clarification?

Mrs. Driedger: Yes, I would like a point of clarification. I would like to know if the minister is allowed to filibuster, because he is too embarrassed to deal with this in an honest, direct way because of his hypocrisy and his lack of sincerity in truly dealing with the smoking issue. So now he is trying to filibuster. Mr. Chairperson, is this allowed? Because if the minister is going to filibuster until six o'clock, I can go and do some other business.

Mr. Chomiak: On that point of clarification, I thought, Mr. Chairperson, the member asked the question with respect to smoking, and I thought the member was interested in hearing that information. I am surprised that the member is opposed to our tobacco legislation and uses words like "filibuster," and uses words like "closure,"

and other words that are non-parliamentary. You know, I can only speculate, but certainly I am trying to provide as thorough an answer as possible.

Mr. Chairperson: I thank the minister. For the clarification on the matter, each member can speak 30 minutes, except when the minister makes his first speech on Supply, which is 60. But each member can speak for 30 minutes after they are recognized. That is on the point of clarification.

Mr. Chomiak: Insofar as the member is so concerned about my comments, I will stop my discussion with the member, and allow the member to comment if she sees fit, or to ask further questions.

Mrs. Driedger: I just would like to ask the minister, in fact the member of Dauphin-Roblin indicated he was going to speak to the bill, and then he actually stood in the House and tried to stand the bill, which is somewhat misleading from what he had said. So I am just asking the NDP why it is not willing to debate this bill, why it is not willing to pass this bill. They are talking about their commitment to non-smoking which is, obviously, somewhat hypocritical and certainly lacking in sincerity when they will not even stand in the House and speak to this bill.

If they were really concerned about smoking and the effects of smoking, and the fact that the minister has said it is one of the biggest cost-drivers in the health care system—yet they basically refuse to debate this bill in the House and if that is not closure, I am not sure what is. In fact, very likely this bill is going to end up dying with this session because the NDP are not prepared to take it forward.

So my question is: Why are they not willing to debate it and pass it, if they truly, as the minister has just been trying to comment, have such a commitment to dealing with this issue and trying to deal with helping children to stop smoking and helping adults to stop smoking? This would be one of the most effective ways. Why would the NDP not debate this bill and pass it?

* (17:50)

Mr. Chomiak: I will try to be as concise as I can to allow the member more opportunity, but I do have to point out to the member that the Member for Dauphin-Roblin (Mr. Struthers) is an exemplary member of this Chamber. He is one of the hardest working and most effective members of this Chamber, Mr. Chairperson, and carries out his functions with extraordinary sincerity and diligence.

Having said that, I just want to point out that I can suggest to the member opposite that if the Government had brought in a bill at this late date with respect to any kind of matter, with respect to this kind of a matter, I know what the answer would have been from members opposite. Having said that, I just want to indicate that a bill was introduced this morning, and we voted to adjourn debate on this bill today, of a bill that was introduced this morning, this a.m., several hours ago. In fact, it was not several hours ago. I think the bill came forward prior to Question Period, which was only a few hours ago, and somehow the member has construed from that, that having had 11 years herself in government to introduce this bill, having had now four hours, her government having had four hours for the Government to review this bill, she is somehow suggesting that this is filibuster. Let me get this straight. Her government had 11 years to introduce legislation. Now, they have introduced a bill four hours, or five hours ago, and the member is crying filibuster. I do not know but five hours versus 11 years, I would look at that and compare that any day.

Mr. Chairperson, I am not certain, and I look forward to what the member's position is with respect, the member has not indicated her position with respect to the private member's bill that was brought forward, not by herself as Health critic, but by an individual who was in this Chamber, a well-respected individual I might say. I do not know what the member's position is with respect to that particular bill. I do not know what the member's position is. I hope the member supported our amendments, but I look forward to her comments and I look for steady, for a quick passage of our legislation.

Mrs. Driedger: I would like to ask the minister if he is so committed to dealing with the smoking issue, and this would probably be one of the most effective ways of helping people to deal with smoking issues and second-hand smoke, et cetera, especially with all of the research that is out dealing with the effects of second-hand smoke. It is rather curious that the Government would so handily, despite the fact that it may have only been introduced, they have been dealing with this issue and researching this issue for quite some time. I am sure had the discussion about this, as they were looking at bringing forward their own bill. So it is really quite irrelevant that it was only perhaps brought in today, because the Government certainly has had a lot of time to look at all of the aspects of how to address the smoking issue. So I am sure that this is not something new, or something they have not investigated or something that they have not put considerable amount of thought to, I would think, especially if they have been sitting down talking to Doctor Taylor and other people from CancerCare. I am sure that this has come up for discussion.

So it is rather curious to me that the minister would try to make a big deal of when it was brought in, because that really does seem to be irrelevant. If he is truly sincere in wanting to deal with the issue of helping people to stop smoking. Why not debate the issue in the House and pass the bill?

Mr. Chomiak: I thought we were debating the issue right now. That is why we are having this discourse and this discussion that goes back and forth. I know that individuals who are associated with, well, the member should have, could have started a little bit sooner organizing with this bill, rather than organizing with other groups and individuals concerning our amendments, because we know that people associated with the Conservative Party were very actively campaigning with respect to our amendments. So I am surprised that this initiative did not take place sooner.

Let me give the member a scan of the situation in the country. I did discuss, as I indicated, this matter has been discussed at the federal-provincial level fairly extensively last fall. I did discuss it directly with the Minister of Health in Nova Scotia. I discussed it with the

Minister of Health in British Columbia, both previous ministers and current minister, Alberta, Saskatchewan, Ontario. I cannot specifically say whether I had an individual discussion with the Health Minister of Québec on this matter. We did have a discussion at the federal-provincial conference, but I have had individual discussions on this matter with various health ministers, as we all grapple, of all political stripes and that is, I guess, the point I am trying to make.

You know, I would hope this does not become a political issue, but from the comments from the member it looks like the member is turning this into a political issue. A political issue, Mr. Chairperson, talking about the NDP being scared, afraid of doing something; introducing an amendment today, asking us to vote on it today, calling it closure today, calling it filibustering today, suggest turning it into a political football for other than means of dealing with the issue.

Now, Mr. Chairperson, I happen to know the member who brought the bill forward, his constituency is called Carman, is very sincere and brought the bill forward on a very sincere and a very principled—from his very principled fashion, and I recognize that. I would appreciate if we had the discussion within the same vein, that we would have a discussion within a non-political vein and an educational vein. But that is not the way this discussion is going. The member has moved this discussion from a discussion about principles concerning this to a "political debate" which does not move the agenda forward.

If one is talking about sincerity, I am never one who will question anyone's sincerity. I happen to have a lot of respect for members of this Chamber, that when I go out there and talk to people, I say some of my favourite people in the world are people who are in politics, because they go into public office to try to make a difference. The majority of people that I know in politics do that, the vast majority, regardless of political stripe. I have said that to people who are in my party or opposition parties. People are there to try to improve the situation, to try to make things better, regardless of ideology, regardless of those issues.

That is what I think, Mr. Chairperson, and that is what I thought this debate in terms of

tobacco was all about. I thought it was a question to try to reach some kind of consensus, some kind of way of moving this forward to help all Manitobans and not turn it into a political football. But, certainly, the member's questions and the member's comments about, quote, the NDP being hypocrites and the NDP being afraid, et cetera, suggest something else, which makes it very disappointing because I have had discussions with the Conservative Health Minister of Alberta who has not brought forward this kind of legislation, and the Conservative Health Minister of Nova Scotia who has not brought forward this kind of legislation, and the Conservative Health Minister of Ontario who has not brought forward this kind of legislation, and the Liberal Health Minister of B.C. who has different kinds of legislation.

What we are trying to do in this Chamber, I thought, on this issue is try to arrive at some kind of consensus and some kind of solution to deal with the situation to help all Manitobans, and to not turn this into a political discussion. But, Mr. Chairperson, I am afraid from both the comments of the Member for Charleswood—and it is not just—

Point of Order

Mrs. Driedger: Mr. Chairperson, just to indicate that if it was not the member from Dauphin-Roblin (Mr. Struthers) who would not allow debate in the House this would not have—that is where the politics of this lay. It was the member from Dauphin-Roblin who was the one who turned this whole issue political.

Mr. Chairperson: Order, please. This is not a point of order. This is a debate.

* * *

Mr. Chairperson: The time being 6 p.m., I am interrupting the proceedings. The Committee of Supply will resume this evening at 6:30 p.m. The committee is recessed.

EDUCATION, TRAINING AND YOUTH

* (15:00)

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.

As it was previously agreed by the committee, we will continue with a global discussion of the Estimates for this department. The floor is now open for questions.

Hon. Drew Caldwell (Minister of Education, Training and Youth): I often have questions, but I do not have one right now, but I do have to table for the members of the committee some material that I said that I would bring in when we last met, last week.

Madam Chairperson, one is the membership of the working group on education funding, the minister's advisory committee chaired by Grant Buchanan, the past president, urban, of the Association of Manitoba Municipalities; Judy Bradley, representative for the Manitoba Teachers' Society; Kevin McKnight, representative from the Manitoba Association of School Business Officials; Carolyn Duhamel, representative from the Manitoba Association of School Trustees; Councillor Rick Martel from the Association of Manitoba Municipalities; Jim Dalton representing the Manitoba Association of School Superintendents; Grant Thorsteinson, Manitoba Municipal Administrators' Association; and Bob Weselowski representing the City of Winnipeg. I will table that for the committee.

I also indicated that I would bring to committee and table the Order-in-Council providing for the regulations pursuant to the school division modernization, the recent amalgamation exercise that we concluded a couple of weeks ago in the House with the passage of Bill 14. I will table those regs for the edification of all.

Mr. Peter Dyck (Pembina): Just to continue where we were this morning, I just have a little different type of a question. I know this morning, we were talking about space for students and for the rapid expanding community and, especially, the school division of Garden Valley. It is a while ago that the minister, through his department, I guess it is, and some of the information that I had gotten was through the funding

for the adult education program within Garden Valley School Division.

Just to give a little bit of background on that, as well, the type of people that are utilizing this program, and have for many years, are mainly the immigrants who have come either from Mexico, or who have come from Germany within the last few years. But the majority who utilize that program—and I think they felt that it was good to be able to access the adult ed program as they had it—came from Mexico.

These are the kinds of people also who, I think, the minister needs to understand, not the ones who would be most persistent to be able to, in fact, obtain an education. In fact, in many cases, historically, they have been known to, when they do immigrate to Manitoba, move with their families to Ontario, and may even move to Alberta. I guess, to just make a long story short, they are not the ones who feel that education is a top priority.

With the withdrawal of funding for this program in Garden Valley School Division, I want the minister to know that these people are not going to go out of their way in order to be able to further their education. They would take it if it would be easily accessible within the area. But I want the minister to know that they will not pursue it to any extent, in fact go to any means just to be able to further their education. So it has made it difficult for these people in the area. I think the minister would, certainly, and I hope he would agree that education is a priority, that we want to be able to give this opportunity to people who have not availed themselves of the education over the years.

So I am just wondering if the minister could respond whether this is for one year that they have withdrawn it, is this for many years, or what is the plan? In fact, does he feel it is important for these people who are immigrants to be able to further their education anyway?

* (15:10)

Mr. Caldwell: The Winkler ALC had very few students and very poor attendance, as the member may know. On several visits by department staff, there were few or no students there at all,

in fact. At the same time, the Winkler ALC shares space with a literacy program that we do fund, that the Province does fund, and that also serves a similar population, that particular immigrant population. The deputy minister visited both programs this spring. The literacy program seems to be very successful, will continue. We do recognize that the Winkler area has a very low rate of secondary school completion compared to most other parts of the province.

