



Fourth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
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DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
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FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
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NEWMAN, David, Hon.	Riel	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
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STRUTHERS, Stan	Dauphin	N.D.P.
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TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
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WOWCHUK, Rosann	Swan River	N.D.P.
Vacant	Charleswood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 14, 1998

The House met at 10 a.m.

PRAYERS

Introduction of Guests

Madam Speaker: Prior to acknowledging the honourable government House leader (Mr. McCrae), I would like to draw the attention of all honourable members to the public gallery where we have with us this morning sixty-five Grade 5 and Grade 6 students from Garden Grove School under the direction of Mr. David Boulton.

This school is located in the constituency of the honourable member for Inkster (Mr. Lamoureux). On behalf of all honourable members, I welcome you this morning.

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, a couple of housekeeping matters. It had been the intention this morning to proceed with Introduction of Bills, including Bills 56 and 57, which appear on today's Notice Paper. That would have had to happen with the leave of the House, but we have not yet received the recommendation, and we will be proceeding with that early next week.

I would like to obtain the unanimous consent of the House to vary the sequence for consideration of Estimates as outlined in sessional paper No. 12 tabled on March 24, 1998, and subsequently amended by setting aside, on completion of the Estimates of the Department of Industry, Trade and Tourism, the Estimates of the Department of Health, to consider the Estimates of Status of Women followed by those of the Department of Culture, Heritage and Citizenship. This change is to apply until further notice.

We hope this morning to deal with bills as listed on page 5, however, firstly, with the leave of the House, to

deal with Bills 54 and 55, standing in the name of honourable Minister of Labour (Mr. Gilleshammer), followed then by Bills 35, 45, 46 and 53, after which we would move a motion to move into consideration of the Estimates.

Madam Speaker: I will acquire the unanimous consent first, and then, regrettably, I am going to have to ask the minister to complete the order for the second readings.

Is there unanimous consent of the House to vary the sequence for consideration of Estimates as outlined in sessional paper No. 142 tabled on March 24, 1998, and subsequently amended by setting aside, on completion of the Estimates of the Department of Industry, Trade and Tourism, the Estimates of the Department of Health, to consider the Estimates of the Status of Women followed by those of the Department of Culture, Heritage and Citizenship? This change to apply until further notice. [agreed]

With the minister's indulgence, if he could quickly repeat that order?

Mr. McCrae: Madam Speaker, I apologize for providing too much information too quickly. With the leave of the House, the honourable Minister of Labour (Mr. Gilleshammer) would like to proceed with introduction at second reading of Bills 54 and 55, followed by introduction for second reading of Bills 35, 45, 46 and 53. At that point we would move a motion to go into Estimates.

SECOND READINGS

Bill 54—The Engineering and Geoscientific Professions and Consequential Amendments Act

Madam Speaker: Is there leave of the House for the honourable Minister of Labour (Mr. Gilleshammer) to proceed with second reading of Bill 54? [agreed]

Hon. Harold Gilleshammer (Minister of Labour): Madam Speaker, by leave, I move, seconded by the

honourable Minister of Education (Mrs. McIntosh), that Bill 54, The Engineering and Geoscientific Professions and Consequential Amendments Act (Loi sur les ingénieurs et les géoscientifiques et modifications corrélatives), be now read a second time and be referred to a committee of the House.

Motion presented.

Mr. Gilleshammer: Madam Speaker, the Association of Professional Engineers of Manitoba has proposed this bill that will replace the existing Engineering Profession Act with The Engineering and Geoscientific Professions Act.

After several years of co-operation and joint discussions between the Association of Professional Engineers and various other professional groups, new legislation is now being introduced. A number of other provinces have introduced, over the past few years, revised legislation respecting this profession.

The new act makes improvements in the area of public protection, compulsory professional development, greater quality assurance, and updated definitions. A notable development is the establishment of two joint boards between the Professional Engineering Association and the Manitoba Association of Architects, and the Certified Technicians and Technologists Association of Manitoba. The mechanisms provide a new forum to deal with inter-association issues in a proactive manner.

The existing engineering act applies only to professional engineers. The new act would also apply to geoscientists and will establish rules of practice, codes of ethics and disciplinary measures for geoscience activities. A recent survey confirmed that a majority of geoscientists in Manitoba are in favour of them having their profession registered under the proposed legislation.

The legislation will adopt a new definition of the practice of professional engineering endorsed by the Canadian Council of Engineers and based on the principles of engineering.

On the matter of the definition, there has been much discussion between the Association of Professional

Engineers and the Manitoba Association of Architects. The engineers have assured the architects that the new definition is the most appropriate, one both for the public of Manitoba and in the interest of architects. The president of the engineering association, in a letter dated May 12, 1997, indicated to the architects that the engineers do not see it leading to the potential unlimited inclusion of all aspects of buildings. On the contrary, the engineers association believes it to be more restrictive of the practice of professional engineering with respect to the practice of architecture than the one in the current act.

The bill will provide for the issuing of a certificate of authorization to allow for a group practice of engineers or geoscientists who form a partnership or corporation. The authorization will provide that a specified individual will be responsible for the work or actions of all persons in the firm. These groups will be required to carry professional liability insurance.

The discipline procedure would be strengthened under the act allowing the association to bring proceedings against former members, those who might resign membership to avoid such an action. A registration committee will be created to deal specifically with applications for certificates and licences.

In summary, the new legislation provides the following benefits: the legislation will consolidate the regulation of engineering and geoscience practices, placing jurisdictional issues under a single association. Rules of practice, codes of ethics and disciplinary measures will be created for geoscience activities. There will be more effective monitoring and accountability of practice of engineering or geoscience incorporations.

The act will allow the association respecting engineers and geoscientists to make professional development compulsory and monitor quality assurance. The new definition of engineering would more readily take into account technological advances. The legislation will reinforce common standards with national bodies and thereby increase mobility in Canada and North America. The concept of the engineering team of professional engineers and appliance science technologists will be recognized.

I commend Bill 54 to this Assembly for consideration.

Madam Speaker: Is the House ready for the question?

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I would move, seconded by the member for Thompson (Mr. Ashton), that debate be adjourned.

Motion agreed to.

Bill 55—The Certified Applied Science Technologists Act

Madam Speaker: Is there leave for the honourable Minister of Labour to give second reading to Bill 55? [agreed]

Hon. Harold Gilleshammer (Minister of Labour): Madam Speaker, by leave, I move, seconded by the honourable Attorney General (Mr. Toews), that Bill 55, The Certified Applied Science Technologists Act (Loi sur les technologues agréés des sciences appliquées), be now read a second time and be referred to a committee of this House.

* (1010)

Motion presented.

Mr. Gilleshammer: Madam Speaker, this legislation has been proposed by the Certified Technicians and Technologists Association of Manitoba. The proposed act is complementary to The proposed Engineering and Geoscientific Professions and Consequential Amendments Act, Bill 54, which provides for a joint board to resolve jurisdictional concerns between the technologists, technicians and professional engineers.

The act will enable the Certified Technicians and Technologists Association of Manitoba to regulate and govern the use of the words, Certified Engineering Technologist or Technician and Certified Applied and Science Technologists or Technician as an occupational designation. The act will recognize the right of the association to exclusive use of the titles of the occupation but will not give the association the power to license persons who do similar work.

Provisions will provide for a system of certification of members of the association and allow the association to set criteria respecting membership in the association. The act will provide for a process of dealing with complaints respecting a member's competence or where a member does not comply with the association's code of ethics. The proposed act will allow the association to make by-laws governing and regulating the admission, discipline and removal of members, developing, establishing, maintaining standards for the education programs leading to certification and rules of ethics or conduct. The bill expressly clarifies that the use of the title Certified Architectural Technologist by a person who is a member of the Architectural Building and Technologist Association of Manitoba Incorporated, is not subject to the act.

In summary, the bill will enable the association to set standards of competence for persons using the titles of the occupation of applied science technology. The act will also assist in resolving concerns between professional engineers and technologists and recognizes the concept of an engineering team in Manitoba.

I commend Bill 55 to this Assembly for consideration. Thank you, Madam Speaker.

Mr. Leonard Evans (Brandon East): I move, seconded by the member for Crescentwood (Mr. Sale), that debate be adjourned.

Motion agreed to.

Hon. James McCrae (Government House Leader): Would you be so kind next as to call Bill 46.

Bill 46—The Correctional Services Act

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I move, seconded by the Minister of Education and Training (Mrs. McIntosh), that Bill 46, The Correctional Services Act (Loi sur les services correctionnels), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Toews: The government of Manitoba has tabled a new Correctional Services Act to replace the current

corrections act and related regulations. The new act will provide direction and authority for the administration of community and custodial services for both adult and young offenders in the province of Manitoba. Wherever possible the new act provides for administrative detail to be included in regulations so these can be changed as necessary without having to amend the act.

The current act is over 30 years old and does not provide the legislative base that is needed to adequately deal with the current issues in Corrections. It was passed in 1966 and has remained largely unchanged to date with the exception of a few amendments. It predates and requires harmonization with the Canadian Charter of Rights and Freedoms, the Young Offenders Act, the Corrections and Conditional Release Act, as well as recent amendments to the Criminal Code respecting sentencing and changes to the Prisons and Reformatory Act regarding temporary absences.

I wish to point out that the name of the act is consistent with contemporary legislation in other jurisdictions such as Ontario and Saskatchewan. More importantly, it conveys my government's commitment to an integrated Correctional Services division. A Commissioner of Corrections will co-ordinate all services and programs that are related to the assessment, supervision, control and custody of offenders. Correctional officer is a generic term used in the act instead of probation officer, juvenile counsellor and adult correctional officer. This reinforces the idea that everyone responsible for administration of the act is engaged in a correctional endeavour and is working together towards a common purpose.

The Charter of Rights and Freedoms requires that any restrictions on a person's fundamental rights or freedoms must be prescribed by law. Consequently, the act makes specific provision for searching inmates, restricting their movements, withholding their personal property, controlling visits, as well as intercepting and monitoring their communication. These are all essential to the maintenance of order and safety within today's institutions.

The act is also enabling but not prescriptive with regard to technology which can be effectively utilized

by correctional officers. At the same time the act provides for the fair and impartial application of restrictions, procedural safeguards and the opportunity for inmate grievances and appeals. Because the Charter applies to young persons, the new act will apply equally to adults and young persons. Except where it specifically states otherwise, young persons must be held accountable for their behaviour, but they will now have the benefit of due process safeguards.

I am pleased to note the inclusion of a Purpose and Principle section of the new act. I hope these will facilitate public understanding of the act, as well as provide direction to every person directly or indirectly involved in the administration of the act.

I want to draw to your attention a few of the principles. The first principle establishes the protection of society and the accountability and responsibility of offenders as the primary factors in all decisions flowing from the act. The second principle establishes the importance of victims and the consideration of their interests in the correctional process. It is my belief that the long-term safety of the community will be enhanced by encouraging and supporting offender rehabilitation. Accordingly, the new act recognizes the importance of offender risk assessments and offender management plans. It mandates the establishment of work, education and training programs which, among other things, will assist offenders to acquire, maintain or develop skills that will help them become useful, productive and law-abiding citizens. The act also acknowledges the importance of public participation through the creation of citizens advisory committees and volunteer work.

The legislation affirms this government's commitment to public safety. It provides for new opportunities to keep dangerous offenders in custody to the very end of their sentence. Currently, the Prisons and Reformatory Act requires the release of an offender after two-thirds of his sentence if the offender has fulfilled all good behaviour expectations regardless of his risk level. While I generally support the principle of earned remission, it is not appropriate where there is reason to believe that an offender is likely to commit a serious offence or a sex offence involving a child. Accordingly, I have instructed my staff to address this concern. I believe that this provision will allow us to

deal with the limitations of the federal legislation and keep dangerous offenders in custody as long as possible. In my opinion, the procedural safeguards inherent in the legislation and the appointment of independent adjudicators will satisfactorily balance the rights of the individuals with those of the public.

In preparing this act, my staff reviewed relevant legislation from other jurisdictions and took into account recommendations from a number of federal and provincial reports affecting corrections. Some sections, such as those regarding the live-in infant program and contract arrangements, will provide legislative sanction for long-standing practice in Manitoba. However, the real intent of this legislation is to enable the Corrections division of my department to manage its work today, tomorrow and into the future. In conclusion, I believe The Correctional Services Act will provide clear direction, a strong sense of purpose and a solid legislative base for the administration of correctional services. Thank you.

Mr. Gord Mackintosh (St. Johns): I move, seconded by the member for Crescentwood (Mr. Sale), that debate be adjourned.

Motion agreed to.

* (1020)

Hon. James McCrae (Government House Leader): Madam Speaker, I think we should go next to Bills 53, 35 and 45.

Bill 53—The Apprenticeship and Trades Qualifications Act

Hon. Linda McIntosh (Minister of Education and Training): I move, seconded by the Minister of Labour (Mr. Gilleshammer), that Bill 53, The Apprenticeship and Trades Qualifications Act, Loi sur l'apprentissage et la qualification professionnelle, be now read a second time and be referred to a committee of this House.

Motion presented.

Mrs. McIntosh: Formally, Bill 53 before you is a repeal and replacement of The Apprenticeship and Trades Qualifications Act, but practically it represents

a series of changes to the present act designed to strengthen the apprenticeship system. The government has made a firm commitment to the revitalization of apprenticeship in the Speech from the Throne and in the budget speech. The government is well aware, from discussions with industry stakeholders of the apprenticeship system, employers and employees, of the great importance and potential of this training system to our economy and our citizens.

The steady growth of the Manitoba economy has highlighted skill shortages in many industries, trades and occupations. The apprenticeship system presently provides training and/or trade qualification in 51 designated skilled trades, qualifying approximately 500 tradespersons per year out of a group of 3,000 registered apprentices in two- to five-year training programs, apprenticed with approximately 1,500 Manitoba employers.

In 1997, I received the report of the Apprenticeship Task Force appointed by the government in late 1996 and chaired by Mr. Vern Davis. Madam Speaker, I wish to thank at this time the members of that task force for their very diligent work and the research and recommendations that they provided. Their mandate was to advise on the requirements for a modern, sustainable apprenticeship training and trades qualifications system. The task force consulted extensively through public meetings in Manitoba communities, stakeholder discussions and submissions and a widely distributed questionnaire. Its consultations affirmed the value of this training system to industries, to individuals and the Manitoba economy. The task force report made 18 very useful recommendations for improving the apprenticeship system. The task force recommended measures to strengthen apprenticeship legislation, and these are reflected in the bill before the House.

Apprenticeship training is deeply rooted in industry. Industries themselves set the standards for what an apprentice should learn to become a qualified tradesperson, and about 80 percent of the typical apprenticeship program consists of on-the-job training in which the employer makes a major commitment.

The apprenticeship system is a partnership among the major stakeholders in the system, industry and

government. Industry is represented in the board and trade advisory committees. Government's interests are represented through the apprenticeship branch, which supports the system and co-ordinates on-the-job and technical training and purchases technical training from the colleges and other providers.

The apprenticeship training and qualifications system is managed by industry and government through this legislation. The legislation therefore must reflect a positive role for the stakeholders, must set out a balanced structure of participation with the objective of a high-quality training system attractive to employers, potential apprentices, particularly our youth, and to tradespersons seeking upgrading in their areas. It is incumbent on government to have in place legislation through which a system like this can operate at its optimum capacity.

The changes from the current Apprenticeship Act reflected in the bill before you are intended to accomplish a number of key things. They are consistent with the task force's primary recommendation to give full recognition to this valuable system and its recommendations on governance to make the system more representative of and more responsive to its industry partners, more efficient and effective, more innovative and flexible. While some sections of the act are changed and some are new, and while it may look different as a result of more modern language, valuable elements of the current act have been retained. Our intent is to make a good system better.

With that introduction, Madam Speaker, may I highlight the key changes; those being that the size of the Apprenticeship and Trades Qualification Board will increase from nine to 13 members, including increased representatives of industry partners, employers and employees in equal numbers. The remainder of the board will consist of a chair and two persons to represent the public interest. The board will have the authority to establish trade and other regulations subject to the approval of the minister. This will be a major step forward in making the system more responsive to industry and in reducing part of the complexity of the regulatory process. It is consistent with government's approach to simplifying regulation, while assuring the regulations we have are relevant and positive.

Trade advisory committees, which connect to the board with particular industries and designated trades, will have a clear, province-wide mandate to advise the board on all matters pertaining to training and qualification in their trades. Their maximum size will increase to reflect the diversity of the trades. Their mandate will include advising the board of the form and content of training programs, accreditation standards and examination and qualification standards. The minister will have authority to set regulations pertaining to fees and appeal processes. The director of apprenticeship at the Apprenticeship Branch will continue as the administrative side of the system within the Training and Continuing Education division.

There is a provision for endorsements to train certificates to reflect upgrading consistent with future changes in trade standards. This provision also recommended by the task force is a commitment to keeping skills up to date with recognized standards of importance to individual careers and to industries and is consistent with the best practices of continuing education.

The provision of the present act for compulsory trades, that is, trades which require a person practising the trade to be either a qualified tradesperson or an apprentice, has been amended to provide for grandparenting for persons practising the trade at such time as it becomes compulsory and for exemption for industries providing their own training and part of a trade subject to more detail and regulation. These regulations will reflect the essential principles of compulsory trades, that is, that qualified personnel are required to perform the job in order to ensure public safety, workers safety, environmental protection or consumer protection. The onus will be on industry to request and justify defining any trade as compulsory.

In view of the increased authority of the board, a significant improvement in the bill is the creation of an appeal function independent of the board.

Madam Speaker, these are the essential features of the changes in the present bill. These are features which are supported broadly by the partners and stakeholders of the apprenticeship system. I commend this bill to all members of the House and look forward to their support of the bill in committee and to its

speedy passage. I look forward to this updated legislation being an even better foundation than the present act for a training and qualification system of value to all Manitobans. Thank you.

Ms. Becky Barrett (Wellington): I move, seconded by the member for Brandon East (Mr. L. Evans), that debate be adjourned.

Motion agreed to.

Bill 35—The Mental Health and Consequential Amendments Act

Hon. James McCrae (Government House Leader): Madam Speaker, on behalf of the Minister of Health (Mr. Praznik), and seconded by the honourable Minister of Labour (Mr. Gilleshammer), I move that Bill 35, The Mental Health and Consequential Amendments Act (Loi sur la santé mentale et modifications corrélatives), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. McCrae: Madam Speaker, this bill will repeal The Mental Health Act and replace it with a new statute, which is the combination of a promise made by this government at the beginning of the mental health reform process in 1988. At that time, the shift to community mental health services was just beginning, and it was felt that changes to the legislation should be deferred until more of the reform initiatives were underway. By June 1995 a significant percentage of mental health services was already being provided in the local communities rather than the large institutions or urban centres.

* (1030)

It was felt that the time was right to fulfill the promise to review and revise The Mental Health Act. A review committee was established consisting of 12 individuals representing a spectrum of government staff, mental health professionals and private citizens. Co-chaired by Dr. Hugh Andrew, the chief provincial psychiatrist, and Dr. John Biberdorf, the legislative and program analyst with the Mental Health branch, the review committee initially developed a discussion

paper that offered a number of suggested solutions and recommendations to what the committee members viewed were problems with the existing legislation.

In July 1996, this discussion paper was circulated to over 150 individuals, groups and organizations that expressed an interest in mental health issues. Professional associations, health care providers, family and consumer advocacy and self-help groups were all invited to comment on the committee's recommendations and to suggest amendments of their own. Feedback received regarding this discussion paper formed the basis for further review by the committee and ultimately their final report. The Mental Health Act review committee's final report was submitted to the minister in January of 1997.

It consisted of 12 substantive recommendations and 47 minor recommendations, all of which formed the basis for the initial drafting instructions for the current bill before the House. The most substantive changes being proposed to The Mental Health Act include a complete rewrite of the statute to provide for an easier flow and greater readability making and more user friendly. Mental competence will be presumed at age 16 rather than 18. The confidentiality provisions have been modified where appropriate to parallel the new Personal Health Information Act. The certificate of leave provisions are enhanced in an attempt to reduce the incidence of the revolving-door syndrome. Review board appeals are expanded for specific provisions where an individual's rights are curtailed under the act. Orders of supervision procedures are clarified and enhanced to provide for notice and review of any objection prior to such orders being issued.

The Public Trustee has also been given the ability to make treatment decisions for patients who are under orders of supervision in psychiatric facilities. The private committee provisions of the act have been rewritten. As well, a new right has been created to permit a private individual to act not only as the committee of another person's property, but also to act as the committee for personal care.

In summary, then, this bill represents the combination of literally hundreds of hours of deliberation and debate by members of the mental health community. While certainly it will not be without its critics, it does, I

believe, represent the appropriate balance between the rights of the individual citizen as espoused in the Canadian Charter of Rights and Freedoms and society's obligation to provide care and treatment for persons with mental disorders.

Madam Speaker, I commend this bill to the consideration and support of all honourable members.

Mr. Leonard Evans (Brandon East): Madam Speaker, I move, seconded by the member for Wellington (Ms. Barrett), that debate be adjourned.

Motion agreed to.

Bill 45—The Manitoba Public Insurance Corporation Amendment Act

Hon. James McCrae (Minister charged with the administration of The Manitoba Public Insurance Corporation Act): Madam Speaker, I move, seconded by the honourable Minister of Labour (Mr. Gilleshammer), that Bill 45, The Manitoba Public Insurance Corporation Amendment Act (Loi modifiant la Loi sur la Société d'assurance public du Manitoba), be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. McCrae: Madam Speaker, when this government introduced what is now called the Personal Injury Protection Plan or PIPP as a part of basic Autopac coverage in 1994, our intent was twofold: first, to ensure all Manitobans were protected by comprehensive injury benefits if they were injured in a vehicle collision; and second, to ensure the vehicle insurance rates paid by Manitoba vehicle owners were protected from the rapidly escalating costs of the tort-based compensation system in place at the time.

Under PIPP, severely injured Manitobans receive the benefits they need to recover and support themselves, regardless of fault. Benefits are provided quickly to all and are not delayed by lengthy legal disputes. Unlimited medical and rehabilitation coverage as well as enhanced death, personal care, and impairment benefits are available for any Manitoba victim who needs them.

Finally, injury claims costs, which had risen 160 percent between 1986 and 1992, were stabilized. Today every Autopac policyholder pays on average \$200 less each year in premiums than they would have if the tort-based system had continued.

In March of this year, the success of PIPP in meeting its mandate was confirmed by the report of the PIPP Review Commission under Mr. Sam Uskiw. I know honourable members are aware of Mr. Uskiw.

The commission's final report said, and I quote, the PIPP program has "met its mandate by providing insurance coverage for all Manitobans, stabilizing rates and guaranteeing compensation for all injured people." We are pleased with this finding, Madam Speaker, but, nevertheless, as I said in March when the report of the PIPP Review Commission was made public, we also recognize that improvements can be made.

I rise today to introduce amendments to MPI's legislation that will further strengthen its program, ensuring Manitobans continue to have the best possible vehicle insurance at the lowest possible cost.

One of the concerns expressed by the review commission dealt with the level of income compensation available to seniors under PIPP. Included in these amendment are provisions for a lifetime retirement income benefit for disabled victims who reach the age of 65. Claimants who are totally disabled on or after age 65 and who are entitled to income replacement indemnity as a result of their disability will collect full income replacement benefits for five years and then receive the lifetime retirement income. These amendments will ensure the protection from economic loss that PIPP provides to Manitoba seniors is as comprehensive as for all other Manitobans.

Another concern of the commission was that under the existing legislation students are not entitled to a lump sum indemnity if they miss less than a full school year. The new amendments will pay student victims a part of their lump sum indemnity for each incomplete school term or semester. Other amendments in the legislation ensure that MPI responds to victims' requests for a review of their benefits within 30 days and provide for payment of interest on any indemnity or

expense not paid within 30 days of the determination of a victim's entitlement.

These amendments I have referred to and the others contained in the legislation, for example, an increase in the amount of the benefit for funeral expenses, guarantee the government and MPI will continue to offer Manitobans an automobile insurance plan that ensures that they and their loved ones are well protected in case they some day fall victim to a traffic injury, protection that is second to none in North America, and I commend this bill to the thoughtful consideration and support of all honourable members.

Mr. L. Evans: Madam Speaker, I move, seconded by the member for Wolseley (Ms. Friesen), that debate be adjourned.

Motion agreed to.

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

Motion agreed to.

* (1100)

COMMITTEE OF SUPPLY (Concurrent Sections)

JUSTICE

Mr. Chairperson (Gerry McAlpine): Order, please. Will the Committee of Supply please come to order. This morning this section of the Committee of Supply sitting in Room 254 will resume consideration of the Estimates of the Department of Justice. When the committee last sat, the honourable Minister of Justice was in the process of giving his opening remarks, and I would remind the honourable minister that there are six minutes remaining in the opening statement.