In terms of an application in the future from an ALC from this area, we would certainly consider an application from this area, but it would have to demonstrate a greater record of success than was found at the previous Winkler ALC. I do concur with the member that education is vital to the future of the province and to individual human beings or individual Manitoba citizens, and we, as a government, are very proud of our record in terms of the investment in education that we have made since coming to office.

We talked earlier this morning about the unprecedented levels of capital support in three successive school funding announcements for capital infrastructure, but we are equally proud of our historic levels of investment in public schools operating support.

In terms of adult learning centres, the budget in 1999 was \$6 million. Today, it is \$12.9 million, so we have increased that by over 100 percent in terms of budget. We have similar levels of investment in the university system for capital. Of course, we all know about the 10% tuition reduction for students, as well as the bursary program that was reinstated, and of the college sector, the College Expansion Initiative.

We have shifted ALC funding to a performance-based model, as opposed to a per capita student number formula, so that we have more assurances of program quality for the adult learning centres in the province. That is in the interests of both the adult learning centre and individual students. ALCs now have to lay out their goals and report on how well they are achieving them as the basis for continued funding. We are interested in serving high-needs populations, but we have to be sure that the programs are actually producing results.

In Winkler, this was a real concern with the previous program. However, I did indicate that the literacy program in Winkler is a very successful program. We continue to support that program, and we will certainly consider an application for an adult learning centre from the area in the future.

Mr. Dyck: Well, I find some of the response somewhat interesting. It certainly is not consistent with what I have heard from the school board and also from the staff who are involved with this. I find it somewhat ironic that you talk about the supports that you are giving out towards education, and, then, on the other hand, you go and withdraw them. That I find somewhat inconsistent.

Again, it is a group of people out there who need to be encouraged, and I think that is what education is all about, where you encourage rather than discourage. Certainly, the information that is out in the area is one of discouragement and, certainly, I do not think they would agree with some of the comments that the minister has just put on record here about their supports towards education. I find that somewhat interesting, somewhat ironic. However, he has taken the position that he wants. I do not think the assessment that was made of the program is an accurate one. Obviously, it is a matter of opinion at this point, but it certainly is not one that is shared by the current school board and by the administration of the board.

Mr. Caldwell: I note the member's comments, but it is hard to justify the expenditure of public dollars on a program where the number of visits saw either no students in attendance or very few students in attendance. There is a responsibility to the taxpayers in the province of Manitoba that public dollars that are invested are actually being utilized to support students in attendance at an adult learning centre.

I have indicated that an application would be received and entertained from an adult learning centre in the Winkler district. We have annual and biannual intakes for proposals from adult learning centres in the province. There is now a protocol for accountability for fiscal resources and a protocol for accountability in terms of program quality that was absent for a number of

years in the province. That accountability and that guarantee of program quality is in the interests of Manitoba taxpayers, of individual adult learning centres and the students who are served by those adult learning centres.

I do not think it is wise to expend dollars or direct dollars without any guarantees of outcomes for students or program quality for students. It brings me back or reminds me of this morning when we talked about a new vocational high school in Winkler at a cost of some \$20 million. I find it interesting that the member advocates for that but, at the same time, was part of a government that did not even deliver \$20 million in total for the 700 schools in the public school system during some of the years of the previous government's tenure in office.

We are, as a government, investing, at unprecedented levels in terms of capital support for infrastructure in the public schools of Manitoba, \$45 million a year for the last three years. In terms of operating support, we are at historic levels. In terms of investment in the public school system in the province, there has never been a larger investment year after year after year than there has been with this Government. We do have, of course, a long way to go.

The previous government withdrew over \$130 million of operating support to the public education system during the course of that regime. It virtually starved schools of capital support during their term in office. It will take some time to address the very serious infrastructure deficit that exists in the system: leaking roofs, poor mechanical systems, structural problems. The list goes on in terms of the capital deficit that was left as the legacy of the previous administration.

* (15:20)

In terms of the operating support, as I said, there was a provincial retreat, over \$130 million cut from the operating support for the public school system during the previous administration's regime. That certainly is not supporting education in any way. As a government, we are committed to supporting the public school system in word and in deed, committed to investing

in the public education system in terms of capital investment and in terms of operating investment.

If schools and the public school system broadly require attention, we do have an open-door policy in the minister's office. Within the civil service, we meet on a daily basis with stakeholders in the field. We seek advice from educators on how best to approach the goal of providing educational excellence in the province of Manitoba. We have respect for the views of educators. We work in a collegial and consultative environment with educators, with trustees, with parents, indeed, with students in the public school system.

There are huge deficits to overcome. As I mentioned, the capital deficits that were left as a legacy of the policies of the previous administration in terms of school infrastructure, the operating deficits that every property taxpayer knows about, year after year when you are cutting money out of the operations of the public school system, those are costs that are transferred directly onto local property taxpayers. They certainly were transferred onto local property taxpayers throughout the nineties. To a degree, they continue to be borne by local property taxpayers, even with the unprecedented historic levels of investment in operating made in the last three funding announcements, tying operating support to the public school system through the rate of economic growth in the province, which was a commitment that we made in coming into government in 1999. We have exceeded that in two out of the three years. Those increases, year after year, are in stark contrast to the decreases that were visited upon school divisions and local property taxpayers in the nineties.

I appreciate that the member has concerns about the support for the adult learning centres in Winkler. I hope he also appreciates that the taxpayers' interests have to be served. That means that we have to tie investment to results, to programs, to attendance, to providing for quality of education in the adult learning centres. I also hope he appreciates that when you have a request for a new school in the neighbourhood of \$18 million to \$20 million, that that is a significant investment in public school infrastructure.

We as a government have had three announcements that have resulted in unprecedented levels of support for capital school infrastructure in the province. The figure of \$18 million to \$20 million, which is mooted for the one school in Winkler, which is probably in the right neighbourhood, exceeds, in some cases, the entire year's investment for the 700 schools in the system that the previous government decided, in their wisdom, was appropriate for supporting of capital infrastructure during their time in office. We take a very different view. We believe very strongly that we have to invest in public schools, in post-secondary institutions, in adult learning centres, in early childhood development. That investment has to be accountable in terms of results, in terms of program quality, in terms of the integrity of the education that is provided by that investment. They do not stand independently. We do not just put money into programs without expecting results and expecting program quality. It is tied to, in a meaningful way, the program quality that students should have been able to expect in years past and now can expect, moving forward.

I think again it is in the public interest when provincial dollars are expended that there be a framework for fiscal accountability and be a framework for program accountability and program excellence. We are not interested in sending money out of this building, or provincial dollars, investing provincial dollars without assurances that the programs available to the students are first-rate and that the public dollars are accounted for and directed at providing the quality of education that is in the public interest.

I do appreciate the member's concern about his constituency in Garden Valley. I share that concern. There are, as we talked about this morning, a growing population in that part of the province of Manitoba that needs to be responded to.

I indicated that the number of portables in the area has increased over the past couple of years. I indicated that the Public Schools Finance Board is assessing the request from the school division for the construction of a new regional vocational academic high school.

I am glad that this Government is providing this year \$45 million to the public school capital

infrastructure fund to be able to support the construction of school infrastructure, and the renovation of school infrastructure, because certainly during the nineties those dollars were not there to address even the maintenance of existing infrastructure, let alone the construction or development of new infrastructure.

So we do have a long way to go. We have come a long way in the last three years, but we do have a long way to go yet to be able to redress the infrastructure legacy that was left by the previous administration, and the operating support that was withdrawn from the public school system and is now being provided for by this Government.

We will continue to invest in operating support at the rate of economic growth, or better. I mentioned that two out of those three years we have provided more dollars than economic growth would have indicated. But certainly we are, as a government, investing at historic levels in our public school system.

Mr. Dyck: Madam Chairperson, I just want to apologize for having asked the question. The term "verbal diarrhea" would come to mind. Thank you.

Mr. Caldwell: Always appreciate such comments from honourable members.

Mr. Harold Gilleshammer (Minnedosa): Does the minister or the Government have a policy on smoking in school buildings, on school grounds?

Mr. Caldwell: Madam Chair, not to my knowledge, we do not. I know that individual school divisions do. Certainly, my personal view is schools should be smoke-free environments, and school property should be smoke-free. I know that when I was going to school, in the public school system some years ago, I know there were, when I began, smoking rooms. Then it was smoking out the back door. I think that, in my visits to schools—I have been to over 150 schools since being appointed minister, and I really value visiting schools—my observations have been that there is no smoking around schools anymore. I have seen high school students smoking across from schools, across the street from schools, occasionally.

But I certainly, neither the deputy nor myself recall that there is a system-wide policy. I know that individual school divisions have policies. I would be interested in entertaining such, if it was suggested to me. It has not been anything that has been raised with me during my time as minister, but it does not seem like such a bad idea to introduce a provincial-wide policy. If the member is interested in discussing that a bit further, I would be interested in it.

I know that in my home community of Brandon there is a by-law on the books right now, or will be. It has been passed and I think it is effective January 1, that there is not to be smoking anywhere publicly in the city of Brandon, in any of the bars or restaurants even, I think as of January 1. Broadly speaking, this is a local matter. It has been perceived that way municipally. I would be interested in having a discussion about this in a broader way, but it is not something that has even been raised with me in the field in my visits, but I am open to that sort of thinking.

* (15:30)

Mr. Gilleshammer: The minister references the city of Brandon by-law, which is tougher than the City of Winnipeg by-law. We have legislation before us, which is going to require retailers to hide the product, get it out of sight. It does seem to me that the problem is with students and with youth that you have so many children beginning to smoke at an early age. I, too, recall when there were, in some jurisdictions, smoking rooms. Is the minister saying that, to his knowledge, there is no such thing that exists in the public school system today?

Mr. Caldwell: To my knowledge, there does not exist today smoking rooms in schools. I, certainly, have not seen any in my visits. I have not seen, in fact, students smoking on school property during my visits, since being appointed minister. I have seen, on occasion, students smoking across the road from a school, but I have not seen any indication that smoking is even tolerated on school property, since being appointed minister.

There is no doubt that youth smoking is a serious health issue. I was engaged in that a little

bit, again, in my home constituency in Brandon, with the school division some weeks ago with a tobacco industry-sponsored program that somewhere, somebody, somewhere along the line, attached my name to. I, much to my chagrin, discovered this and had it removed from that particular campaign.

We certainly have put some emphasis on this area, as a government, in the new health curriculum. However, we also know that smoke and education does not necessarily have a strong effect on behaviour. Ironically, or not ironically, increasing the price of cigarettes does seem to reduce youth smoking, and, I would daresay, smoking broadly.

I know that in this year's Budget when the price of a carton of cigarettes was raised, I had a few individuals say to me that it was one of the few times that they were able to laud the Government for increasing their costs, because it was the extra incentive that they needed to quit smoking entirely. More than one person raised that with me in kind of a half-joking way, but serious as well, because they did quit smoking.

We are working on making tobacco sales less available to underage students, but, again, this is the Minister of Justice's responsibility rather than mine. I think that the general trend of this Government, as indicated by the initiatives undertaken by the Minister of Health regarding the availability of cigarettes over the counter, or tobacco products over the counter—I have not seen, to answer the question, any smoking rooms in evidence in my visits, nor have I seen students smoking on school property in my visits to the schools. That is not to say that it does not occur. But my strong suspicion, or my strong sense, is smoking rooms are a thing in the past. They were even a thing in the past by the time I finished high school myself. They are a thing in the past and probably, in most jurisdictions, if not all, even smoking on school property is not acceptable behaviour any more.