Hon. Vic Toews (Minister of Justice and Attorney General): I wanted to add to my comments of last date some comments on The Correctional Services Act. I know I just read part of this speech in the House, but I

do think it is very important to note a few of these principles.

The Correctional Services Act is a new act, first major revision of the act in over 30 years, and it specifically identifies at least two principles. One of these principles establishes the protection of society and the accountability and responsibility of offenders as the primary factors in all decisions flowing from the act. The other principle establishes the importance of victims and the consideration of their interests in this same correctional process and decisions flowing from the act. It is certainly my belief that the long-term safety of the community will be enhanced by encouraging and supporting offender rehabilitation, and so the act recognizes the importance of offender risk assessments and offender management plans. It mandates the establishment of work, education and training programs which, among other things, will assist offenders to acquire, maintain or develop skills that will help them become useful, productive and law-abiding citizens.

The act also acknowledges the importance of public participation through the creation of citizen advisory committees and voluntary work. But, as indicated, the primary thrust of the act is public safety. This legislation affirms our government's commitment to public safety. It provides a new opportunity to keep dangerous offenders in custody to the very end of their sentence. Currently, the federal legislation requires the release of an offender after two-thirds of his sentence if the offender has fulfilled all good behaviour expectations, regardless of his risk level.

While I generally support a recognition of this principle, it is our government's belief that it is not appropriate where there is reason to believe that an offender is likely to commit a serious offence or a sex offence involving a child. So the provision in this act will allow us to deal with the limitations of the federal legislation and keep dangerous offenders in custody as long as possible. So, in this particular act, my staff have reviewed the relevant legislation from other jurisdictions, taken into account recommendations from a number of federal and provincial reports affecting Corrections, and this act, we believe, will enable the Corrections division of the department to manage its work today, tomorrow and into the future.

So, then, Mr. Chair, with those very brief concluding remarks, I want to thank my staff for all the hard work that they have been doing over the last year, and I am prepared to listen to any questions or comments that members may have at this committee.

Mr. Chairperson: I thank the honourable minister for those comments. Does the critic for the official opposition, the honourable member for St. Johns (Mr. Mackintosh), have an opening statement?

Mr. Gord Mackintosh (St. Johns): Mr. Chair, I thank the minister for his overview of some of the initiatives the department is looking at and has been engaged in over the last number of months, and we will be looking at many of those initiatives as we go through the Estimates.

I want to raise today what of course is on the minds of all members and many members of the public, and that is a series of issues that surround the appointment of judges in Manitoba. We have I think four issues that have come before Manitobans in the last couple of weeks as a result of actions taken by this Minister of Justice.

The first issue is that it appears from the information brought to our attention, particularly by Ms. Colleen Suche and Mr. Guy Joubert of the nominating committee, that the minister was engaged in a rigging of the appointment process for two vacancies on the Provincial Court. The minister took a list that was presented to him by the Chief Judge, we understand, last Monday or presented to him perhaps the following week but about which they met last Monday, and as a result of discussions between the minister and the Chief Judge, the list went back to the nominating committee. That much is absolutely certain. There is no question about that in anyone's mind, and the minister would agree to that. But, Mr. Chair, that list could not go back under the intent or the wording of The Provincial Court Act.

Point of Order

Mr. Toews: Well, I do not want the member to be saying things that I agree with or do not agree with. I will state them in my own words. The member is attempting to put words in my mouth, and I just want

the record to be very clear that the member is attempting to frame an argument using words that he thinks I may have used or did use.

Mr. Chairperson: The honourable minister does not have a point of order. It is a dispute over the facts.

* * *

Mr. Chairperson: The honourable member for St. Johns, to continue with your statement.

Mr. Mackintosh: So once the list had gone back to the nominating committee, there is no doubt that the intent and the wording of the statute, The Provincial Court Act, was not followed.

Now the issue of the rigging is also accompanied by allegations that the minister, as well, held over the Chief Judge a threat that he would remove from the nominating committees in the future the Chief Judge and the judge appointee. This apparently coincided in time. We understand that this issue was raised either at the Monday meeting or shortly before or after that. We understand from allegations that the minister knew that one particular candidate, the only bilingual candidate who was interviewed, was available for appointment, and the allegations are that the minister was attempting to ensure that that particular candidate received an appointment. That is the first issue.

The second issue is that by doing the rigging of the appointment process, the minister broke The Provincial Court Act, Section 3.1, as I recall it is. Now that section was brought in, in 1990, unanimously by the Legislature of Manitoba, and it was an attempt to modernize the appointment process for provincial judges. It was a great step forward over what had been the practice earlier in Manitoba. It is interesting to hear the minister on radio saying how terrible the NDP was with their appointment process, but I ask the minister: what is worse? To act legally as the NDP did or act illegally as this government did in the appointment process.

So we support the new process. In fact, we do not think the new process is as good as it could be. I know the minister has made remarks on that one. You may have heard me making remarks on open-line radio in

the last couple of weeks on that, as well, but the minister took a one-way street and turned it into a two-way street in pursuit of a particular candidate and, therefore, the act is offended.

This is not criminal in nature. The Provincial Court Act and this particular provision is not a criminal statute, but it is a constitutional statute. It is constitutional in nature. It sets out how one of the fundamental tenets of a democracy, that is, the judiciary, the judicial branch, is to be formed and comprised. It sets out the procedures and limitations on government as to how the judicial branch is to be constituted. There must be a remedy for that. The government has broken a constitutional provision and it must now take action to distance itself, to say that it was wrong, that it will not happen again, so the public will have confidence in the system of appointing judges and in the rule of law.

* (1110)

The third issue that arose during this whole matter has been the credibility of the minister. Last Thursday, when this issue arose in the Legislature as a result of the allegations of Guy Joubert in particular, the minister got up and said that the statements by Mr. Joubert were wrong essentially and that in fact it was the Chief Judge who raised the issue of bilingual judges in the context of a meeting scheduled to deal with the nominating committee's report. He said that over and over again in the House, and then he said, and I am quoting: "I do want to say that I have accurately conveyed the substance of the discussions between the chief judge and I on this issue." So he confirmed for the Legislature, not only by saying it repeatedly, but by saying he was accurate misled the House, and as our motion before the House says, deliberately misleading. That will be the subject of the matter of privilege under advisement.

But he cannot say what took place repeatedly and then say that indeed it was accurate and then come back at the next sitting and change his version. Because on Monday the minister came in and said, well, I raised the issue. It is interesting that the ministerial statement issued by this minister yesterday made reference only to the statements he made on Monday, on May 11, and

purports to say that the Chief Judge shares the minister's recollection as set out on May 11. What this ministerial statement says is that the minister then misled the Legislature on Thursday. That is the least that is in this ministerial statement.

When there are these serious issues of credibility facing a Minister of Justice, it is not like another minister of government. Manitobans must have confidence in the justice system, and there is no more important player than the Justice minister. Justice begins with honesty in the minister's office.

The fourth issue stems from what occurred yesterday in the Legislature when the minister presented a ministerial statement purporting to speak on behalf of the Chief Judge of Manitoba. The background of this statement is that the minister, facing a crisis of confidence, facing serious questions about not just the minister but the government and its integrity, retained the services of counsel to contact the Chief Judge.

And what was the intent, Mr. Chair? The intent was to make sure that the Chief Judge did not go ahead with her plans to issue a statement on her own on Monday. His intent was to skew the truth, if not subvert it. His intent was to negotiate what he would call the truth. Interestingly, in the House yesterday, he said that if I directly contacted the Chief Judge, of course I would be accused of interfering, so that is why I retained counsel. I find that an incredible statement from someone who has been counsel. It does not matter if the minister acted directly or indirectly through an agent. He interfered. He has now put in doubt the words of the Chief Judge, because the Chief Judge's advice to Mr. Joubert and Ms. Suche on the day following or even the day of the meeting with the minister last Monday was certainly different from what is set out in the ministerial statement now. Serious questions now over both the Chief Judge and the minister—the matter has to be reconciled. It has to be reconciled so that there can be some restoration of confidence in the administration of justice.

I therefore move that this committee recommends that the Justice minister now resign.

Motion presented.

Mr. Chairperson: I find the motion to be in order. Debate may proceed.

Hon. Jack Reimer (Minister of Housing): These are interesting times that we come about as we sit around these tables in discussions of Estimates, how Estimates have moved to other areas of topics and other areas of concern in the sense of trying to bring forth certain types of agendas or certain types of directions as to what we or other members feel is appropriate for discussion at times.

I have from time to time had the opportunity to work very closely with some sectors of the justice community because of my involvement with Housing in the sense that we have always felt that some of our housing projects do need the ability to have a police presence. So we have worked very, very closely in trying to have some sort of a presence on our properties of constables.

In fact, it was earlier this morning that I had the opportunity, I was invited out coincidentally to one of my housing properties, one of my housing complexes where we have police constables in an actual physical location in our housing complex. We had some very interesting discussions there on their abilities to make decisions and their abilities to be part of the community, their abilities to take part in the formation of community groups and areas that they feel that they would like to have an influence in. There was a refreshingly interesting conversation with these constables who are the so-called front line people in the field and their exposure to the community. They all mention that it is these types of activities and these types of situations where constables become hands on with the community that they can have the ability to make changes and to make decisions that are of benefit to the community. I applaud them.

I believe that the direction that they are taking, and a lot of times with the direction that the Chief of Police here in Winnipeg has indicated that they are willing to pursue in a sense of having more community police, to have police on the street, to have police physically walking the beat, to have police now on bicycles throughout the neighbourhoods, these are all areas that we feel that the Justice system has to have and the police have to have a visibility in the community to make the community safer.

We have experienced some significant changes in our housing complexes and in our housing portfolio because of this direction that we have taken in co-operation with the localized police forces. An area that has changed tremendously in the last little while in regard to this have been an area, like the member for Inkster (Mr. Lamoureux) is fully aware of, is Gilbert Park and how we have worked very, very closely with that community in bringing a sense of pride back in there.

Part of it is the fact that the police presence is there, the police have been able to bring a sense of community into that area. There is a recognition. It was quite noticeable in going through that community a little while ago that almost everybody knew the constable in that area. They knew him by his first name, and they were all willing to come out and say hello to him and greet him. It is this type thing that I think in the justice system that we are seeing some very positive initiatives.

We have instituted a lot of other programs under our Urban Safety program. We have the Downtown Watch patrol that we have funded through the Urban Safety initiative under the Winnipeg Development Agreement, and programs like that have proven to be very, very successful. These are the individuals that I am sure maybe the members have seen in and around downtown Winnipeg in their red coats. These individuals have helped also in the sense of bringing a stability to the area. These people are trained. They are tied in physically in a sense with the police department because I believe they share some of their offices. They are tied in in another way too because they have communications devices with them that tie right in with the police force so that there is a contact made that way.

These are initiatives that I think that we as a government and through initiatives in co-operation with the Minister of Justice we have seen some very positive results. The Urban Sports Camps that we initiated in co-operation with the Justice department is another area where we feel that there is some positive growth. The involvement of young people in sporting activities to be part of a community is something that is showing some very significant results in Turtle Island which is part of the housing complex, again, of Lord Selkirk Park. We are running a sports camp out of there.

We are looking at expanding those sports camps into other areas of the city where there is a need, and they have proven to be very successful. Other areas that have benefited under the Urban Safety Program have been counter check, an area of identifying, through merchants, ways to recognize crime, ways to recognize areas where there is potential for crime and putting on seminars and working with the City of Winnipeg police; these are initiatives that have also helped through the Winnipeg Development Agreement.

* (1120)

There are many other areas that we could talk on about the ability to work co-operatively with the Justice department in their efforts and I think it is along these lines that we have to concentrate. We should be concentrating on the positives of what is coming through with the initiatives by the Justice department and the Justice minister. We will work upon these positives, work upon the ideas that we can utilize. You know, we are standing up for family violence and stalking with some new legislation and through some of the other initiatives we have worked very, very closely through my Housing department and through Justice in trying to come to some sort of resolve on areas.