Mr. Gilleshammer: I raise it because when we were being lobbied by the small business association, I am not sure if that is their right title, they suggested that they saw the rather hypocritical approach to it and that they were being asked to hide the product. The one individual said that

there were smoking rooms in schools and that in fact they sold memberships to go there. I challenged the person on that, and he was not able to name a school. I would hope that does not exist. Surely, these are the people that we have to catch early and have them have good habits.

I know that within the last few years that I visited schools there were obvious signs of smoking on the school steps and in the parking lot. I can tell you as a former administrator, it is a tough problem to deal with. You have so many more priorities on your mind, in terms of the education system and programming and teaching, and, in some cases, discipline. Fighting with smokers I found a difficult issue. School suspensions were usually the norm. Yet it was difficult to really change that behaviour in the long run.

I think that government and the Department of Education have a very important role to play in that area. I do not have any magic answers, but I know it is a very frustrating problem for school administrators and teachers to deal with. Like most habits, if you cannot form them when you are young, or you can break that habit when you are young, it has a greater chance of success. So I would urge the minister to look at something proactive.

I know the health curriculum is one aspect of it. There is certainly a group of students that probably do not take a health program anymore as they reach their 14th and 15th and 16th birthdays. These are the people that really need to be given some sort of direction on it. Even this morning, I had a little time before I came down to the Legislature, and I ran my car through a car wash over here where they do the Government vehicles, and it was particularly slow this morning. I noticed half the staff would light up a cigarette on the job, which surprised me. But again these are not highly skilled jobs.

It just brought home to me that I guess in a free society people are going to smoke if they wish, although it is becoming more and more difficult all the time to find a public place to do it. I was surprised the ownership over there allowed staff to smoke openly while they were waiting for the next car to come through.

Anyway, my comment is that whatever attention the department can give to the issue, I think, will bear positive results if you get a buy-in from people in the system.

Madam Chair, I would like to ask about school buses. There was a situation in Fort La Bosse School Division, probably two years ago, where a bus was rear-ended by a fuel truck on a particularly foggy morning in western Manitoba. One of the solutions was to implement strobe lights on top of school buses. As I have traveled into the city on a number of occasions through probably Pine Creek School Division, Beautiful Plains, Portage, I noticed that there are some school buses with strobe lights on. I can tell you they can be seen from a tremendous distance. They can certainly catch your attention.

I think the recommendation by somebody at that time, after that accident at Virden, was that the department move toward using strobe lights on school buses. I am wondering if the minister can update this committee on where the system is at in terms of using these.

Mr. Caldwell: I thank the member for his questions. Just touching on the youth health issue, perhaps just quickly before the strobe light issue. I agree with the member in his comments about encouraging healthy lifestyle choices. Youth health generally is an important area, not just in smoking, but also in the area of physical fitness, good nutrition, body image for young women, and so forth. These are all part of the new health curriculum, but clearly that is not enough by itself. At the same time, as I am sure the member agrees, it is probably unfair to make schools responsible for these issues alone. Clearly, the schools have a role, but families and communities are also important actors, as is the department, and I appreciate that discussion because it is the first time we have actually had an opportunity to discuss this in my three sessions in Estimates process as a minister, and I think that this has been a useful discussion around smoking.

* (15:40)

With regard to school bus safety and the strobe light issue, I do recall, very well, the incident that the member referred to. We did

implement last year a pilot program that a number of school divisions took the opportunity to avail themselves of which allowed for the utilization of strobe lights on a number of buses in those divisions that decided to participate in the pilot project.

In Canada, the response to this issue is a very mixed one. Some provinces specifically forbid the use of strobe lights; others allow strobe lights to exist; none mandate the use of strobe lights, as I recall. We are right now at the end of the academic year—which passed about five weeks ago—getting information on the pilot project compiled, and I expect to be able to have some further developments on this issue in the weeks to come.

I noted as well, in my driving back and forth from Brandon, a number of strobe lights. In fact, even in the city of Winnipeg there is a school bus that drives by my neighbourhood, where I reside in Winnipeg, with a strobe light on it. Quite frequently, I see that particular bus, so I do know that some school divisions availed themselves of the opportunity to participate in the pilot, and I expect, as I said, we will have some further news on this in the future. Across Canada, though, it is very uneven in terms of the use of strobe lights. Some provinces forbid it. Others allow it as a local option.

Strobe lights have been installed on a pilot project basis, I will advise the member, on 203 buses across the province as a visibility enhancement measure, and we will be assessing that with the department of highways and transportation as well as with the participating school divisions; in fact, that analysis is already underway.

Mr. Gilleshammer: You said on 203 school buses. What percentage would that be of the buses in the system?

Mr. Caldwell: The deputy advises me that his best guesstimate is that there are somewhere over a thousand buses in the system province-wide. We do not have the number here, I do not think, but it would be, notionally I would say, 10 to 15 percent of the buses if we use a thousand buses as kind of a benchmark, and 203 buses would be 20 percent. My best guesstimate is that

there would be somewhere between 1000 and 1500 buses in the system.

Mr. Gilleshammer: What is the downside of using a strobe light that makes people concerned or nervous about it?

Mr. Caldwell: I appreciate this because it was a question I asked when we began the pilot. The provinces that forbid the utilization of strobe lights on school buses point to concerns around the unintentional ability of strobe lights to produce epileptic seizures. That has been the one major concern that has been raised in terms of health and safety of the public who are exposed to strobe lights. I think that this can be moderated somewhat, if not eliminated entirely by the intensity of the strobe and by the number of strokes per second. I certainly have not been able to find a case where there has been an epileptic seizure associated directly with the use of strobe lights. Again, we have in the United States the same sort of discrepancy between use of strobe lights jurisdictionally. Some states support it; other states do not. So there is a very uneven utilization of strobe lights in North America.

The department, though, is working with Transportation and Government Services and school divisions across the province to monitor the use of strobe lights as part of the pilot that ran through until the end of June 2002. The assessment of that pilot project is underway, so that the benefits and drawbacks of strobe lights can be properly assessed before any decision on wide-scale use is made. I have had, again, anecdotally, people in the school divisions being very supportive of strobe lights and people said to me, drivers, that they find them annoying, particularly when they are on, on a sunny, clear day when the visibility is 20 kilometres in any direction. I think that we always have to err on the side of safety, however, if we are to err at all.

But again, the utilization of strobe lights in Canada and in North America is a very uneven phenomenon, with some jurisdictions forbidding their use, other jurisdictions permitting their use. We have just concluded the pilot, and we will be putting together the benefits and drawbacks of strobe lights, assessing those benefits and

drawbacks and making a decision on wide-scale use in the relatively near future, I expect.

Mr. Gilleshammer: Well, for what it is worth, I think they are extremely effective. I know from some of the early morning driving that I do, or late day driving when these school buses are on the road; you can see them for many miles and the amount of problem that, I think, emanates from these strobe lights is pretty minuscule; anyone who has attended a high school dance back in the seventies and eighties, and had to supervise through some of the lighting production that existed then, would have banned school dances, I am sure. When I was principal, that would have been a good idea. It was one of my least favorite activities, being the first one in the door and the last one to leave type of thing.

It seems to me that science should be able to show there is a greater safety benefit than there is a risk, given the single light that happens to be flashing on top of that bus, I cannot believe is a real risk factor. Although, I understand that is where highways and transportation is coming from, because I asked the question of someone there and I was surprised with the answer.

At any rate, student safety has got to be paramount. These thousands of students that are transported each and every day in, I think, growing traffic in many ways. I am amazed at the traffic on No. 1 Highway and No. 16 Highway, especially on long weekends. As we have buses running on them, this is one little bit of safety that I think is well worth taking the risk on. I hope your pilot project points you in that direction, because I think it is important to protect these children on school buses.

Mr. Caldwell: I thank the member for those comments and I do concur with him. I just have some detailed information about the number of school buses in the system. There are 1750 school buses as of July 7, 2002, and 203 buses are equipped with strobe lights; 36 out of the 54 currently existing divisions are part of the pilot project.

Mr. Tom Nevakshonoff, Acting Chairperson, in the Chair

I should also note, just for the record, that school bus transportation continues to be the safest way of getting students to and from school. In this province, school buses carry more than 60 000 students each day and travel more than 33 million kilometres per year. Statistics show the school buses are involved in only .2 percent of all reported accidents annually, most of which are of a very minor variety.

We do have, from time to time, as the member indicated, a more serious accident, like the one reference in the Fort La Bosse School Division, which was a school bus struck in the rear by an oil tanker truck. Foggy conditions were attributed as a major cause of this particular accident. The point that strobe lights would make a difference in terms of visibility, I think those comments are well taken and, certainly, I concur with those sentiments.

* (15:50)

I expect in the very near future that we will have an announcement to make around the installation of strobe lights on school buses. Frankly, it is somewhat of a curiosity to me that we do have jurisdictions that actively forbid the use of strobe lights, but we do, which has given, certainly, some of us cause for pause, to find out exactly what the rationale for that sort of action is.

Mr. Chairperson, in Manitoba, when I have encountered school buses with strobe lights on them, I have, like the Member for Minnedosa (Mr. Gilleshammer), been struck by how far in the distance one notices those buses with those strobe lights. A bright orange, bright yellow school bus is something that is fairly visible, but with the strobe light, it is visible long before you can see the bus. So I appreciate the remarks and certainly concur with them.

Mr. Gilleshammer: I thank your staff wherever they are for sending that information up. You said the accident rate was 0.2 percent. How does that compare with other jurisdictions? Are we leading the pack, or is that short of the norm in other jurisdictions?

Mr. Caldwell: It is 0.2 percent of all accidents in the province involve school buses. Well, at

least we do not have data from other jurisdictions in this regard. I suppose it could be made available through the various motor vehicle branches or insurance institutions of other provinces. I also suppose it also depends on how much busing takes place in certain jurisdictions. For example, provinces with more school busing might have a higher share of the total accidents in terms of the statistical likelihood of an accident taking place being related to the number of school buses on the road.

There were, or have been, three deaths involving school buses in Manitoba during the last 11 years. Given that 60 000 students are transported on a daily basis, the risk factor is very, very low. But in this, as in all areas involving student safety, we are always striving to improve and do better. I know the previous administration, I think, was responsible for putting the side arms on school buses to warn motorists and alert students in terms of improving safety. We do continue to see changes in bus design to improve safety and seat design in the flammability of materials, mirrors, the—I do not know what you would call them—the side arms. What do they call them? The arms drop down anyway. The arms that drop down to warn students again, that the previous administration made mandatory in school buses. I think all of us in this building, whatever side of the Chamber we are on, are trying to, year after year, improve safety for students going to and from schools.

We should also note that the department conducts workshops with school divisions and drivers on a regular basis to improve safety knowledge and awareness, not only just as a reminder but also to introduce new insights that can better improve safety for busing students to and from school.

Mr. Gilleshammer: I think I will leave the busing issue, certainly a big responsibility for school divisions, and I do not envy the job of the school bus driver who has to deal sometimes with upwards of 60 passengers, and I think of the cab drivers having cameras in their cars now. I am sure bus drivers would not mind having a camera in their school bus to show some behaviour to administrators and parents from time to time; a real challenge, you know, in

tough driving conditions to have occasionally some difficult students to deal with.

I would like to move to the issue of the school year. There are those that forget that the school year has been 200 days forever, as far as I can remember. One of our colleagues in the Legislature was saying that this was changed by the previous government. What was changed, and it was some time ago, was to create a Christmas break that was two weeks in length. As a result, school more often than not commenced before the Labour Day weekend was completed. Certainly, tourism operators would like to see school commence after Labour Day.