These are things that I think we can always develop even more because it is in developing these types of relationships with community, it is in these areas of looking for the positives within the community and looking at the assets of the community that we can build upon, because there is nothing better than having a sense of community taking responsibility for change that they want to initiate and having them work this way. If there is a way that the government can work as a possible catalyst or a leg up, if you want to call it, and maybe some sort of legislative changes or funding capabilities, these are the things that will make differences in our community, and these are the things that this government has put as a priority, not only working with the community but looking at solutions that are community based in a sense of accomplishment.

So, when we look at some of the directions the opposition is trying to take in pursuing a lot of the efforts that have been brought forth by this government,

we have got to question some of the motives--of the directions that are taken. I can only dwell upon a lot of the positives that we have initiated and the fact that there is a growing acceptance of the difference in the way we are trying to take the government. I think it is this type of attitude that can help not only the people of Manitoba but the people of Winnipeg in recognizing that there is a change out there, and we have to be part of it. A lot of these things are areas that will cause possibly some minor consternation, but I think in the long run the objective is to have is a safe and liveable community that we all want to live and work and raise a family in, and these are some of the initiatives that I think that Justice has recognized and is moving towards in the various areas, whether it is through protection or through highway traffic, through other areas.

The motion that is brought forth in regard to asking the minister to resign I guess is something that the member for St. Johns (Mr. Mackintosh) has thought long and hard at, in trying to some sort of resolve on it, I guess, instead of trying to work through the problems and work through some of the differences that possibly he perceives as differences of opinion between what has transpired and what is perceived to have transpired is sometimes hard for individuals to recognize. Sometimes frustration comes forth in saying, well, the best thing to do is resign and everything will be better.

A lot of times it is better to try to look at the rationale behind and look at the reason and the reasoning behind some of these decisions and some of these directions and look at what is the end result. So I think that a motion of this sort deserves further consideration and debate in the sense that I know that some of my colleagues are wanting to also talk on this subject, but it is something that I think that we should dismiss as a knee-jerk reaction in a sense of always throwing up the disagreement as being something that someone should resign over. So I would say that it is something that the member is right. It is a serious situation in a sense that deserves the considerations and the debate of some of the members here, and I look forward to some of my other colleagues that are wanting to put some words on the record. With those short words, I will pass it back to you, Mr. Chairperson.

Mr. Toews: I appreciate some of the comments that the Minister of Urban Affairs has. I do want to talk in

some detail about the issues that have been raised here this morning. The issue of the independence—

Point of Order

Mr. Steve Ashton (Opposition House Leader): Yes, Mr. Chairperson, we have a motion on the floor. It does involve questions back and forth. The normal process is to rotate. I have no problem if the minister wishes to speak at this point in time, but I would ask that we follow the normal practice which is to rotate between the different caucuses, give the opposition the opportunity to speak and then the government.

As I said, I have no problem deferring to the minister. I look forward to his explanation of the events here, but I just would ask that we follow that as a general rule. Since the minister has been recognized, I just request that I be able to speak after.

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

Mr. Toews: On the same point of order, I have no problem with the member speaking after I do, but from my experiences in participating in these committees, usually what happens is we have been rotating back and forth, and there will be, let us say, somebody from the government side, then the minister will respond, someone from the opposition side, and then the minister will respond. So my understanding was that—but I do not want to—perhaps there are others who could contribute on this point of order.

Mr. Chairperson: The honourable member for Gimli, on the same point of order.

Mr. Edward Helwer (Gimli): On the same point of order, Mr. Chairman, I believe the minister has the right to express his opinion, the same as everyone else has. Even though he is in the chair, he should be able to speak at his own.

Mr. Chairperson: The honourable member for Inkster, on the same point of order.

Mr. Kevin Lamoureux (Inkster): On the same point of order, Mr. Chairperson, in hopes that I might be able to alleviate some concerns that you might have as the

Chairperson, from what I have seen over the past, when a motion of this nature is brought forward, quite often if there is a—you know, if it is a filibuster of sorts from the government's perspective, what quite often will happen is the Chair will—because there is very little will to provide input, more of an interest to see the vote occur, what will happen is you will see member of the government after member of the government speak.

When you have opposition members who want to be able to contribute to the debate, then you will see it is more of a rotation basis. So what I see is that I know that the member for Thompson (Mr. Ashton) was wanting to speak; I know I was wanting to speak. Obviously, the rules state that it is whoever the Chair recognizes, and under a normal situation you would have a question followed by an answer.

I do not think this is a normal situation. I think it is a very serious motion which should be debated, and I detect that both opposition and government want to be able to debate it. So I think, in fairness to all sides of the House, that there is some sort of a balanced approach at recognition.

Mr. Chairperson: The honourable member for Emerson, on the same point of order.

* (1130)

Mr. Jack Penner (Emerson): On the same point of order, Mr. Chairman, I concur with what the honourable member has just said, and that is that I think we need to recognize that we are in a committee of Estimates. During Estimates debates, historically, during the tenure that I have been in this building and chaired many of them, I think it has always been recognized that the minister has had a right to respond during Estimates.

I think we should give that right to a minister to respond to any of the points made during the debate in Estimates, regardless of whether there has been a motion put before the committee or not. I would suspect, if we truly wanted to analyze the motion, that we need a significant amount of reference from the minister to actually point out the inefficiency of the points made in the motion.

I think, therefore, it is absolutely imperative that we allow the minister to make comment on the various aspects of the motion, and therefore I would suggest to you, Mr. Chairman, that you rule in favour of allowing the minister to make a statement at leisure, when he, in fact, indicates that there needs to be either a correction or a comment made on various points.

Mr. Chairperson: The honourable member for The Maples, on the same point of order.

Mr. Gary Kowalski (The Maples): Yes, on this point of order, when the Chair rules on it, if the Chair is challenged, what happens? If your ruling is challenged, what happens?

Mr. Chairperson: Order, please. I think that this is something that the Chair will take a decision on and make a move on this with regard to this matter. The Chair is going to be governed by the will of the committee.

The honourable member for Thompson, on the point of order.

Mr. Ashton: Mr. Chairperson, quite frankly, I wish I had not been as flexible in terms of deferring to the minister because the statements that were put on the record later in the point of order are absolutely false. The minister and others are confusing discussion on Estimates with no motion on the floor in which case the normal process is questions and the minister responds, and debate on a motion.

We have a motion on the floor. The motion calls for the resignation of the minister. The appropriate thing is to have debate on the motion, and the tradition of the committee has always been to rotate back and forth, and if members who were in the committee before will recall—[interjection] Well, I look to the member for Emerson (Mr. Penner). We have a motion on the floor. We have had a number of motions in the Health section of the Estimates, and that was exactly what happened there. The government House leader (Mr. McCrae), in fact, came into the committee and very much suggested that be the case.

We, most definitely, do not and will never accept a new situation whereby you allow members to speak and

then the minister to respond each and every time that a member speaks. I mean, that is the case when you have questions on Estimates. It is not the case on motions.

All I am asking for is the same principle, by the way, that was applied when the Conservative Party was in opposition. I have had the luxury of being on both sides, and believe you me, if anyone had ever suggested that there be this kind of structure of the speaking list when the Conservatives were in opposition, the roof would have come off the building, believe you me, and I think in some cases, on much more minor disputes, the roof came off the committee.

We have had decades of tradition. We do it in the House, by the way. We do it in the House, if anyone doubts that this is the normal process. When we have a bill, the Speaker goes out of her way or his way—depending on who the Speaker is—to ensure input from both sides and particularly to ensure the input of members of the opposition. That is our role in this Legislature, and I say our role. It was the role of the Conservative Party in the 1980s, may be the role again very soon, and what is good for the goose is good for the gander.

Mr. Chairperson, it should not be something that is decided by the will of the committee, in this case, where you have a majority of the committee, by definition—even if you do not have any government members speaking, by the way, you have other traditions, such as the fact that the Chair assumes that the government has the majority vote in committee. So you end up with a situation—what you are essentially saying, if we put this to the committee, is that the government then is going to decide who gets to speak, what the order is, and not only that, can then unilaterally change something that has been tradition in this House, certainly the time I have been in here.

As I said, why can we not just follow what we did in the Department of Health, which is we ensured a rotation? I do not understand, by the way, the minister had been recognized, and I deferred, Mr. Chairperson, not because the minister should have been recognized at that point—I think it was in error—but I was trying to be somewhat flexible. I could be recognized at a later point in time. But, if there is any decision here that changes the way we have operated for a long time in

this House, and that we now have a rotation where the minister can jump in after every speaker and speak and be recognized ahead of other members, especially opposition members, that is absolutely unacceptable to the opposition.

I ask members, just as I finish off on the point of order, to put themselves in our shoes because in a democratic situation you will be in our shoes. It is just a question of when and you all know that. Believe you me, do you want this kind of thing to be set as a precedent? I think not. I think we have operated with some flexibility up until now, and I suggest we continue that way; we rotate back and forth between the government and the opposition. As I said, notwithstanding that, I am willing to let the minister continue, but not if that is taken in any way, shape or form as agreeing to changing our procedures of this House for decades.

Mr. Chairperson: I have heard lots of comments that have been made by all honourable members. I think, rather than proceed with this, what I am going to ask the honourable minister to finish his response, and my understanding is that we will then deal with this issue. I would ask the honourable minister to finish his response, and then we will deal with this as a committee and a decision will be made.

* * *

Mr. Toews: Mr. Chair, the issue raised in the context of the motion made is a very interesting one, raising the independence of the judiciary. I think it would assist this committee in reviewing perhaps some of the principles established by the Supreme Court of Canada in a recent case of the Supreme Court of Canada, and I think it is important to go through this in some detail to ensure that all members are familiar with the principles that guided the Supreme Court of Canada.

I know a member of the public once approached me in respect of this case, and he referred to this case, I think in a facetious way, as the judges paying off the judges' case, and that is certainly something I would never seriously call this decision. But this relates essentially to the payment of judges and how judges are to be paid, and the issue that was raised was, in fact, judicial independence. Because the motion and the

comments leading up to the motion made by the member for St. Johns (Mr. Mackintosh), in fact, deal very, very deeply with the concept of the independence of the judiciary, I think it would serve this committee well if we looked at the case itself.

From a background of the case, this case was, in fact, four appeals, and they raised a range of issues relating to the independence of provincial courts. The Supreme Court of Canada, however, united them in a single issue, and that issue was whether and how the guarantee of judicial independence in Section 11.(d) of the Canadian Charter of Rights and Freedoms restricts the manner by and extent to which provincial governments and legislatures can reduce the salaries of Provincial Court judges.

* (1140)

In these appeals, it was the content of the collective or institutional dimension of financial security for judges of the provincial courts which were at issue. The provinces involved in this, firstly, in Prince Edward Island, the province as a part of its budget deficit reduction plan enacted the Public Sector Pay Reduction Act and reduced the salaries of provincial court judges and others paid from the public purse in the province. Following the pay reduction, numerous accused challenged the constitutionality of their proceedings in the provincial court alleging that as a result of the salary reductions, the court had lost its status as an independent and impartial tribunal under Section 11.(d) of the Charter. So one can see how that point is directly relevant to the motion here today and the comments coming up that were the basis of the motion being made.

In that P.E.I. appeal, the Lieutenant Governor in Council referred to the appeal division of the P.E.I. two constitutional questions to determine whether the provincial court judges still enjoyed a sufficient degree of financial security for the purposes of 11.(d) of the Canadian Charter of Rights and Freedom. The appeal division found the provincial courts to be independent, concluding that the Legislature has the power to reduce their salary as a part of an overall public economic measure designed to meet a legitimate government objective. However, despite this decision, accused persons continued to raise challenges and questions

regarding the independence of the judiciary, and their arguments were based on 11.(d) of the Charter and, in fact, impugned the constitutionality of the provincial court.

The Lieutenant Governor in Council referred a series of questions to the appeal division concerning all three elements of the judicial independence of the provincial court. Financial security was the first, the second was security of tenure, and the third involved administrative independence. The appeal division answered most of the questions to the effect that the provincial court was independent and impartial but held that provincial court judges lacked a sufficient degree of security of tenure to meet the standards set by 11.(d) of the Charter, because Section 10 of The Provincial Court Act—now that was Section 10 of the P.E.I. Court Act, as it read at the time—made it possible for the executive to remove a judge without probable cause and without a prior inquiry. So that set the scene for one of the appeals that came to the Supreme Court of Canada.

In Alberta, another jurisdiction where this arose, three accused in separate and unrelated criminal proceedings in provincial court challenged the constitutionality of their trials. As I understand it, they each brought before the Court of Queen's Bench a motion arguing that as a result of the salary reduction of the provincial court judges pursuant to the payment to provincial judges amendment regulation—and maybe that is where my constituent got this vague notion about judges paying judges' case; maybe it was from the name of the statute, payment to provincial judges amendment regulation, and so that comment of his could be excusable in that content. But in Section 17(1) of The Provincial Court Judges Act, now, again, the similar legislation which the member raised in his comments prior to raising the motion. So, again, these are all statutes directly relied upon by the member in terms of bringing this motion.

So we need to look in some detail at these particular statutes. Again, the allegation there was the provincial court was not an independent or impartial tribunal for the purposes of Section 11.(d). The accused, interestingly in this case, also challenged the constitutionality of the attorney general's power to designate the court's sitting days and the judge's place of residence. So, again, a question put here the extent

to which the executive, through legislation passed by the Legislature, could designate the courts' sitting days and judges' places of residence. The accused in that case requested various remedies including prohibition and declaratory orders. The superior court judge found that the salary reduction of the provincial court judges was unconstitutional, that is unconstitutional, because it was not a part of an overall economic measure. That was an exception that he defined very narrowly. He did not find Section 17 of The Provincial Court Act, however, to be unconstitutional.

On his own initiative, the superior court judge considered the constitutionality of the process for disciplining provincial court judges and the grounds for their removal and concluded that Section 11(1)(b), 11(1)(c) and 11(2) of The Provincial Court Judges Act violated 11.(d) because they failed to adequately protect security of tenure. The superior court judge also found that Section 13(1)(a) and 13(1)(b) of that act, which permit the attorney general to designate the judge's place of residence and the court's sitting days, that they violated Section 11.(d) of the Charter.

I do not want to prolong this unnecessarily, but I think the points are important. In the end, the superior court judge declared the provincial legislation and regulations which were the source of the 11.(d) violations to be of no force and effect, and with that he then said now the provincial court is independent. So by cutting off the controls that the legislation had placed, or the powers that the legislation had given, in order to designate sitting days and judges' places of residence, he said now the provincial court and, consequently, the judges are independent. As a result, although the Crown lost on the constitutional issue, it was successful in its efforts to commence or continue the trials of the accused.

* (1150)

The Court of Appeal dismissed the Crown's appeals, holding that it did not have any jurisdiction under Section 784.(1) of the Criminal Code to hear them at the appeal. Now this gets into a bit of a technical point, but I think it is important to understand how that case could then get to the Supreme Court of Canada, because the Court of Appeal says we cannot hear the Crown's appeal on the legislative issue, the

independence issue, because the Crown was successful at the trial; that is, the people who were accused. So how then could you proceed on the matter and argue that the legislation should be upheld? Clearly, what the Court of Appeal was saying, this fairly traditional way of approaching the matter is because you are successful, you do not have a ground to appeal. It is always the result that is appealed, not the reasons. So I understand why the Court of Appeal did what it did, but it left the government who had the legislation to enforce in a very difficult position. Its legislation had been struck down. The accused had been convicted, but there was no remedy in order to determine whether or not that legislation, in fact, would be seen as unconstitutional by a superior court.

They also indicated at the same time because declaratory relief—that is, a declaration of the court—is nonprohibitory—that is, it does not prohibit anyone from doing anything—it was therefore beyond the ambit of the section of the Criminal Code that the Crown sought to rely on, that is Section 784.

Now, coming more directly to home, we have had the appellate levels in P.E.I., in Alberta, and now Manitoba. In Manitoba, the same issue, again directly relevant to the grounds raised by the member for this motion, deals with an act which was passed in the Legislature, I guess, more popularly known as Bill 22. The more formal name is The Public Sector Reduced Work Week and Compensation Management Act. This was a part of a plan to reduce the province's deficit, again a struggle, I think, that this government has been very proud of, in its belief that all public sector people, including the independent judiciary, should share in the burden on the people of Manitoba. No one should be excluded. Everyone shares the burden. Everyone obtained the benefits while the NDP ran up the deficit, and now, unfortunately, everybody has to bear the burden.

So this bill then led to the reduction of the salary of the Provincial Court judges and of a large number of public sector employees. The Provincial Court judges, through their union—or I guess association is probably the more appropriate term—launched a constitutional challenge to the salary cut alleging that it infringed their judicial independence. So, again, we have the same issue raised in Manitoba regarding what is judicial

independence, as protected by Section 11.(d) of the Charter.

They also argued that the salary reduction was unconstitutional because it effectively suspended the operation of a committee, which, I would say, was unique in Canada to a large extent. It was the Judicial Compensation Committee, which was a body created by The Provincial Court Act, whose task it is to issue reports on judges' salaries to the provincial Legislature.

Furthermore, the allegation of the association at that time was much as the allegation made here, that government had interfered with judicial independence by a number of things, by ordering the withdrawal of court staff and personnel on unpaid days of leave, which, in effect, shut down the Provincial Court on those days. Again, here an accusation was made that the government in this process had exerted improper pressure on the association in the course of salary discussions to desist from launching this constitutional challenge. So again there were allegations very, very similar as those being made in the motion.

That is why I think it is so very important that we go through this case in some detail to understand how the approach occurred. [interjection]

Well, the member wants to adjourn debate. I do not think we should adjourn debate because I find this topic extremely interesting and important.

An Honourable Member: I think the motion is more interesting.

Mr. Toews: Well, the motion is important, but the grounds raised—

An Honourable Member: Speak to the motion.

Mr. Toews: Oh, I am. I am speaking to the grounds raised that form the basis of the motion, because here they are claiming that the government had exerted improper pressure on the association in the course of salary discussions to desist from launching this constitutional challenge. So they say that this then allegedly infringed their judicial independence. Now the trial judge, and I believe, I could be mistaken, but I believe it was Mr. Justice John Scollin held that the

salary reduction was unconstitutional because it was not part of an overall economic measure which affects all citizens. The reduction was part of a plan, he said, to reduce the provincial deficit solely through a reduction in government expenditures. He found, however, that temporary reduction in judicial salaries are permitted under Section 11.(d) of the Charter of Rights in cases of economic emergency. Since this was such a case, he read down Bill 22 so that it only provided for a temporary suspension in compensation with retroactive payment due after the bill expired. So the Court of Appeal rejected all of the constitutional challenges.

Unfortunately, I do not have a copy of the decision here to compare the decision of the trial judge with the decision of the Court of Appeal judge, but I think that as we go through this debate, and I welcome this debate, we will see, I think, how the Supreme Court of Canada then referred to the Manitoba Court of Appeal decision as well as other decisions in arriving at its conclusion of what constituted independence of the judiciary as required by Section 11.(d) and indeed then whether the allegation here in this case was in fact improper pressure on the association in the course of salary discussions to desist from launching a constitutional challenge. So very, very briefly, that outlines the issue of constitutionality.

I think I would like to, at this time, begin by talking about the actual Supreme Court of Canada decision, because that gets directly to the points raised in this motion. [interjection] Well, members opposite may not appreciate this.

Mr. Chairperson: Order, please. I am interrupting proceedings of the Committee of Supply. We will resume sitting following the conclusion of Routine Proceedings.

* (1040)

INDUSTRY, TRADE AND TOURISM

Mr. Chairperson (Ben Sveinson): Order, please. Will the Committee of Supply please come to order. This morning we will resume consideration of the Estimates of the Department of Industry, Trade and

Tourism. When the committee last sat, it had been considering item 10.1.(d)(1) on page 89.

Hon. James Downey (Minister of Industry, Trade and Tourism): Mr. Chairman, maybe, while the honourable member is getting his material put together, I can give him some of the answers that I took as notice the other day that might be helpful to him.

The member asked some questions about untendered contracts, and I want to bring him up to date on it. The information which he had asked for has been recorded publicly. All untendered contracts in the Department of Industry, Trade and Tourism are forwarded to the ISYS program database maintained under the Legislative Building Information Systems. The department registered its first untendered contract for the fiscal year 1997-98 on April 11, 1997, and registered its last untendered contract on February 23, 1998. Untendered contracts for the current fiscal year have been reported to April 14, 1998, so the information the member is asking for is in fact available and can be obtained in that area.

The member asked what were the travel expenses for the minister and senior officials charged to the executive budget for 1997-98. Travel expenses for the minister and deputy minister charged to executive budget, '97-98, were \$21,308.62.

There are some questions as it relates to specific untendered contracts. I will ask the member if he wants me to respond now or in the best interests of time he can refer to the information that is available and probably he could get on with some of his other questions. If not, I can respond to him at this particular time.

Other areas that he referred to in general questions: what are the total incremental costs of the SHL Systemhouse Limited desktop in our department for 1998-99? The total costs in 1998-99 for 10 months and respectively 1999 are \$463,283.33 and \$555,940. Of these total amounts, \$25,000 will be funded from within by Computer Services; \$15,000 will be funded from within by the Manitoba Bureau of Statistics; and \$19,950 will be funded from within the EITC. These funds are available from within because these areas will realize cost savings from not having to acquire new

equipment or not having to maintain existing equipment from their existing budgets. After taking into account the above amounts which will be funded from within, the incremental desktop costs in 1998-99 are \$403,333.33. For 1999, they are \$492,000. This provides for 200 work stations within the core department and nine work stations at EITC.

The other question is: why does the Computer Services budget not reference any change for desktop, and what is included in this budget? The question was: are these contract expenditures? As noted above, \$25,000 of the Computer Services budget will be used to offset desktop costs. However, the budget remains unchanged at \$110,000, and consequently there is no reference to any budget change on the Computer Services line.

This budget includes \$25,000 for desktop, as well as amounts to upgrade existing software, excluding from desktop, to the current Windows environment, to acquire software, excluding from desktop, to better distribute information to the public or provide the public with access to departmental databases and to cover day-to-day costs of operations, including employee training. There may be the need for some short-time contracts in certain instances, but contracting is not expected to be extensive.

Those, Mr. Chairman, basically cover the areas asked for the other day, excluding the specifics on some of the contracts that the member had asked for. If he wants to proceed on that question, I would leave it in his hands. Thank you.

Mr. Tim Sale (Crescentwood): I thank the minister for that answer. I will update my file of untendered contracts through the ISYS database which, when I last looked at it, was having some difficulty which was not related to the department but which related to ISYS and to the machines in the library. So I will ascertain what is in there now myself, and I appreciate the minister's answers on all of those issues, Mr. Chairperson.

Mr. Chairperson: Item 10.1.(d) Research and Economic Services (1) Salaries and Employee Benefits \$544,200—pass. [interjection] I am sorry.

Mr. Sale: Mr. Chairperson, I am not sure whether it is more appropriate to ask these questions—and I ask the

minister now whether he has his trade staff here. I am not sure whether under Research and Economic Services it is appropriate to ask those questions. It talks about expected results in the area of trade policy. I think Mr. Barber is here, so I would like to ask some questions in that area here.

Mr. Downey: Yes, Mr. Chairman, we can deal with them now, and I will ask Mr. Alan Barber to join the table with us, please.

Mr. Sale: Mr. Chairperson, could the minister provide the committee with—I hope reasonably brief—but with an overview of the current status of the Agreement on Internal Trade and what has happened specifically in regard to the MASH sector which has been an ongoing issue for several years? I believe it may have been concluded or may still be in progress, but I would appreciate an update on that issue.

Mr. Downey: Mr. Chairman, I will ask my staff to bring the corrections forward, when necessary. I will try to give a quick overview, and then for some of the details per dates and that kind of thing I will ask staff to further give me some information. I can tell the member—

Mr. Sale: Just to clarify, if I may. I am sorry to interrupt the minister. I have no objection to the staff providing information directly if the minister wishes to do that on this issue. I know this is a complex area. That is not to suggest the minister does not have full awareness of it, but if he wishes to have staff answer questions directly, that would be fine with me.

* (1050)

Mr. Chairperson: I thank the committee for that. The honourable minister.

Mr. Downey: I will deal with it as well as I can, and then I think, basically, I have been as involved as anybody. I do want to acknowledge, though, that Mr. Barber has been a tremendous resource, not only for the Province of Manitoba, but in his assistance working with the internal trade committee nationally, because we have had the co-chair responsibility for some four years. He has contributed significantly to the progress that has been made to date, also working with the

Internal Trade Secretariat, which is located in the province of Manitoba.

I can report positive news, Mr. Chairman. As of February 20, when we had our last ministerial meeting of which we had, I would say, some major successes, we, at our meeting, made the decision to—or the ministers agreed to—proceed with the MASH sector, excluding British Columbia. However, British Columbia agreed to have it take place within the agreement; they stepped out, not being part of the agreement, but allowed the consensus of all the other parties to proceed with it, because it took unanimity to have a conclusion to where we got. British Columbia actually accepted that proposal, and we concluded the MASH sector. We anticipate that it will take place, as agreed to, on July 1 of 1999.