Various scenarios have been brought forward and I have had that discussion with members of the Manitoba Chamber who would like to see the school year compressed to under 200 days, or whatever it takes to give tourism operators a chance to keep their employees, to keep their customers until the first Tuesday in September. I know the minister has had probably the same presentation and some of the same pressures. Is the 200 days in the eyes of the Government a time frame that they want to keep?

Mr. Caldwell: This is an issue that was raised with me from various quarters shortly after being appointed minister. The Manitoba Chamber, in particular, has been quite vocal on raising this matter with me. Last year, it may have been a little bit longer than a year ago, I established a committee with membership from the Manitoba Teachers' Society, the Manitoba Association of School Trustees, the Manitoba Chamber and the Manitoba Association of Parent Councils to advise me on ways to resolve the question of coming back to school previous to the Labour Day weekend. There was no consensus forthcoming from this committee in time for the school announcement to be made this year. The committee has not been disbanded. I am hopeful that they will continue to struggle with this issue until a resolution can be found that meets the approval of the four parties to it: teachers, trustees, businesspeople and parents.

The school year calendar format has been in place for a number of years now, and, it seems to me, offers sufficient flexibility to meet the needs

of local communities while, at the same time, preserving a school year of adequate length. By regulation 101.95, the school year must be 200 days, which comprises 190 instructional days and 10 days for professional development and administration, minimum. All the periods are established, and the year can end no later than June 30. Within that is, I guess, where the challenge lies.

In 1995, the school year calendar format was changed from one whereby the department set the opening and closing dates, as well as all holiday periods for school divisions all across the province. That was changed to the current format, which gives local jurisdictions greater flexibility within certain parameters to set their own calendars.

I think that 200 days, frankly, is a reasonable number. It is shared with other provinces. There are no school years longer than 200 days currently in existence in Canada. There are a few of fewer than 200 days. The 200 days is one that Manitoba shares with other jurisdictions.

* (16:00)

It is interesting to note, the deputy just advises me that a recent poll showed that a majority of Canadians wanted more time spent on every single subject in the curriculum. So it is hard to imagine how we could shorten the school year. But I do recognize that there are pressures to start the school year after Labour Day and have, as I said, a committee comprising the major stakeholders, parents, teachers, trustees and business, working to build some consensus around that issue. I am hopeful that that will, indeed, occur. I would like to get this issue resolved, although it has been a conundrum for successive ministers of Education for a number of years now.

Mr. Gilleshammer: Well, for sure, the 10 in-service days, or professional days, whatever you call them, sometimes get thrown into the mix. Rather than perhaps using them judiciously, it is a way to prevent classes from starting until the first Tuesday in September by having teachers there doing, perhaps, three in-service days at the beginning of the year.

I am, as well, concerned about the school divisions who register their students. They have registration day, which is one of the 200. They have report card day, which is the second of the 200 days. Some of them have book return day, which is another day. With the exam schedule sometimes starting in early June, and people saying, well, kids do not learn and listen prior to the Christmas break because they are so excited about Christmas, that the 190 instructional days maybe gets down closer to 170 days. Then, in there, there might be a carnival day and a school spirit week with a day off. Maybe I am from the old school where I think instructional days should be instructional days and you need the time. As the deputy rightly pointed out to you, you have people out there saying, my God, we need more time on those core subjects to be sure they master the English language and math and science and social studies, plus we want music and art and industrial arts and home economics. The phys ed teacher is wanting 40 minutes a day, rather than 40 minutes every second day. You are trying to satisfy so many people. I do not know whether you still use the 100 to 110 hours of instruction per credit, but I daresay if you put a thermometer in the water and tested it, that 110 or 100 hours may not be being achieved.

This, of course, relates to standards tests. There was some information put out by the department of how students were doing in mathematics and English that was raised in the House by other members. I chose not to raise it. This whole instructional thing, and I know the Chamber does not come at it from, you know, you need so many instructional hours and you need some intensity to the teaching and learning thing. So it is a slippery slope, because there are so many other factors that, perhaps, the Chamber does not understand or does not know about.

Madam Chairperson in the Chair

It is always a good thing to send it to committee. But the problem comes back again. So what you are saying is the school year has been announced for the next year, but the problem will be addressed in the next six months. Where is the minister at?

Mr. Caldwell: I hope so. The committee that I asked to look at this, as I said, did not have any consensus on how to best address the desire of many to begin the school year after the Labour Day weekend. I know that when I was a public school student, we always came back after the September long weekend.

The deputy points out to me Japan, at one point, had 220 to 240 days as part of their school year, but when they actually looked at how much teaching time there was, it was often less than our 200-day year. So I take the member's point about book return day or spirit day, or what have you, in terms of losing contact time. I also take the member's point about that there has to be some intensity for learning to take place, quite frankly. So it is just not a matter of how many days in the school year, but how those days are used. Days are part of the picture, and how those days are used is the second part of that picture.

I also agree that moving too many professional development days to the start of the year is not a good thing in and of itself. Professional learning for teachers is important and needs to be supported. Even though PD is not just a matter of PD days, these are still important days and should not all be packed into the front end of a school year. There probably is some advantage to having some intensity of professional development at the beginning of a school year, when people are away from the classroom environment for a couple of months, when educators are on their own summer holiday. But it should not be seen as a device to somehow begin the classroom contact portion of the school year post-Labour Day.

So we will see what sort of discussion takes place in the next period of time between the major stakeholders who are providing me with some advice on this matter. The announcement for next school year has to be made early in 2003 for when the 2003-2004 school year begins. I am hopeful that we can have some resolution that pleases all parties, pleases the business community, pleases the teaching community, the parental community and the community of elected officials—the trustees. They have, I think, in good faith, taken this issue seriously, and I think it has been a learning experience for some of the parties, certainly in terms of

the different perspectives that are represented on this particular question.

It is, as I have indicated earlier, an issue that other ministers have wrestled with over the years. I know that there are strongly held opinions that we should begin the school year post Labour Day. That was certainly my experience when I was in the public school system. We had a different protocol in place for the beginning and the end of the year. I do not think, for example, that I had two-week Christmas holidays when I was a child. They were shorter than the two weeks.

So there are decisions that can be made. Not all school divisions, in fact, do begin their school year before Labour Day. Some school divisions do begin their school year after the Labour Day weekend and that was part of, I believe, the thinking that went into the regulation in 1995 which allowed for divisions to set their own school year within the 200-day parameters, and some divisions have seen fit to begin the school year after Labour Day. Many have not, however, and that does lead to concerns, particularly from the business community, but also from some parents as well.

But I am hopeful that, as the committee continues to work on this, that there will be some resolution that all parties can live with and that is both sound from a pedagogical perspective as well as sound from a tourism and business perspective, which is the perspective that the Chamber brings to this question.

* (16:10)

Mr. Gilleshammer: One of the suggestions that was put forward was to lengthen the school day to make up the time in that way. Would the minister entertain that as a logical way of providing that contact time, that instructional time to students?

Mr. Caldwell: There are issues around lengthening the school day. There are collective bargaining issues, obviously. There are also issues around providing some consistency for parents in terms of the management of their time and their family time. These would be students; these would be their children. The length of day would

still need to have some limits. For example, we could not allow a three-day week, or could we allow a three-day week to take place with eight or ten or twelve or fifteen hours worth of contact time during that week or twenty hours, as the case may be? Opening up that box, as it were, could lead to some greater problems than what we have now with the number of school days in a year.

Wherever we set a boundary, I think we will have complaints from someone who wants to find a different arrangement. We deal with this from time to time with individual schools in the system that, for a variety of reasons, want to lengthen or shorten a school day because of busing times and the scheduling that they have in their own division. It happens every year that there are a few requests of this nature.

I do not think that we are ever going to necessarily please everyone on anything we do. I think our objective is to reach the course that provides the greatest level of support and consistency for whatever issue we are dealing with in the public school system. In this area, though, in terms of the school year and in terms of the length in the school day and shortening the number of school days to some figure less than 200, but a longer school day, there are issues around collective bargaining and there are issues around scheduling that would have to be considered within that, but, you know, I left it to the committee that they should not be shy of undertaking discussion on any avenue that they could see as being a possibility to explore to resolve this issue of bringing kids back to the school before the September long weekend.

Mr. Gilleshammer: I would urge the minister to err on the side of instructional time and, in fact, maybe even to look at current practices to see how many instructional days there are in schools. I know that, and I am not trying to take the fun out of schools, they have got to find a way to keep their students happy and doing events and everything, but it might be surprising to see how many instructional days actually exist in some schools when you take the Christmas pageant and the exam period and the spirit week and the other things that happen, plus the 10 administrative days, you may well be down to 160 or so instructional days. I know a good

friend of mine used to be the chair of the Winnipeg school board and she is well aware of how many of these days get frittered away through this process.

Mr. Caldwell: I appreciate those comments and I share them. Of course, it is not just a matter of days here, either. In some classrooms, teachers and kids are in task all the time, and, in other classrooms, a lot of time is spent on other activities. It depends oftentimes on the dynamic in the individual classroom as well. So there are a number of various concerns, not just in terms of the school year, but also the classroom level as well.

Mr. Gilleshammer: I would like to ask some questions on the document you tabled last week on enrolment figures from 1970 to 2001. In 1998, there were 194 000 students. In 1999, it shows a jump of 4500. I suspect there may be some adult ed students involved in that. Is that correct?

Mr. Caldwell: That is correct. In 1999, that jump was, indeed, partly due to the adult learning centre numbers.

Mr. Gilleshammer: Then, your table shows 2000 includes ALC, 2000 excludes the ALC, as does 2001. So there has been a fairly dramatic loss of students from say, 1998 to the present time, roughly 4000 students. I mean, you can look at the trend line starting from 1970. I do not think there is a year. I have not looked at it that carefully. Well, there is one example there, but, basically, the system is losing students; 50 000 students were lost in that 30-year period. What are the projections of the department going on into the future? Has the situation leveled out?

Mr. Caldwell: Madam Chair, the projections are roughly stable, perhaps a slow decline overall. I think that the decline reflected from 1970 to date correspond with smaller families and basic demographics that are being experienced by most industrialized Western democracies in terms of a general trend towards fewer births, smaller families and so forth. The projections of the department, of course, depend on the same sort of demographic trends. Domestically, I think we do have smaller families with fewer

births. However, internal migration can have an impact. Immigration can have an impact.

We spoke earlier, when the Member for Pembina (Mr. Dyck) was here, referring to the immigration being the experience in the Winkler area, and a corresponding jump in numbers of students in that particular area of the province; and in the Garden Valley and Hanover school divisions, in particular. So we may have kind of localized spurts, in this instance, based upon immigration from abroad that may take place.

In Brandon, for example, with the Maple Leaf plant in Brandon, there is an expectation of some Mexican immigration to the Westman area. In Hanover, Garden Valley, we have seen some German immigration.

In the city of Winnipeg, historically, we have had bursts of immigration from the Philippines, most notably, in relatively recent times in the last couple decades, but the projections of the department are roughly stable, perhaps showing a slow decline overall provincially, with some expectation of bumps, due to immigration from abroad in certain areas of the province.

* (16:20)

Mr. Gilleshammer: Do you have statistics on the enrolment in private schools on a format like this?

Mr. Caldwell: We do have that sort of data, not here, but we could get them. The deputy just advises me that he has got some in his office.

Mr. Gilleshammer: Well, perhaps if anybody is listening to us, they would be agreeable to bringing that up. I am wondering, roughly, if you could give the enrolment in the private school sector at this time.