There have been several changes that were introduced that brought some comfort to particularly some of the institutions that are affected, the raising of the limits from \$25,000 to \$100,000 on procurement of services and goods, and that we would go to an electronic tendering system which was not expensive, complicated or anything else because that was a concern with the low level of the amount that had to be tendered for, that it was not only not in the best interests of the overall agreement, could be inefficient, and so electronic tendering will be fully available at that particular time. The amount has been raised, but we have to appreciate that British Columbia has taken and exercised its option to not be part of it.

Mr. Sale: How are the costs of the electronic tendering system being borne?

Mr. Downey: By those jurisdictions that will be offering to buy services.

Mr. Sale: Could the minister clarify whether he means municipalities, hospitals, schools, or whether he means the provinces who are the signatories to the AIT?

Mr. Downey: Mr. Chairman, those individuals who are presenting themselves as suppliers through the MERX system will be paying the cost of the electronic tendering. The subscribers to that system will, in fact, be paying the cost of that service.

Mr. Sale: Mr. Chairperson, just so that I am sure that I am understanding, essentially those who wish to bid are paying the costs of operating the bid system, not those who are placing tenders on the system for response.

Mr. Downey: I am told for the MERX system, that is correct.

Mr. Sale: Mr. Chairperson, is there something I am missing here? You said for the MERX system. Is there some other system or some other component that I am missing?

Mr. Downey: The other alternative would be for a municipality to use a bidding system using the Internet, but it would in fact be tied to the MERX system, of which the feed would feed into that for all people signed on. Keeping the cost or updating the Internet page or supplying the material on that would be the cost of the municipality.

Mr. Sale: Mr. Chairperson, there must be some—let me put it another way. All school divisions, universities, colleges, municipalities in Manitoba presumably are now bound by this decision. This is a binding decision, I presume, since the province is the signatory and the province is the creator of all of those entities. Maybe it would be more helpful to have the minister explain how a school division such as Brandon, for example, will now be required to source services in excess of \$100,000. So if he could just walk me through how the division will actually do that without incurring any costs, or perhaps there are some costs that I have not yet been able to be clear about.

Mr. Downey: I will ask Mr. Barber to directly go through the process with the member.

Mr. Chairperson: Is it the will of the committee to allow staff to answer certain questions? [agreed]

Mr. Alan Barber (Director, Research and Economic Services, Department of Industry, Trade and Tourism): To pursue the specific example of Brandon School Division, where if they have a procurement in excess of \$100,000 for goods and services or in the case of a construction contract for \$250,000, the

requirement of the agreement will be to electronically advertise that opportunity.

One avenue, one of the principal avenues is the MERX system, which is offered by a company named CEBRA. Under that system, the school division can contact CEBRA and become an authorized user of that system, at which point all they would require is a computer that has Internet access, which would allow them to take the tender opportunity, post it according to a template that CEBRA has, and then e-mail that to CEBRA, which then supplies that to the potential suppliers. The CEBRA service is offered to the procuring entity at no cost to the procuring entity other than its own computer Internet access. The requirement is electronic advertising, the requirement is not the specific MERX system. Therefore, individual entities have choices of how they wish to choose to electronically advertise. There are other group entities that have looked at joining in and for example having an independent Internet site. In a situation such as that, the group of entities or the entity that would maintain their own Internet site would be responsible for whatever costs are involved on that Internet site.

Mr. Sale: I thank Mr. Barber for that explanation. Could the minister, or Mr. Barber, just indicate what the initials stand for? We all have our acronyms, but I have not a clue what this one means.

Mr. Barber: As I understand it, MERX is not an acronym. It is M-E-R-X, which is the title of the service.

Mr. Downey: Mr. Chairman, it might be helpful to the member as well and to the public, it is our plan to meet with the different jurisdictions who are going to be expected to carry out the responsibilities under the MASH sector to meet with the appropriate associations, whether the union of municipalities, the people representing the school boards, the hospitals, to make sure they are fully up to speed as it relates to what is expected of them. So that exercise will be carried out by the Department of Industry, Trade and Tourism in co-operation with the Internal Trade Secretariat so that, in fact, they are fully informed as to what is expected of them.

* (1100)

Mr. Sale: Mr. Chairperson, the other acronym that I did not pick up sounded like CEEBRA or CEBRA.

Mr. Barber: Yes, CEBRA is the name of the company offering the MERX service. It is spelled C-E-B-R-A.

Mr. Sale: I think I have a poor layperson's understanding here of the relationships now.

Is there to be a standard protocol on tendering? In other words, are there standard time limits for tenders or standard notice requirements, or is each entity free to use whatever its normal or whatever its desired approaches to tendering for services is?

Mr. Downey: The agreement is pretty much encompassing of leaving it to themselves to make sure that the principles of the agreement are lived up to. As far as dictating to municipalities and other jurisdictions, as long as the basic principles of public tendering on those amounts and making sure that they are fully disclosed nationally to those jurisdictions that are part of the agreement is the main principle. As far as getting into the detail of how it is done, I am sure each one of them will have their own system, but, I think, as we have heard on the overall electronic tendering that the most efficient, in fact, the best will be adopted and probably that will be the majority of them. But as far as dictating to them how they do it, that is not necessarily our—in fact, I would say to the member, if a jurisdiction decided that they could do it better through another system, that would be their choice.

Mr. Sale: Mr. Chairperson, there are lots of situations. I recall one recently in Brandon where the construction company responsible for the initial development of the Maple Leaf site, for whatever reason, did not tender its initial soil removal process, and no Brandon company got any contract as a result of that. That is obviously not a requirement that any particular firms have preference.

Two questions in this area: under the limits, the 250,000 and the 100,000, is it permissible for municipalities, hospitals, schools, et cetera, to include in their tendering process a preference for local sourcing?

Mr. Downey: I would think it is their business, Mr. Chairman. It is nothing to do with the Internal Trade Agreement.

Mr. Sale: Mr. Chairperson, what constraints face a municipality or a tendering entity once they get into the AIT in terms of any kinds of local preference?

Mr. Downey: I am not sure what the question is. AIT, you made reference to AIT. What is the—

Mr. Sale: Agreement on Internal Trade.

Mr. Downey: He put a different acronym for it. He is trying to trick me. That was a trick question. Could he repeat the question, please?

Mr. Sale: Within the detail of the Agreement on Internal Trade, which I have not tried to absorb—I have read the initial agreement, I believe, as entered into a couple of years ago, but there are many more, I am sure, regulatory details that I am not aware of.

Are there any provisions for preference in tendering? For example, it is a common phrase in tenders—lowest or any tender will not necessarily be accepted. Tender criteria can often include a range of criteria which are to be considered as well as price.

Is it possible for a local tendering document to include preference criteria which would have the effect of preferring local suppliers over distant suppliers?

Mr. Barber: There is a provision in both the Agreement on Internal Trade, the procurement chapter, as it applies to federal and provincial governments and similarly in what is proposed for the municipalities and the MASH sector, which speaks to what criteria are permissible in terms of the awarding of a contract, and, essentially, a number of criteria in addition to price are certainly eligible. The key criteria is that the criteria should be not with a view to geographic discrimination.

So if there is a requirement, for example, that service be provided within a certain period of time and the logistics are such that it is likely only going to be provided by a local supplier, then if that is a legitimate criteria for the good or the service, then it is not in violation of the obligation of the agreement. So in that

context, as you have put it, there would be the ability to put in criteria that might have the effect of providing preference to local suppliers.

Mr. Sale: I think, Mr. Chairperson, that is a common approach in pretty well all trade agreements, that as long as the criteria are not intended to achieve an end of local preference but are germane to the service that is being issued, then it is permissible.

Could the minister just undertake to supply me with that relevant section of the details, so that I might understand them better?

Mr. Downey: The answer would be affirmative, Mr. Chairman.

Mr. Sale: Mr. Chairperson, could we now move on to the area of the Multilateral Agreement on Investment which was a subject of our discussion last year and a subject of an all-party agreement in the House lately in terms of raising our province's concern from all parties about the directions that the MAI appear to be headed in?

I do not think there is any sense in playing games with this. Those of the governments who were involved in the early negotiations knew the intentions at that point, and I do not believe the intentions—at least my reading of the documentation from its inception to its—well, whatever state it is in now; it is not clear what state it is in now. But those intentions on the part of the negotiators did not change. What changed was, I believe, the public's understanding of them and consequently the public's opposition to them because of the strong, implied threats to sovereignty, the threats to the ability of governments to have any preference requirements, let alone ones that discriminated on the basis of geography.

I certainly commend the minister and the government for changing its views, but I do not think there is much doubt that it was a change of views, given that I know the expertise of staff was available to government from the outset and from the outset the intention of the negotiators and the trans-Atlantic business dialogue and the business councils and the business round tables was to achieve the kind of agreement that was ultimately perhaps deferred, delayed, whatever the status of it is.

So I am glad that the government changed its views and I am glad that the public finally got the chance to become knowledgeable through a variety of activities, sometimes including activities of the federal government, but more often in spite of the activities of the federal government.

Could the minister first of all clarify what is his understanding of the current status of the MAI negotiations at this time?

* (1110)

Mr. Downey: As the member knows, and I want to put on the record again, this falls within the jurisdiction of the federal government, as he is aware, as far as the negotiating is concerned. It is my understanding that the MAI, as it was discussed, which we had seen draft copies of as a province, we have seen the withdrawal of that from the OECD countries that were the ones that were going to be the signatories to it. It has been withdrawn from the table? It has not been? I stand corrected, Mr. Chairman. I was of the understanding that it had been withdrawn, but it is basically a pause on discussions at that table, not a withdrawal of it. It has been a pause.

We have stated and will continue to state what our position is in writing to the federal government, that we will not agree to any MAI agreements that fall outside of what was agreed to under the NAFTA agreement. Our position is consistent in what we have presented and has not changed. Again, I am not so sure that the discussions, and he has asked me for what my reading of it is, and my reading of it is at this particular juncture that it will have a hard time proceeding as it is currently proposed, and I can also tell the member our position has not changed. It stays the same as it was when we sent the letter to Ottawa, I believe it was in December, and that we continue to maintain that position both in writing and have directly told the minister of what we believe.

I will also be participating, and I thank the member for agreeing to allow me to be part of discussions that will be taking place next week in Geneva as it relates to the World Trade Organization and what connections there may or may not be as it relates to MAI. I think it will give us a first-hand opportunity to be there, to get

a reflection as to what in fact the future may or not be as it relates to MAI, whether it is under the OECD country signatories or whether or not it is, in fact, further considered by the World Trade Organization. So that is as close as I can tell the member as to where I think it stands currently.

Mr. Sale: Mr. Chairperson, the minister indicated in the House when this item was under discussion during Question Period that he had spoken personally to the minister and he did not indicate that he had written. I think he subsequently indicated that he had written. Has the minister written to the federal government subsequent to the letter that was tabled, I believe, early in this session? The letter was dated December, I believe.

Mr. Downey: No, Mr. Chairman, I have not written, but we did discuss it on February 19, 1998, at a meeting with the ministers of Trade and with the federal government. That was the last time that communication was taking place between the two jurisdictions. I, again, reiterated what our position was as a province as it related to the MAI. I guess I got some reflection from that meeting that the minister at that particular time did not have the will to proceed to signing of the MAI agreement as it was presented. Then again I was, I guess, somewhat a little bit confused. I was of the impression that probably it would be withdrawn because I think—and I am not wanting to speak for the federal government; my goodness, that would not be my role—but the reflection I got was if any further discussions were to take place, that his preference probably would be to discuss them as part of the World Trade Organization rather than the OECD. That is where I get the impression that there may have been a withdrawal from that table.

Again, as my staff have indicated to me, that is in a pause position, and again I think it is important to be part of the discussions as to what the future of it holds. Again, I will reiterate, and I do not have to but I will for the member, our position has been stated in writing and verbally to the federal government.

Mr. Sale: Mr. Chairperson, if indeed I take the minister's statement that that is the case, then the government of Manitoba must have been misled in the initial going, because obviously it came to the

conclusion that this was much more than NAFTA, substantially more than NAFTA, and so was prepared to join an all-party resolution not unlike P.E.I. and the Yukon to make it plain that the government was not in favour of the draft as currently on the table for, presumably, primarily the reasons that the government's perception, advice was that it did go beyond NAFTA and that that was unacceptable. As I have said, I am glad to know that position.