Mr. Caldwell: The deputy advises that notionally the private school enrolment represents about 5 percent of the public school enrolment. So the figure would be notionally 10 000 students in the independent school sector.

Mr. Gilleshammer: Has there been a growth in that number, say, in the last 10 years?

Mr. Caldwell: There has been a slow growth in that sector over the last decade, potentially associated with the changes in funding that were made for the private sector a few years ago in the province. There has not been any explosion here, but there has been a slow increase. The '01-02 figures for eligible enrolment for independent schools: '01-02 is 11 905. The '02-03 estimate is 11 940, so 35-student increase in this year's period.

Mr. Gilleshammer: What is the funding formula for the private schools? Is it 50 percent of the grant that the public school gets? Just refresh my memory on that.

Mr. Caldwell: It is 50 percent of the block grant plus certain categorical amounts around categorical supports, so it works out to slightly more than 50 percent of the per-pupil grant given to the public schools, just notionally a little bit above the 50 percent with the categorical support included.

Mr. Gilleshammer: So that has remained the same over the last number of years? Any thoughts of making any adjustments to that number?

Mr. Caldwell: It has remained consistent since, and I am projecting back, but I recall in the early nineties, 1990 or 1991, when that decision was made. It has remained constant since then.

Mr. Gilleshammer: The second part was: What are your plans for the future? Are you going to increase that number, or do you just anticipate it staying the same?

Mr. Caldwell: I anticipate it staying the same. I can be more precise on this. For 2002-2003 independent schools will receive 50 percent of school division net operating expenditures, or \$3,177 per eligible pupil. There are 56 funded independent schools with an estimated total enrolment, as I mentioned, of 11 940 pupils for the 2002-2003 school year. That is an increase of 35 pupils, or 0.3 percent above the 2001-2002 estimated enrolment. Total funding for the 2002-2003 school year is estimated at \$39.1 million—an increase of \$1.9 million, or 5 percent over the 2001-2002 adjusted vote of \$37.3 million.

I think it is also noteworthy to put on the record that the increase in the private school sector, because of the way the formula is structured, is, on a percentage basis, somewhat more than the percentage increase that the public school sector gets from the school funding announcement.

Mr. Gilleshammer: So the fact that your operating grant went down to 59.2 percent, does that in any way affect the grant for the independent schools?

Mr. Caldwell: No, it does not. It is not dependent on the percentage of the grant. It is dependent upon the dollar figures of the funding.

Mr. Gilleshammer: The other chart you tabled the other day was full time equivalent employees and average salaries. The number of instructional positions in Manitoba has remained, one could argue, fairly constant through the 1990s. 1991-92, there are 11 612. There must be a projection, you have got 2002-2003 on there. But 2001-2002: 11 300. So the number of teachers has remained fairly constant through the 1990s. Does this include teachers from the private system as well?

Mr. Caldwell: Ironically, we tabled the chart that the member is looking at, and we no longer have it now because we tabled it.

An Honourable Member: Could you run some copies off for the minister?

Mr. Caldwell: We will just get some copies. I thank the member for his generosity in providing us with a copy of the chart we tabled for him last week. Thanks, Harold. I will thank the Clerk for providing a copy for us. Thank you.

The data pertain to public schoolteachers. Note 3 on page 16.5.(d) notes that included are all certified teachers on the school division payroll. It does come from the FRAME document, so it would indicate to us that this is for the public school sector.

Mr. Gilleshammer: Thank you for that information. There has been a growth in the line called Instructional Other, which are teacher assistants, library clerk, technicians and other

support-type staff. So it is interesting this has grown from around 3000 in 1991 and 1992, to 4500 projected for next year, I guess. In terms of school budgeting, it appears that that has been a growth area. Is that a consequence of government initiated funding-type decisions, or is that something that probably is more to do with special levy increases?

* (16:30)

Mr. Caldwell: It primarily relates to the use of teaching assistants in the public school system. As expenditures on special needs have increased in the public school system, so has the number of teaching assistants across the system. However, these are school division decisions and are essentially the responsibility of school boards and school trustees making decisions to staff their classrooms with increased numbers of TAs.

Note 4 talks about the Instructional Other, including all staff whose duties are supportive of the learning situation. For example, it is teacher assistants, library clerks, and technicians and other support-type staff. My observation of the public school system is the number of library clerks and technicians and so forth has remained relatively constant. The number of teaching assistants has grown dramatically.

Again, reflecting back on my own experience in the public school system as I have done a few times during this Estimates process, I was never in a classroom that had teaching assistants in my time in the public school system. Now teaching assistants are quite common, and certainly my experience as a teacher has even seen the evolution of this over the 18 years since I got my teacher's certificate in the early eighties. At the beginning of my time there were very few, if any, teaching assistants in most of the classrooms that I was in. By the time I came to this building, it was quite common to have a teaching assistant as part of the classroom support.

Mr. Gilleshammer: Well, it seems just a tremendous growth in that area compared to a pretty flat number of teachers through the 1990s, and I suspect as governments have grappled with special needs funding and have more and more challenging students in that area that to assist

with classroom composition issues, more and more teacher assistants are coming into the system to the point where they are almost up to 50 percent of the certified teachers that are in the system. I suspect that has been the response by governments and the response by school boards to deal with special needs children and, to some degree, will parallel increased support in that area.

I want to ask about the executive managerial and supervisory positions. Roughly, about 10 percent of the system turns out to be executive, and I would gather the great number of those would be principals and vice-principals. More and more, I am hearing school divisions, superintendents and boards saying they are having a difficult time attracting principals. Is that consistent with what the department is hearing, and can you indicate why this trend is taking place?

Mr. Caldwell: The recruiting of school administrators is an issue that is of some importance to the public school system, less so in Manitoba, I should add, than in other jurisdictions in Canada. The factors for this are really, at this stage, still undetermined. We really do not know precisely the reasons for this. I do know that the job is a difficult one and, perhaps, one that is getting more difficult.

It is also, perhaps, significant to note that the pay difference from teaching to being vice-principal or principal is not that great. I know that in my—anecdotally, friends and family members who are educators—I have experience with one of my siblings not being particularly interested in taking an administrative job. He has been in the public school system for a number of years but not particularly interested in being an administrator. He likes being a classroom teacher. He enjoys working with students on a daily basis as a classroom teacher and does not see any real desire or benefit in being an administrator. I think that is primarily related to the fact that he enjoys being a classroom teacher so much, and is not much one for working in an environment that, in the main, does not bring him into contact with students on a daily basis.

In another case, I know that another of my family who has been a classroom teacher for 15 years and recently has moved into administrative

role is seeing that as part of the evolution of her career and feels that she can bring something quite worthwhile to the administrative role based upon her experience as a classroom teacher. So I think the pay difference is not that great. The average salary reflects that the pay difference is not that much of a difference from being a classroom teacher.

I note that in England this has also been a significant problem, such that some English secondary schools, the deputy advises me, are now paying their heads 75 000 to 90 000 pounds a year, which is as much as \$200,000 a year, even more than we make in this building here.

An Honourable Member: Almost as much as deputies.

Mr. Caldwell: Almost as much as deputies, the member from Minnedosa responds, but it is almost as much as the pro hockey players, certainly more than the Premier (Mr. Doer) or any of us make as MLAs or Cabinet ministers. So it is an issue that is being felt in other jurisdictions as well.

I do not think that we have any firm understanding as of yet as to why this is the case, but I have noted that the pay differential is not all that much greater in Manitoba or anywhere in Canada for that matter. The satisfaction levels—you know, I made reference to my brother not wanting to leave the classroom, because he quite enjoys being a classroom teacher and having interaction with students on a daily basis. So that is his professional preference.

Madam Chair, I know that, as a former public school administrator himself, the member from Minnedosa is probably no doubt aware of the changes in the role that he has seen over his time in the public school system. There have been increased demands and pressures on principals, as there have been for teachers, over the last couple of decades, certainly, maybe with even increasing demands on administration.

Mr. Gilleshammer: Is the differential between the teacher's salary and the administrative salary dictated by anything the department does in terms of funding? Is there a funding differential that would cause that, or is that pretty much a

local decision, what they are prepared to pay their administrators? Obviously vis-à-vis what other divisions are paying, but there is nothing in the grant system that leads to that sort of gap?

* (16:40)

Mr. Caldwell: No, there is nothing in the funding relationship that would produce such a gap. It really is the function of the collective agreement negotiated in individual divisions as to how that plays out. Some divisions have a greater remuneration for administrators than other divisions, vis-à-vis the average teacher's salary; but it really is dependent on the collective agreement process in individual divisions.

Mr. Gilleshammer: Well, I know from discussions with former colleagues, with current superintendents and current practitioners; talking to Bill Bailey, the principal at Souris, who, I think, is chair of the administrators' group, this issue seems to be growing, that there is an increased burnout factor that is taking place.

There are people not aspiring to the job or staying with the job feeling that, you know, the pressures are greater, the remuneration does not make it worthwhile. I know that in some divisions when they advertise, they are getting very few applications. I am wondering if this is a concern of the minister and the department and whether there is anything proactive happening in terms of remedying the situation.

Mr. Caldwell: Well, I am certainly trying to mentor as best as I can my legislative assistant, the member from St. Vital, to assume her full leadership potential in this role in the future. I note that she is glaring at me right now.

I think leadership roles in most public organizations are getting harder and harder to fill. The roles, again, in most sectors, public sectors, are becoming increasingly difficult and therefore increasingly harder to fill. As I said, not just in schools but also in the civil service and in other areas. It is a concern. We are working with the Manitoba Council for Leadership in Education to look at how we can support effective leadership in schools, not just in terms of principals, but also in terms of teachers who play leadership roles in schools.

With so many of the issues the member has raised, this one does not have any particular easy answers. The Council of School Leaders, which is the principals group in MTS has also been engaged in this matter. There are, again, no easy answers to this. I think that the roles that leaders in schools undertake are increasingly challenging and increasingly difficult. I think that that is part of the reason. Individual reasons also include a desire to spend time with family and to have something of a life out of school.

In terms of my brother, he enjoys being in the classroom. I am sure that is part of the motivation for some teachers as well; is maintaining their classroom presence, and maintaining themselves as classroom teachers as opposed to either occasional classroom teachers, which some principals and vice-principals in particular do, where they take on an administrative role, but also have a classroom role. But we are engaged with the Council of School Leaders and the Council for Leadership in Education to look at how we can support effective leadership in the public school system. I am just very gratified that so many educators, in fact, do move towards administrative functions as their career progresses to support, in a leadership way, the public school system. I certainly could not do this job without the able assistance and help of my legislative assistant, that is a cinch.

Mr. Gilleshammer: Well, I noted this morning when the minister was musing about him coming to the end of his career as the Minister of Education that she had a glint in her eye, so maybe the minister is reading the signs correctly.

Are there any incentives put in place to attract people into summer courses or winter courses or to give them skills and entice them into considering administration? I know in some rural school divisions some people have been appointed to administrative roles with two and three years experience, albeit in schools with four and five and six teachers. But there was a time when those were sought after positions that were competitive.

I guess I have a concern that there is not that interest there now. You know there are more and more teachers that are taking a page out of the book of firefighters, where they have outside

businesses and other streams of income. I am just wondering if the department has put in place some incentive program, something to lead people into administration. I know there is another side to that where people will say, well you cannot take all your good teachers and make them administrators. They are more valuable in the classroom, but there seems to be a declining interest in careers in administration. I am wondering if the department is doing anything proactively about it.

Mr. Caldwell: There is no incentive program, per se, that the department has. It would be relatively difficult to do without collective bargaining since this is where administrators' salaries are set. That is not to say that it would be impossible to do, it would be difficult to do because of the collective bargaining protocols that are in place in the province of Manitoba, and that is local bargaining at the divisional level.

There is an administrator's certificate that involves various kinds of studies that the department oversees, but it is not compulsory for administrators to have this certificate to be an administrator, obviously. Many school divisions, most school divisions, I suggest, certainly many, if not most, do provide leadership programs within the divisions to recruit and train future administrators.

I made reference in an earlier question to a family member who is moving into administration this year, and that is certainly her experience in the St. Vital School Division. They have a very active leadership program to develop administrative skills and leadership skills, with a view to putting those individuals into administrative positions in the school division. So I know that the Riel School Division, post-October this year, will have a program that instills leadership skills in a structured way within the division.

I certainly recognize and understand administrative positions to be very important at the school level. The management of schools and the management of school divisions is really dependent on the quality of people that are in leadership roles. This is a concern of ours. It is a challenge. It is not something that has reached,

in any way, a critical level, in fact, it is not something that has been discussed widely. Potential teaching challenges for specific subject areas, and particularly in specific regions of the province, and we think about hard sciences and maths being something we need to encourage more people to take those skills into the teaching profession and into schools across the province, particularly in rural and more remote locations—has been more of a concern of mine since being appointed minister. The administrative component in this is something that also is a challenge, although not consuming as much time or energy as the challenge around teaching and the areas of teaching like the hard sciences, maths and so forth.

Mr. Gilleshammer: Thank you for providing me with this data. I am prepared to move to something else.

The day would not be complete if we did not talk about class size and composition. There are those who believe that we are in our last days here in session. There may be something to it, there may not. The minister has skated with this issue on the basis that he is consulting. I think, you know, this is understandable in the first week he had the report. I do believe that government has a direction on this issue and has made a decision, and by simply doing nothing, Bill 42 clicks in. I just think the most honest way of dealing with this is to indicate what the Government's intentions are, and I just want to give the minister that opportunity again today.

* (16:50)

Mr. Caldwell: Well, I thank the member for his comments, and I tend to agree with him. We do not have, and I have not taken to Cabinet a paper on this issue other than the original paper that went when Doctor Nicholls submitted his report to government in May. I do have meetings set with the Manitoba Association of School Trustees, I think, next week. This is one of the items that is on our agenda. It will be our second meeting discussing this issue. I have not made any decision on this matter as of yet. There are compelling forces on both sides of this question, as well as a middle path. I think that we can take some assurance in this matter as a result of Doctor Nicholls's report that Manitoba classrooms are small. Ninety-eight percent of those in

the early years are fewer than thirty students. I think we can also take some comfort in the fact that Doctor Nicholls notes that it is in the early years where this issue, particularly around composition, is of most importance. That conforms quite well with the Healthy Child Initiative and the early childhood programs that have been undertaken by our Government.

I did note, in an earlier session of Estimates, that Doctor Nicholls consulted with thousands of Manitobans in every region of the province, and I did want to be quite thorough and diligent in my review of his report before making a recommendation to my colleagues in government, thence from a public announcement as to how the Government is going to proceed. I have not moved to present a paper to Cabinet or caucus on this matter yet because, quite honestly, the consultation is not complete yet.

As I said, we will be meeting with MAST, the Manitoba Association of School Trustees next week. This is one of the items on our agenda. I look forward, as I know the Member for Minnedosa (Mr. Gilleshammer) does, to having some announcement articulated publicly as to how government is going to proceed in this matter. It is important to note, I think, that we do have some comfort from Doctor Nicholls's report in that classes are not excessively high in Manitoba. In fact, quite the contrary. The report helps us focus on the main issues and where our priorities should be, and that is on the early grades, on children with special needs and on the fact that, in Manitoba, we have very few classes with excessively large numbers of students.

Mr. Gilleshammer: Well, the minister can continue to dither on this issue. The reality is that he will have to take responsibility for that decision whenever that time comes. You know, I want to chose my words carefully. I think the people who were in the education community understand that the making of this decision is not that complex an issue. The minister can continue to profess that he is consulting and meeting on this issue, but ultimately will have to take responsibility for it. I would urge him to take responsibility for it sooner rather than later, because if the House does happen to adjourn and he has no other opportunity bring that legislation in before the time limit expires, I think it does

not send a strong signal about strong leadership on the issue.

I would urge him, perhaps if he is meeting tomorrow morning with some colleagues, that he might deal with this issue, because I am sure the Cabinet paper has been drawn. He could take it forward on very short notice, and say: This is an emergency we have to deal with. To continue to dither on this and, by default, allow a decision to take place, I think, reflects on the minister's image. I would encourage him to, in the next short while, make that decision, announce it and stand by it. Because, as we have talked before, there is a polarized playing field out there, and the minister cannot have it both ways. Doctor Nicholls gave him, I think, an excellent report with good information and good advice.

I think when a minister hangs on to that and says, oh, well, we are still consulting, there are people we have not heard from, there are others that want to speak to it, I cannot make up my mind, it shows a sense of weakness that I do not think the minister wants to have identified with him. I would urge him to come at this straight on and announce what the Government is going to do.

Mr. Caldwell: I appreciate those remarks, and certainly as somebody that has had his fair share of fire over the last three months, or three years, I appreciate the sentiment from which they come.

I did make a commitment to discuss the report extensively with stakeholders. The report itself is a result of a lot of hard work on a very complex issue. The report itself, as well, is unique in Canada in that it provides a contemporary analysis of an issue that has vexed jurisdictions across the country. It is the only paper that gives a contemporary analysis of the issue of class size and composition in Canada, and I think it does require careful consideration.

We have been engaged in reviewing this report and discussing it with stakeholders in the context of what we are already doing as a government, and that is investing in early childhood and in communities with high needs, which is consistent with our Healthy Child strategy. Doctor Nicholls himself worked on the report for

over a year and has provided us with a thorough and thoughtful consideration of a whole range of complex issues. My priority has been to discuss the report with trustees, teachers and, more broadly, discussing the entire report and not just the issue of to arbitrate or not to arbitrate. I do not intend to pre-empt the outcome of these discussions.

I do acknowledge that November is still some months away. However, I do also recognize that the member puts the question in the context of, two months have already passed or two and a half months have passed, but it should be recognized that Doctor Nicholls did work on this report for over a year and engaged thousands of Manitobans.

I think it is important to note, as well, that different jurisdictions across Canada have different protocols around class size. I will repeat I was very pleased to note in the report of Doctor Nicholls he states that class size and composition in the province of Manitoba is very reasonable, in fact very low, 98 percent of the classes being less than thirty students in the early years and a figure that is not too divergent from this in the middle and senior years.

There are different protocols around the country for class size and, in fact, internationally there are different protocols for class size. I mentioned last week that Britain, for example, has mandated 30 students or less, which would be quite in accord with the existing reality in Manitoba. But it is not possible to cost the impact of arbitrated class sizes, since everything would depend on the precise nature of an arbitrated agreement if that were the way we were to proceed. I should note, again, that in the 40 years prior to 1996 no such arbitration award was ever made. So in Manitoba, in the decades previous to the limitation on arbitration that was imposed by legislation in 1996, there was never any arbitration around this issue.

* (17:00)

As Doctor Nicholls points out, the evidence suggests that smaller classes are most effective in the primary grades, and I was very pleased to see that because this again corresponds with the Doer government's Healthy Child Initiative and

our interest as a government in terms of focussing resources and attention on the early childhood years. I think as a government we believe that this is a wise social investment in Manitoba. The costs of smaller classes in the primary schools of the province, especially if targeted to high-need areas of the province, would certainly be some millions of dollars, but in this context it would probably not be outrageously high, and it would probably yield considerable benefits. But, again, these are all speculative comments at this stage.

We continue as a government to receive representations from the field in the Nicholls report. As I mentioned, I have a meeting with the Manitoba Association of School Trustees on this matter next week. We have had some discussion on it since Doctor Nicholls submitted his report. All parties, I believe, recognize that this is an important issue. There were some thousands of individuals involved in the commission on class size and composition, and I want to be thoughtful and thorough in my own analysis of the report and in my own consultations with the field in this matter.

I think it is important, though, to note that the report, while requiring considerable consideration, which is utmost on my mind in terms of analyzing the report, it is equally important to note that the entire report has to be addressed in terms of its recommendations and in terms of its analysis. I do intend to discuss the whole report and consider the whole report in my deliberations and in the recommendations I make to my colleagues in government. It will be the content of the entire report that is advanced.

Mr. Gilleshammer: Well, I thank the minister for reading his briefing note into the record a third time, and those who read this will duly note it. Again, I would suggest, if he wants to look strong on this issue, that he make a decision and not dither any further on this and urge him to make that decision soon.

Having said that, I would like to move to the special ed report, which was brought to government, I think, in 1998. I know in the 1999 Budget \$2 million was set aside for some of the initiatives that were advanced by that report. I met, not too long ago, with a special ed co-

ordinator who shared with me a lot of planning and statements and good intentions and possible directions. I am wondering if the minister can indicate, since he has been in the office for almost three years now, what has happened budget-wise since that initial \$2 million was put into the Budget in 1999. Have there been any additional funds directed to the special ed review report?

Mr. Caldwell: Yes, there have been considerable endeavours to address the recommendations of the special ed review. Very early on we further developed the Special Education Review implementation unit within government. Dr. John Van Wallegham was seconded from the Winnipeg 1 School Division to lead up that SERI implementation team.

In terms of budgets, we have increased Level 1 funding each year since coming into office and have also increased support in Levels 2 and 3. At the pre-school level we are looking at improving pre-school supports in some key areas. For example, autism springs to mind quite readily. We are working on improving preschool service delivery to high needs children in the province of Manitoba. I mention these because improved preschool service will result in better school outcomes for learners in their early years, but we have as a government engaged ourselves in increased support for levels 1, 2 and 3 throughout the course of our mandate.

Ms. Nancy Allan, Acting Chairperson, in the Chair

Mr. Gilleshammer: So the \$2 million that was added to the 1999 budget, was that \$2 million maintained in the 2000 budget, in the 2001 budget? Was it flat or were there additional monies included in the budget?

Mr. Caldwell: I am not certain of the \$2 million that the member speaks of. If the \$2 million was put into the base that has been increased in successive budget years, I am not entirely certain as to how that was allocated, but if it was part of the funding formula and the announcement into base, then it has been increased in subsequent years.

Mr. Gilleshammer: I guess when we go line by line we will be able to see that, but the minister

is saying the \$2 million was retained in there and in fact additional funding has been put into the budget. Is that correct?

Mr. Caldwell: If it is in the formula for schools, that is the case. If it has been in the operating budget, it has certainly been maintained, but we likely will have a clearer idea when we go through line by line.

Mr. Gilleshammer: There is a feeling, I think, in the education community that this report was a good one and that the implementation of it has not taken place in the manner that it should have, that government has been dragging its feet on this and that it has not been implemented to its fullest.

Mr. Caldwell: Well, we are moving ahead to continue to implement the recommendations of the review. We have developed support documents, there have been school and division planning around special needs. There has been a new policy framework in some areas. We have done considerable work on FAS and FAE, we have done considerable work on autism, we are working on qualifications for teacher assistants and for clinicians around special needs students. I have been, and my legislative assistant has been involved in a series of public meetings, annual public meetings, that were put in—

The Acting Chairperson (Ms. Nancy Allan): Order, please. A recorded vote has been requested in another section of the Committee of Supply. I am therefore recessing this section of the Committee of Supply in order for members to proceed to the Chamber for a formal vote.

The committee recessed at 5:09 p.m.

The committee resumed at 5:35 p.m.