I am concerned, though, about a core constitutional issue, and I am wondering whether the government has sought legal advice on this or not. I want to try and explain it. I am sure Mr. Barber and the minister understand it, but I want to explain my understanding of it, and perhaps they can add to that or correct it.

In a federated nation such as Germany is, Canada, and to other extents, Australia and the United States, there are not, according to most legal opinions that I have read, senior and junior levels of government, but there are two levels of government, both of which have sovereign powers under a constitution. There may be the government that is seen as the government of the nation that represents the nation in certain ways, but equally there are governments of the subnational units, the provinces or the states, cantons in Switzerland, that have sovereign powers under that nation's constitution. Sometimes I think it is difficult for nations like the United Kingdom or Britain and France, Holland that are unitary states to understand the constitutional realities that face federated states.

One of the most disturbing components of the AIT, I presume it was one that disturbed this government, was the proposal to bind subfederal units without their consent. That is, they would be bound without being signatories. They might be graciously allowed to attend cocktail parties or to receive briefings from time to time from the federal level—I am not just talking about Canada here; I am talking about other federated states—but they are not to be signatories. That was one of the key goals of the multinational corporations who were the prime movers behind the pressure to undertake and negotiate an MAI.

Some provinces in Canada have actively sought legal advice as to whether it is constitutionally permissible

for the federal government to sign a treaty binding provinces in areas in which the federal government does not have sovereignty or shares sovereignty. I do not think anyone disagrees that the federal government can bind itself to a treaty, but perhaps the most important things that affect Manitobans' lives, our education, our health care, many aspects of our natural resource management rights under the Constitution where we have shared jurisdiction, are areas that the federal government simply does not have the ability to sign away. At least I do not believe it does.

I think there was an interesting constitutional precedent set in 1937 or '38; I think it was '37 that it started. It was not resolved for several years, and the minister, I am sure, knows the precedent I am referring to, and that is the then-called unemployment insurance, where the federal government sought to implement unemployment insurance across the country during the later stages of the Great Depression, and Ontario, I think for bad reasons but, nevertheless, took the federal government to the Privy Council, and the Privy Council found in favour of Ontario, so a constitutional amendment had to be undertaken with provincial consent. So unemployment insurance was not brought in until I think 1941 or '42. I cannot remember exactly which date, but I do know that some legal scholars believe that that was a very key precedent because it said, in effect, if a province dissents in an area in which the province has sovereignty, the federal government may not simply override that but must get consent.

I do not want to go on at length, but I am sure the minister understands the issue. I am sure Mr. Barber understands the issue. Has the province sought legal advice, or does the province have a position already that it cannot be bound in areas in which it is sovereign by the Government of Canada?

* (1120)

Mr. David Faurshou, Acting Chairperson, in the Chair

Mr. Downey: I understand clearly the point the member is making, and, quite frankly, it would not be in the province's interest to give up what is constitutionally ours to protect and to maintain as it relates to our future and our decision making.

So I can tell him in my capacity as a minister representing this government that I will continue to put that position forward, that we do not believe imposition of policies, treaties or regulatory impacts on our province that are not within the ability of another jurisdiction to do it, we will not stand idly by and let that take place.

He is in an area where, in fact, there would be, I am sure, a lot of legal debate. Lawyers love to get into this whole area of where it is at. We have in fact an opinion from Justice—I am informed by staff that we have—that there may be some question as to whether the federal government could bind provinces, but the general view seemed to be only that that would be a probability. It has not been proven, and it may have to be presented as a case to do that, but I will continue to put forward the position that where it is our jurisdiction, it is our jurisdiction and not able to be overruled or over-influenced by the federal government.

I think we have one example, particularly, that we refer to. That is the labour and the environmental legislation that we passed within the province of Manitoba to in fact be part of the NAFTA agreement. That was a clear signal that we were onside and prepared to do so. The federal government really accepted that and requested it, I guess, as part of giving support to what they had negotiated. So we have that example before us which I think, quite frankly, would augur well if there were impositions coming at us again in another area that would, in fact, should be held up as an example of their agreeing to our accepting that principle.

So there is not a disagreement between the member and myself as it relates to imposing of jurisdictional questions on our province, when in fact it is not their authority to do so.

Mr. Sale: Mr. Chairperson, I am not sure I understood the first part of the minister's answer. He seemed to be suggesting that there is some legal opinion that suggests the federal government could bind the provinces. Did I understand him correctly?

Mr. Downey: That is correct.

Mr. Sale: Mr. Chairperson, has the government sought senior constitutional advice from an appropriate

authority, whether it is someone like Mr. Schwartz or Mr. Appleton or somebody else. I do not know who would be the right person. But has the government sought its own independent legal advice as to this issue?

Mr. Downey: I will ask staff to comment as to what other legal advice or activity they may have worked on.

Mr. Barber: Mr. Chairman, we have sought advice from constitutional lawyers in the Department of Justice, but we have not sought outside legal advice on that issue.

Mr. Sale: Mr. Chairperson, has the provincial government sought assurances from the federal government that in any future negotiations there will be no attempt to bind provinces in areas in which they are sovereign under the Constitution without the province's explicit consent?

Mr. Downey: Mr. Chairman, that has been not a specific direct question in writing, but it was part of the discussion. I think, from my interpretation, that there was certainly some question as to whether or not the federal government would in fact proceed without it. That is still an area that is still not totally clarified, but an area which we believe is where we will continue to push to find out what the federal government's intentions are as it relates to the MAI agreement and enforcing it on provinces. I think it certainly has a tremendous political sensitivity to it and, again, because it has been put in the whole position at this particular time has not been as pressing but, again, it is one of those things that I think will be hard to get the federal government to fully commit to. However, there is not any reason why we cannot proceed to try to get a commitment from them on this particular matter.

Mr. Sale: Mr. Chairperson, the governments of Alberta and Saskatchewan both wrote letters which I believe were tabled in the House and I am sure the minister had in any case, because he was copied on that correspondence. Their letters were dated in early February, just prior to the meeting of the provincial and federal Trade ministers and, in both cases, they were quite detailed. Alberta's was more focused on the question of resource management and the ability of the province to take whatever actions it deemed in the

interests of its people to maximize its natural advantages, basically. Saskatchewan, if my recollection serves me, was more explicit in saying that they put the federal government on notice that they were not prepared to be bound without being party to the process.

I am wondering if the minister is prepared to write to his federal counterpart with a similarly unequivocal position that it is the position of the government of Manitoba that it will not be bound by any trade agreements or investment agreements which infringe on provincial constitutional jurisdiction without the province's direct and explicit consent, perhaps referencing the NAFTA side agreements issue, although I know they have limited force, referencing the Privy Council or other legal precedents.

My concern is to put the federal government squarely on notice that we intend to vigorously protect our sovereignty and that we intend to be very blunt about that and very forceful so that we can reassure Manitobans because, frankly, this is an area which the minister I am sure will agree with me.

Federal governments of every stripe have had a nasty habit of committing themselves to certain agreements and arrangements and, then, when it suited them or when the economic conditions changed, walking away from those. So I would be very concerned that we would be induced into signing over some control and, then, just as we were on the Established Programs Financing Act in 1977-78, suddenly finding that all the protestations and promises of one Pierre Elliott Trudeau were not worth diddly-squat when 1982-83 rolled around, because it was then a different set of realities and the federal government was quite prepared to walk away from its responsibilities that it had solemnly told everyone in federal-provincial meetings that it would honour and not breach.

So I am wondering, will the minister undertake to write to his federal counterpart making at least as clear as Saskatchewan did its intentions not to be bound and to vigorously protect its sovereignty?

Mr. Downey: I would consider that, Mr. Chairman. However, if we were to go back to the December letter to the federal government, we basically have stated that

we would not accept anything that is outside the NAFTA agreement, which the member does not fully agree with, but the side agreements and legislation to support those in fact would be necessary as it relates to any participation. So I think we have gone on record and done so. There may be a stronger way in which we can do it. I do not have any problem with considering that if in fact it can accomplish the goal in reference to what I have said on the record here this morning.

* (1130)

The Acting Chairperson (Mr. Faurchou): Item 10.1. Administration and Finance (d) Research and Economic Services (1) Salaries and Employee Benefits \$544,200—pass; (2) Other Expenditures \$172,100—pass.

Item 10.1.(e) Manitoba Office in Ottawa (1) Salaries and Employee Benefits \$209,800.

Mr. Sale: I congratulate the Chair on assuming his new duties, whether this is the first time he has done it or not. I think it is. I have appreciated coming to slightly know the new member for Portage la Prairie (Mr. Faurchou), and I appreciate his assuming a new role. I am sure he will carry it out well.

Could the minister indicate whether there have been any significant changes in the operation of this office during this past year?

Mr. Downey: No change, Mr. Chairman.

The Acting Chairperson (Mr. Faurchou): Item 10.1.(e) Manitoba Office in Ottawa (1) Salaries and Employee Benefits \$209,800—pass; (2) Other Expenditures \$116,400—pass.

Item 10.1.(f) Manitoba Bureau of Statistics (1) Salaries and Employee Benefits \$568,000.

Mr. Sale: I have a number of concerns about MBS, not reflecting on the staff, but just questions in regard to the office. The notes on page 21 of the Supplementary Information indicate the start-up costs of a simulation model, which I have had very brief information about from Mr. Falk when I asked a couple of questions earlier in the year, and I appreciate that very much.

Would the minister be prepared to ask the bureau to provide a briefing and demonstration of this model to members who might be interested?

Mr. Downey: The answer would be yes.

Mr. Sale: Could I request that the minister's office or some staffperson contact us and that we could establish a date to do that?

Mr. Downey: Yes, Mr. Chairman. I would have my office do that and have someone from my office attend as well to be part of that meeting.

Mr. Sale: The other small note is in regard to a thing called the population consultation project. Could the minister describe what that is?

Mr. Downey: This is the area in which the federal government determined the transfer payments to the Province of Manitoba, and it is an attempt by the Manitoba Bureau of Statistics to make sure that there is as complete an accuracy as possible, so that we make sure we maximize the revenue from the federal government. That is basically what this is about.

Mr. Sale: Mr. Chairperson, the two areas where there are frequently problems, I am sure the minister knows, are inner city population counts and aboriginal communities, First Nations communities. Could the minister indicate more clearly what is being done to try and improve the accuracy of those counts?

Mr. Downey: I guess, first of all, Mr. Chairman, is the fact that there is a full awareness of the issue which the member has raised and how best that can be accomplished. I leave it to those people who are professionals in this field because that is what their work is. Again, I, as a minister, and as a government, we want to make sure that we have the accurate information, and they would be and are charged with making sure that that is, in fact, the case.

So I am not arguing the issue. It is just a matter of making sure that, in fact, the best information possible is, in fact, provided. Maybe the member could be more specific so it could be helpful to what he is expecting to accomplish by work that would be done.

Mr. Sale: Mr. Chairperson, I am certainly not arguing the issue either. I am trying to understand what the population consultation project involves. I will expand slightly so the minister may understand my concern a little better.

Our party represents all of the North and all of the inner city. It is frequently our sense that there is undercounting in all kinds of different ways of people who usually, for reasons of economic poverty, are more mobile, tend not to have telephones, are frequently on shift work, are often living in conditions where they are living in a single room or at best two rooms, and so they do not tend to spend a lot of their personal time cooped up in those quarters. They tend to be out in the community somewhere. So it is always difficult in the inner city. It is difficult at election time; it is difficult when you are doing survey research, difficult in all kinds of ways to contact that population.

I can tell the minister that I have occasionally been involved in canvassing at elections—this is from time to time—and I think the minister would be, as a person committed to democratic government, deeply concerned, as we are, at the appalling state of enumeration in the inner city and in the poorer parts of many parts of our province.

In the Chairperson's riding of Portage la Prairie, the enumeration south of No. 1, Saskatchewan Avenue, is infinitely better than the enumeration north. The enumeration in the public housing areas on the west side of the city of Portage la Prairie is appalling. There are often situations where there are eight or 10 units with only two or three accurately recorded. In the inner city, it is not uncommon to go into an apartment building and find that considerably less than half of the suites have even been enumerated. This is not at all unusual.

Mr. Chairperson in the Chair

So that is just for election purposes. When it comes to an accurate count for transfer payment purposes which have very large dollars associated with them, it is our very strong sense that the numbers of people both in rural remote communities and inner city communities are undercounted by Statistics Canada to a very, very sharp extent.