The Acting Chairperson (Ms. Nancy Allan): Will the Committee of Supply please come to order?

16.1. Administration and Finance (b)
Executive Support (1) Salaries and Employee Benefits \$532,700—pass; (2) Other Expenditures \$116,100—pass.

1.(c) Aboriginal Education Directorate (1) Salaries and Employee Benefits \$431,600—pass; (2) Other Expenditures \$131,900—pass.

1.(d) Human Resource Services (1) Salaries and Employee Benefits \$839,600—pass; (2) Other Expenditures \$148,300—pass.

1.(e) Financial and Administrative Services (1) Salaries and Employee Benefits \$847,000—pass; (2) Other Expenditures \$234,700—pass.

1.(f) Systems and Technology Services (1) Salaries and Employee Benefits \$798,100—pass; (2) Other Expenditures \$265,700—pass.

1.(g) Research and Planning (1) Salaries and Employee Benefits \$521,200—pass; (2) Other Expenditures \$187,100—pass.

1.(h) Less: Recoverable from Advanced Education (\$300,000).

2. School Programs (a) Division Administration (1) Salaries and Employee Benefits \$300,700—pass; (2) Other Expenditures \$78,500—pass.

The Acting Chairperson (Ms. Nancy Allan): The Member for Minnedosa, on 16.2.(b)?

Mr. Gilleshammer: The Manitoba School for the Deaf shows some salary and employee benefits and some other expenditures of \$3.6 million. Do they provide all of the services for the Department of Education in this area or are there other options made available?

* (17:40)

Mr. Caldwell: In the main, Madam Chair, they do. We do have some hard-of-hearing consultants in this program in Student Services branch as well, but in the main the Manitoba School for the Deaf does provide the vast majority of services, as I do believe was the case previous to 1999 as well.

Mr. Gilleshammer: Can the minister indicate who provides the other services?

Mr. Caldwell: The school runs the school. The Manitoba School for the Deaf is supported by

their own employees. In terms of the program in Student Services branch, we do have some consultants who assist in the public school system broadly in that branch.

Mr. Gilleshammer: Is the minister aware of any other providers for deaf education in the province?

Mr. Caldwell: There are other organizations for the deaf population of the province, but they do not have a specific role in the public school system. There is also the Central Speech and Hearing Clinic that we do have some association with. They are the clinic that is involved in the cochlear implants but they are not funded through Education, Training and Youth.

Madam Chairperson in the Chair

Mr. Gilleshammer: Has the minister visited the Central Speech and Hearing Clinic at the Victoria Hospital, and is he aware of the program and services they provide?

Mr. Caldwell: Yes, I have visited the clinic at Victoria Hospital, spent some time there as a matter of fact with other of my colleagues in Cabinet. I am familiar with the service they provide. The staff of the department have met frequently with Central Speech and Hearing Clinic to try and assist them in making services available to schools throughout the province and families who have an interest in the Cochlear Implant Program managed by Central Speech and Hearing.

Mr. Gilleshammer: Central Speech and Hearing provides other services besides the cochlear implants, and I am wondering if the minister has made himself aware of some of the programming they do and some of the results they have. I do realize that Central Speech and Hearing, I believe, is funded through Family Services but, to me, the Department of Education should become involved, should become more aware. I am just wondering at the minister's level of awareness of some of the other programming they do.

Mr. Caldwell: I do appreciate those remarks. I do know that Central Speech and Hearing is funded primarily through other departments. We

have, as a department, committed to ensuring that information about their work, both in terms of cochlear implants and other work that Central Speech and Hearing does, is made available to parents and families of deaf children in the province through the public school system. Choices about what services to use in this area as well as others are primarily made by parents and families, and we do believe that parents and families should know about Central Speech and Hearing as an option that is available to them.

Mr. Gilleshammer: I am very pleased to hear the minister say that. The reality is that there are parents that are not given that information. There are parents who do not realize they have a choice to make, and the system is skewed towards sign language and the School for the Deaf. All I would ask is that a parent of a profoundly deaf child recognize that there is more than one way to go on this.

I would like to invite the minister to take a special interest in this area, because I think that Central Speech and Hearing does some exceptionally good work, and all I would ask is that parents be allowed to know that there is an alternative. At the present time, there are built-in walls, let us say, within government where all parents are not made aware of this, and I think that is truly unfortunate.

Mr. Caldwell: I thank the member for his comments, and I tend to concur. I know that when I did visit Victoria Hospital, spent some time along with other of my colleagues—I recall the Minister of Health (Mr. Chomiak) and the Minister of Family Services (Mr. Sale) as being in attendance. There may have been other Cabinet ministers, as well, but there was a group of us that spent some time there. That is one of the issues that was raised with us, is making the work of Central Speech and Hearing, making their work and knowledge of that work available to parents in the public school system and, frankly, to educators and trustees and boards in the public school system.

It is sometimes a difficult issue. As the member may know, there are some very strong feelings around services to deaf children. Some parents of deaf children and some people in the deaf community feel very strongly that being

deaf is a culture and are not well disposed to the implant approach.

That being said, however, I agree with the member that parents should be aware that there are options available, and I have certainly instructed the department that that is our position and have begun the process—well, more than begun. The process is underway whereby this information is made available to parents broadly, and that certainly is part of the departmental culture now.

Mr. Gilleshammer: Well, I am pleased to hear that. Central Speech and Hearing needs a champion within Cabinet, and I think all they have ever asked for is for parents to realize there is more than one way to do things.

I can recall going to one of their banquets when a young woman who was about 14 at the time got up and made a speech. Her speech was not great, but she could speak, and under certain circumstances she can hear. She performs in the regular school system, both her and her sister. Surely, parents should have a choice and be able to see that their children have an option, and I would ask you to become that champion for Central Speech and Hearing.

The School for the Deaf gets millions of dollars. I think the grant from Family Services is \$75,000 or \$80,000 or \$100,000 or whatever. If I was a parent and had a profoundly deaf child, I would want to be aware and then make a choice, make a decision to go through the sign language, if that is my choice, or try another route. They do teach children to speak. A cochlear implant is perhaps down the road somewhere, but I would ask the minister to take a special interest in that.

I am prepared to pass the line.

Madam Chairperson: 16.2. School Programs (b) Manitoba School for the Deaf (1) Salaries and Employee Benefits \$3,025,700—pass; (2) Other Expenditures \$619,000—pass.

2.(c) Assessment and Evaluation (1) Salaries and Employee Benefits, \$2,617,200—pass; (2) Other Expenditures \$2,799,000—pass.

2.(d) Program Development (1) Salaries and Employee Benefits \$4,326,300—pass; (2) Other Expenditures \$4,185,800—pass.

2.(e) Program and Student Services (1) Salaries and Employee Benefits \$4,864,300—pass; (2) Other Expenditures \$2,625,700—pass.

* (17:50)

Mr. Gilleshammer: Just a question, if I might. Budgeting is a very difficult exercise. I notice that under Other Expenditures the Department of Education is going to save hundreds of thousands of dollars. You have printed down on Other Expenditures in most cases, in most lines of pages we have passed already. What is the strategy to spend less on Other Expenditures in all of these areas?

Mr. Caldwell: Well, essentially departments have been requested to reduce expenditures in whatever way they can. Specifically others would be involved around travel and supplies and so forth. It is basically a direction that all departments have reductions in operating. This could involve again, besides travel and supplies, contracts, office equipment, what have you. They are other expenditures that are not directly itemized as salaries and employee benefits are, but, as in other departments, we have an expectation that department heads and branches will have ways to find and manage these other expenditures. They essentially relate to issues around contract supplies, travel equipment and so forth. None of them are large, large numbers, but all of them cumulatively can have an impact.

Mr. Gilleshammer: Well, it is, as you say, I guess, a Treasury Board directive to print down under Other Expenditures. Across your department, how much are you saving?

Mr. Caldwell: Again, relatively small numbers for both departments. It is notionally in the neighbourhood of a million dollars. It is not huge, huge sums. I have made the comments elsewhere on other issues that if we can redirect a dollar with a decision then it is worthwhile. They are not large numbers, but across the two departments, notionally, a million dollars.

Mr. Gilleshammer: And across 20 departments, notionally \$20 million. It is a cute way of budgeting. I wish you well in staying within your budget expenditures under Other Expenditures. I know from talking to people at Treasury Board

in my past experience this is a way of printing something, but it does take some discipline. I was just asking what the strategy was. Maybe it is fear or maybe it is a carrot, I am not sure. It looks simple to save a little bit here and a little bit there, order fewer pencils, reduce mileage, whatever, but it will be a challenge for you.

Mr. Caldwell: I appreciate the comments. No doubt the member, as a former Finance Minister, is aware of this kind of strategy from his own days in Cabinet and with Treasury Board.

I do have a lot of confidence in the ability of the directors within the department. We have a very capable group of directors within the Department of Education, Training and Youth, not the least of which is Tom Thompson, who joins us here today to go through the Estimates process, but I do have confidence in their management even under difficult circumstances, and I am hopeful that they will indeed find ways to achieve the task that has been given them.

Madam Chairperson: Resolution 16.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$25,442,200 for Education, Training and Youth, School Programs, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

Madam Chairperson: 3. Bureau de l'Éducation Française (a) Division Administration (1) Salaries and Employees Benefits \$148,700—pass; (2) Other Expenditures \$23,700—pass.

3.(b) Curriculum Development and Implementation (1) Salaries and Employee Benefits \$1,227,900—pass; (2) Other Expenditures \$623,000—pass.

3.(c) Educational Support Services (1) Salaries and Employee Benefits \$1,152,900—pass; (2) Other Expenditures \$396,100—pass.

3.(d) Official Languages Programs and Administrative Services (1) Salaries and Employee Benefits \$875,000—pass; (2) Other Expenditures \$1,253,600—pass; (3) Assistance \$1,713,700—pass.

3.(e) Library and Materials Production (1) Salaries and Employee Benefits \$481,900—pass; (2) Other Expenditures \$331,400—pass.

Resolution 16.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,227,900 for Education, Training and Youth, Bureau de l'Éducation Française, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

Madam Chairperson: 16.4. Education and School Tax Credits (a) Manitoba Education Property Tax Credit \$174,551,000. Shall the item pass?

Mr. Gilleshammer: Madam Chairperson, the Education and School Tax Credits, how long have these been registered under the Department of Education?

Mr. Caldwell: This is the second year, I believe, that it has been the case, certainly last year.

Mr. Gilleshammer: Where were they lodged before?

Mr. Caldwell: The Department of Finance is where they were lodged before. We made a decision, given that this was to offset the education property tax, that they were more correctly reflected in the Education Estimates.

Mr. Gilleshammer: So, when this was lodged in the Department of Finance, it was an offset to property taxes for whatever reason, and government made a deliberate decision to reprofile these as education expenditures.

Mr. Caldwell: It is probably a question best directed to the Finance Minister (Mr. Selinger). I do not know what the thinking of the previous administration was in this regard. The Finance Minister would likely have the clearest perspective on the reprofiling, as the member suggests, of this tax credit. It has been part of the Education Estimates now for a couple of years, at least. I think this is the second year that it has been in my Estimates as opposed to Finance, but it does relate to the considerable education property taxes that are collected around the province and is a credit specifically designed to

support and provide some relief for education property taxes that are paid throughout the province.

Mr. Gilleshammer: For those many people out there who do not have children in the education system, they just see this as tax relief. They do not see it as an education expenditure at all. I would suggest, I guess, it became a political decision to take this out of the Department of Finance and put it in the Department of Education and then call it an education expenditure. Is that correct?

Mr. Caldwell: The tax credit is related to the education property tax that is collected across the province. The number itself is given the special levy that is collected by school divisions and the education support levy which is collected by the Province which amounts to notionally \$600,000. The \$175 million in tax credits that is provided to all Manitobans; all Manitobans who pay property tax do support the public school system through their property taxation. This relief is some acknowledgement of the considerable amounts that are collected from property to support the public school system.

Madam Chairperson: The hour being past 6 p.m., as previously agreed in the House, the committee will now recess for 30 minutes, resuming at 6:30 this evening.

INDUSTRY, TRADE AND MINES

* (17:40)

Mr. Chairperson (Conrad Santos): Would the Committee of Supply come to order, please. This section of Committee of Supply has been dealing with the Estimates of the Department of Industry, Trade and Mines. Would the minister's staff please enter the Chamber? We are on page 104 of the Estimates book.

10.2. Business Services (a) Industry Development – Financial Services (4) Mineral Industry Support Programs (a) Mineral Exploration Assistance Program \$2,500,000—pass; (b) Manitoba Potash Project \$196,500—pass; (c) Acid Rain Abatement Program—Flin Flon \$232,000—pass; (d) Prospectors' Assistance Program \$125,000—pass.

2.(b) Manitoba Trade and Investment Marketing (1) Salaries and Employee Benefits \$2,265,100—pass; (2) Other Expenditures \$2,394,000—pass; (3) Grants \$95,000—pass; (4) Less: Recoverable from Urban and Rural Economic Development Initiatives (\$1,000,000).

2.(c) Small Business and Co-operative Development (1) Salaries and Employee Benefits \$1,253,100—pass; (2) Other Expenditures \$674,900—pass; (3) Grants \$30,000—pass.

2.(d) Manitoba Energy Development Initiative (1) Salaries and Employee Benefits \$756,600—pass; (2) Other Expenditures \$473,600—pass.

Resolution 10.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$19,197,000 for Industry, Trade and Mines, Business Services, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

Mr. Chairperson: 3. Mineral Resources (a) Manitoba Geological Survey (1) Salaries and Employee Benefits \$3,536,600—pass; (2) Other Expenditures \$1,737,000—pass.

3.(b) Mines (1) Salaries and Employee Benefits \$1,200,200—pass; (2) Other Expenditures \$412,200—pass

3.(c) Petroleum (1) Salaries and Employee Benefits \$1,026,700—pass; (2) Other Expenditures \$299,400—pass.

3.(d) Boards and Commissions (1) Salaries and Employee Benefits \$22,700. Shall the item pass?

Mr. David Faurchou (Portage la Prairie): A couple of years ago, the minister had indicated at committee that she was engaged in a general overall mapping of aggregate for construction in this province. I wonder at this time if she could enlighten the members of the Legislative Assembly as to whether that study was completed and were there any areas that are in deficit of aggregate for construction purposes that her department is now aware of.

Hon. MaryAnn Mihychuk (Minister of Industry, Trade and Mines): I want to thank the member for asking the question. Aggregates and construction materials is a less glossy mineral mining source than metallic minerals but very important to our economy and to the construction industry, in particular our highways, and very important to the constituents who live in the member's riding of Portage la Prairie and that district, which has a natural shortage of good quality aggregate material. At this time, I do not have the information in front of me, but I would be prepared to forward all maps and new information that we have on aggregates in Manitoba to the member directly if that would satisfy his request.

Mr. Faurchou: I would appreciate the minister providing that information. I am concerned about the quality of aggregate because we had roads that were paved, asphalt that disintegrated in the span of two years because of the quality of the aggregate used in that asphalt blend. That is front and centre example of the quality component within aggregate for construction purposes in road surfacing. If the minister would consider doing that, I would certainly appreciate it. Thank you.

Ms. Mihychuk: I concur. There are certain lithographic rock types that degenerate more quickly than others. For instance, the most notable is shale. Shale will disintegrate very quickly and make the road material unstable, and municipalities will have to provide more and more base to continue the road.

It leads to the question whether the surveys, both the geological survey who does the more generalized and regional mapping, can provide some greater information on the quality of aggregates in the map production. I think that would be worthwhile exploring. At the present time, we look at aggregates in terms of the distribution of the particles and the size of the stone. Is it three-quarter down? Is it quarter inch? Is it crushed limestone? We do some very preliminary work in defining quality, but I do think that it may be valuable to explore the need of being somewhat more precise in the quality definition of aggregates in Manitoba.

Another good example is the aggregate required by airport runways. It must be very

high-quality aggregate. There are very few deposits that can meet those specs. Those deposits must be protected from any encroachment and ensure that those remain for the future, as the number of those deposits, as I say, are very limited.

So I will take that recommendation and see if the department can expand its definition of quality into including the mineralogy of aggregates and, in addition, perhaps consider more definitive measures on aggregate descriptions. I think that is a very good suggestion.

Mr. Faurschou: I am prepared to pass the line, but I do want to compliment the minister for her recognition of the encroachment concerns, that development within the province, although we do want development, we have to be mindful of what that development spawns as far as the resources of our province are concerned.

Mr. Chairperson: 10.3. Mineral Resources (d) Boards and Commissions (1) Salaries and Employee Benefits \$22,700—pass; (2) Other Expenditures \$18,000—pass.

Resolution 10.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,252,800 for Industry, Trade and Mines, Mineral Resources, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

Mr. Chairperson: 10.4. Community and Economic Development (a) Community and Economic Development Committee Secretariat (1) Salaries Employee Benefits \$772,000—pass; (2) Other Expenditures \$346,000.

Mr. Faurschou: I do want to ask the minister whether she is aware of the ongoing negotiations. Perhaps she can enlighten the House as to her knowledge about them. That involves the multiyear contract for flight training that is right now into the request for a proposal stage with the Department of National Defence and the federal government's supply and services.

It is vitally important economic activity in Portage la Prairie at the former Department of

National Defence air base, Southport. I know the minister's department was very much at play in the previous administration, where the governments provided some low-interest dollars for new barracks for the pilots who were in training at Portage. I believe they are estimating this contract to be in excess of \$250 million, a 10-year, \$25-million-per-annum expenditure in and about Portage la Prairie for the training of Canada's Armed Forces pilots.

I would like to ask if the minister is familiar, and if she is not, her commitment to bringing herself up to current day information on this very, very important contract.

* (17:50)

Ms. Mihychuk: I am very familiar with the facility of Southport and have worked on other initiatives that Southport has been working on. In this specific case I have not been approached at this time, or my office has not been approached. However, department staff may be. I would be prepared to provide my assistance in any way possible.

I think the success story at Southport is one that is very impressive, taking a facility which had come to the end of its usefulness, found other sources, have been very innovative in bringing in other partners. I have, from their track record, all the confidence that they will be able to land this contract. If a letter of reference or a meeting is required, I will be prepared to do so.

Following the member's recommendation, I will become more informed on this specific contract coming up. If there is any information that I can provide to the member, I will do so.

Mr. Faurschou: I do appreciate the minister's comments. I believe that perhaps a letter of support, but I do encourage the minister to contact or be in contact with her staff within her department, because it does at times, when a contract of this size and complexity, if it is known to those at the federal level that the provincial ministers are keeping a mindful eye on the progress of the contract and the request for proposal it does sometimes assist in seeing that process continue without being stalled at

some committee level or at a bureaucratic evaluation junction.

So I appreciate the minister, if she takes that time. Perhaps it might see an opportunity to even attend a board meeting out in Portage la Prairie where this discussion will be taking place later in this month.

Mr. Chairperson: 10.4. Community and Economic Development (a) Community and Economic Development Committee Secretariat (2) Other Expenditures \$346,000—pass.

4.(b) Premier's Economic Advisory Council (1) Salaries and Employee Benefits \$136,800—pass; (2) Other Expenditures \$233,600—pass.

Resolution 10.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,488,400 for Industry, Trade and Mines, Community and Economic Development, for the fiscal year ending 31st day of March, 2003.

Resolution agreed to.

Mr. Chairperson: 10.5. Manitoba Research, Innovation and Technology (a) Manitoba Research, Innovation and Technology (1) Salaries and Employee Benefits \$1566,500—pass; (2) Other Expenditures \$766,200—pass; (3) Manitoba Innovation Fund \$7,000,000—pass; (4) Research and Innovation Fund \$1,100,000—pass; (5) Health Research Initiative \$3,000,000—pass; (6) Manitoba Centres of Excellence Fund \$410,000—pass.

5.(b) Industrial Technology Centre \$750,000—pass.

Resolution 10.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$14,592,700 for Industry, Trade and Mines, Manitoba Research, Innovation and Technology, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

Mr. Chairperson: 10.6. Amortization and Other Costs Related to Capital Assets (a) Desktop Services (1) Amortization Expense—Hardware and Transition \$243,300—pass; (2) Amortization

Expense—Enterprise Software \$43,600—pass; (3) Enterprise Software Licenses \$81,500—pass.

(b) Amortization Expense \$82,200—pass.

Resolution 10.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$450,600 for Industry, Trade and Mines, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

Mr. Chairperson: The last item to be considered for the Estimates of the department is item 10.1. Administration and Finance (a) Minister's Salary contained in Resolution 10.1. The floor is open for questions.

Mr. Faurichou: In regard to 10.5, I was curious as to in this age of innovation and research importance, why would the minister consider reducing the level of support from last year for Research and Innovation here in the province of Manitoba?

Ms. Mihychuk: As the member knows, there are additional challenges that are very tough for the Government, including rising expenditures in health care, where hopefully this year we will see an increase in that budget line.

Mr. Chairperson: 10.1. Administration and Finance (a) Minister's Salary \$28,400—pass.

Resolution 10.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,832,500 for Industry, Trade and Mines, Administration and Finance, for the fiscal year ending the 31st day of March, 2003.

Resolution agreed to.

Mr. Chairperson: This concludes the Estimates for the Department of Industry, Trade and Mines.

The hour being 6 p.m., this section of the Committee of Supply will recess with the understanding that the Committee of Supply will reconvene at 6:30 p.m.

However, I understand that there is a desire for the Speaker to take the Chair. Call in the Speaker.

IN SESSION

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Deputy Speaker, would you please canvass the House to see if there is unanimous consent to move the Estimates of the Department of Intergovernmental Affairs to follow Capital Investments in the Chamber, with this change to apply permanently?

Mr. Deputy Speaker: Is there unanimous consent to move the Estimates of the Department of Intergovernmental Affairs to follow Capital Investments in the Chamber, with this change to apply permanently? *[Agreed]*

This section of Supply in the Chamber will meet and reconvene at 6:30 p.m.

CORRIGENDUM

Vol. LII No. 75B - 1:30 p.m., Thursday, August 1, 2002, page 4150, the first column, the Salvation Army William and Catherine Booth College petition was inadvertently inserted. The petition should read as follows.

Winnipeg Real Estate Board

Mr. Speaker: I have read the petition of the honourable Member for Dauphin-Roblin (Mr.

Struthers). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Mr. Speaker: Dispense.

The Winnipeg Real Estate Board Incorporation Act presently prescribes the number of board members, their titles, terms of office and when elections to the board must be held. The act also prescribes forms to be used by the board and its members. These prescriptive provisions do not provide the Winnipeg Real Estate Board with the flexibility it requires to manage its own affairs.

We petition the Legislative Assembly of Manitoba as follows:

To amend The Winnipeg Real Estate Board Incorporation Act to enable the Winnipeg Real Estate Board to determine by by-law of the corporation

- a) the size and composition of its board of directors;*
- b) the term of office of its board members;*
- c) when in the year elections to the board of directors are to be held; and*
- d) the forms to be used in the board's arbitration process.*

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, August 6, 2002

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