There is a far better count done by Indian Affairs, done by the band councils themselves, for example, every December 31. The Department of Indian and Northern Affairs receives from bands, actual head counts, and those are available from INAC on-line actually. They are available, but I am not sure that StatsCan accepts them and I am not sure whether the federal government accepts them for purpose of transfer payments, so I am trying to understand what is the substance of this population consultation project.

How might, for example, my members represent all of the inner city and all of the North, learn about this project and see whether there is any useful role that they could play to make sure that Manitoba does in fact receive its fair share of payments under CHST? Or to take another example of an issue that is going to be facing all of us, the question of electoral boundaries, the strong sense that we have, is that both the North and the inner city are substantially undercounted for that purpose as well. That may be a more partisan, political concern, but it is also very much an income to Manitoba concern because if we do not have the right count, we lose out to the tune of somewhere in the order of 800 bucks per person under CHST, and as the minister might say, that ain't chicken feed.

* (1140)

So that is my question here. It is not an antagonistic question. It is how do we learn more about this? Can we have a positive impact on it?

Mr. Downey: Mr. Chairman, I would have no difficulty with adding this to the agenda with discussions with Mr. Falk as it relates to this community discussion how we better identify those people. In fact, this may be extremely helpful, because so far we have been only able to find apparently the New Democrats who are living in those areas, and if there are a lot of people, maybe it is the Conservatives that we have not been able to find. This may be helpful.

Now after hearing the debate from the member for Elmwood (Mr. Maloway) yesterday accusing us of using government money for political purposes and campaigning, I would want to be careful that we were not seen, in fact, if we went through this exercise and

the NDP lost all of those seats in the next election, then I really could be in trouble. So I will do it with caution, Mr. Chairman, and it will not be certainly with the full intent of finding Progressive Conservatives in those areas, but he has been able to find the New Democrats apparently and it has been showing up in the polls. So we will do what we will.

Basically, the seriousness of the question is there are people who should be accounted for and fully tracked, and they should be able to be fed into the bank of statistics that is available, whether it is income related, whatever it is, to help and assist in decision making so that we can, in fact, make more informed decisions for whatever purposes. So I would invite the member to discuss that as part of the meeting that will be had with Mr. Falk and his people.

Mr. Sale: I thank the minister for that. I would not ever want to suggest that it is the Conservatives who are all lost up north, but if we succeed in finding a few, then that certainly will not affect Mr. Ashton's plurality, but I have no problem with it.

I have a similar sort of question about employment statistics, Mr. Chairperson. I wish Mr. Falk were here because it would be helpful to have his views, but anyway I am sure they will be conveyed through the minister.

We have raised this in the House, and minister knows our concern here, that two provinces in particular, Saskatchewan and Manitoba, have such a high proportion of First Nations people on reserve, and in turn those people have such a high level of unemployment that failing to count them in our employment numbers seriously distorts Manitoba's performance and, I think, its understanding in comparison with Ontario, Quebec, the Maritimes, where First Nations people constitute a much, much smaller proportion of the labour force. Even though they have disproportionate unemployment, their numbers in total are not anywhere near what Saskatchewan and Manitoba's are.

Mr. Downey: Mr. Chairman, I appreciate the question, the fact that he is making reference to the fact that the aboriginal community has not been included, and I do not know to what extent. There is a total lack of accounting, but I think it is being a little bit over-

estimated. I think there are considerably more self-employed people in that category. Again, the question is, because we do have a higher population and it is not included, how do we include it. Good question. I think the statisticians should certainly be able to deal with that.

Again, it is not unlike the question previous to some degree: how do you make sure that everybody is accounted for in the counting of activities? If there were a way in which it could be more refined and done so—again, with Stats Canada he fully appreciates the fact that it is a federal government exercise and their responsibility. So are there co-ordinated ways or some way it could be accomplished to get a better reflection?

I can also tell him that, if he is trying to say, well, we have not got quite as many employed people as what the statistics say, I would challenge him, because I can tell you there are not many industries that are coming forward that do not have a shortage of people. There are jobs out there, and it is a matter of trying to co-ordinate the filling of those jobs. Some would say, and I have seen it come from some of his learned colleagues from the university, that, in fact, at the numbers we are at we are basically at full employment.

Again, making sure we are statistically correct is a good objective. I have no problem with that, and if we can improve on it in discussions with the federal department of statistics, I am certainly not going to oppose it and will try and make sure that, again, the most accurate information is available to the decision-making process.

Mr. Sale: Mr. Chairperson, for the last couple of years, I think I have acknowledged and I hope the minister would agree that I have acknowledged that south of No. 1 and southern Manitoba and in parts of Winnipeg we effectively have no unemployment. It is effectively the frictional rate, and that is good. That is not bad at all. The difficulty is that we have a very geographically dispersed unemployment problem, and we have a racially characterized unemployment problem. I guess my point is that I do not hear the provincial government acknowledging that.

I hear them taking credit for good things, and I do not blame them for that. I am glad the situation in southern Manitoba is so buoyant. We have toured that part of

the province, and we are impressed with the entrepreneurial spirit, the employment levels, the investment levels. It is very impressive. However, that is not reflective of conditions north of No. 1, by and large, and particularly once you get north of the Yellowhead. I think the minister knows that as well, that the unemployment levels in the Parklands and certainly as soon as you get north of Parklands are very, very severe. Even in areas of Eastman like the Lac du Bonnet area, with the loss of over 700 jobs through AECL and the likely closure of that entire operation, we have some very regional problems.

Now, the minister says he is open to changing the approach, but I think—I mean, to be fair, he is trivializing this issue. The policy of Statistics Canada, the policy of the federal government is not to count First Nations people on reserve for any purposes. They are not counted when it comes to poverty and income statistics. They are not included in the statistics of employment and unemployment. They are not surveyed for labour force.

They are treated as a different category of Canadians, and that treatment itself gives rise to the perception that they have some second-class status because they are not worthy apparently of being surveyed to find out what the true conditions are on reserves at the same time that we are surveying our Canadian populations off reserve to find out what the true conditions are.

So the minister may be right that there may be more self-employment on some reserves, but I can tell him that on reserves affected by the northern flooding, for example, that is not the case. The fish are gone, the furs are largely gone, the unemployment rates have been estimated by INAC themselves and by bands to be in the 80 percent to 90 percent region on many of those northern reserves. Of course, there is some seasonal hunting—it is the only way to survive—but it would hardly constitute self-employment in any kind of normal understanding of that. So I am asking the minister whether he would take to his government and hopefully then to the federal government a position of this government that says we believe that First Nations people should be included in our labour force statistics.

They should be included in our poverty statistics, our income distribution statistics, and, yes, there are all

sorts of statistical and sample survey problems with this because Roseau River is a different kettle from Dakota-Tipi, and it, in turn, is different from Peguis. They will all be different, so how do you survey in a statistically reliable fashion small communities that are geographically different, ethnically different, et cetera?

* (1150)

I know it is a problem, but the failure to do so keeps making us think and making Saskatchewan think, an NDP government, that they have virtually full employment in some areas of their economy when, in fact, they have unemployment which is very like Nova Scotia and New Brunswick and about half of Newfoundland's, but it is well over 10 percent.

We carry that burden in our economy. We carry it through social assistance. We carry it through increased health costs. We carry it in all sorts of ways, and we, provincially, carry it because the federal government has walked away from its responsibilities. Even though I remember as a civil servant billing the federal government for services, we never got paid for those bills. They are still outstanding. We should turn them over to a debt collector, I think, and see if they can harass Mr. Martin by seizing one of his steamships or something, like we seized one of the Russian airliners a few weeks ago.

So I sympathize with the government for the federal government's failure to honour its obligations, but at the same time, I do not hear us calling for a more accurate counting of the employment and poverty or income-related realities that very dramatically affect our province differently, and Saskatchewan, as I keep saying, dramatically affect Saskatchewan and Manitoba differently from every other Canadian province. So when we compare ourselves nationally without taking these into account, we fool ourselves because the proportional importance of aboriginal populations in our prairie provinces is many times greater than it is in Quebec, for example, or Ontario.

So I am asking the minister: will he take a position instructing his staff and seeking the support of his cabinet colleagues and then taking a firm position with the federal government that says we want you to move away from the colonial practice of not counting

aboriginal people in key areas where you have statistics which we count on for our public policy purposes? I ask the minister whether he could respond to that.

Mr. Downey: I certainly can, Mr. Chairman. I do not think it was very fair comment for the member to say that I was trivializing any of this debate because, in fact, that is not the case, and I will go back over the record of the work that I have been involved with as it relates to the employment activities and working with our northern communities as Minister of Northern and Native Affairs.

I can go through a tremendous line-up of positive initiatives that this government, under Premier Gary Filmon, initiated to, in fact, create employment, self-reliance and all of those things that lead to meaningful employment, but I also want to say that it is my understanding that the place in which they are not counted is on reserve. Now, I am not so sure that after they come off reserve that they are not included in the overall population base as it relates to the statistics and the count. That I will check for definite, but it is my understanding that it is on reserve, in fact, that there is not an inclusion as it relates to the statistics.

Now, if the member has a short question, I will take it, but I have some things I want to put on the record on this particular subject, so I will take a short question.

Mr. Sale: Mr. Chairperson, the minister is absolutely correct that it is on reserve, but there is also a time component to the status off reserve. So I believe, according to Stats Canada, that they have to have established residence which is normally deemed to be six months, and if it is under that, then they are not counted for employment purposes or for poverty-related or other Statistics Canada purpose, that they have to have established residence off reserve. I am not sure of the technical definition of what residence constitutes.

Mr. Downey: So, again, it appears, and I say this in a political tone, that the member, when he and his people, the NDP, were in government, had every right to move in this direction and include everyone, but now it appears that because we have seen—and I am not accusing him of this political motivation because the unemployment statistics are so positive for us, so that

it is now time to change the ground rules so, in fact, the numbers do not look as good. I hope that is not what he is trying to do. I hope he is genuinely sincere about trying to make sure these people find employment.

But I can go through a list of positive initiatives in northern Manitoba. In fact, it would be interesting, and we may even consider doing that as long as I would not get criticized from the member. He is blanketly saying south of No. 1, south of the Yellowhead, that all the employment is taking place. I can tell him that I am pretty positive and pumped about the employment opportunities that are taking place in our northern communities.

Now, he has some policy problems as it relates to creating employment in some of those northern communities. Number one, one of the policies which could be changed that would allow some processing of fish in some of those northern communities would be not to force all of the fish that are caught to come into Transcona to have them processed, that the communities, because of the laws and the regulations of this province and the marketing board structure, they cannot, in fact, do that. Now, there have been special exemptions made because of pressure from certain communities in the Island Lake area, but, quite frankly, the policies which he strongly supports of central desk selling and marketing and all of those things have, in fact, denied those communities of doing work in their communities and doing much to help the unemployment.

This government, Mr. Chairman, with the North Central Hydro, it was a direct policy and injection of cash by the province, Manitoba Hydro and the federal government to bring employment opportunities to nine communities that did not have the same electrical power that he is able to enjoy sitting in his nice, comfortable home in southern Manitoba, that this government, this Manitoba government and this Hydro that operates under this government and the federal government—I give them credit—put a hundred and some seventeen million to thirty-five million to put in overland electricity, so those communities could enjoy the same amenity that he and his family can here. Who would want to stay living in those communities when they did not have the same capabilities and the power sources that he has in his home?

This government moved to do that, and it has created employment through Manitoba Hydro for those people to install those overland lines. It has created training and employment opportunities for those people to upgrade the wiring in their houses when they go from 15 amp to the traditional services that are provided. Those are employment opportunities that this government has worked very hard and aggressively to help those communities accomplish. Maybe with that power supply, there may be the ability to introduce the processing of fish which is a natural action and an actual way of life for those communities.

Tourism is another area which we believe very strongly is a natural way of progression for those people to develop and grow, and I can make several examples. One of them is Big Sand Lodge where, in fact, we have seen a tremendous number of positive initiatives from the communities themselves; yes, working under the management of other people from southern tourist activities, but it is a clear example of creating employment for those aboriginal people who live in those areas.

The forestry industry, Mr. Chairman, I can talk about what we were part of in the selling of Manfor, which was a drag on everyone. Yes, the selling of Manfor has, in fact, changed hands again from Repap to Timbec, but they are working closely with the communities, the communities of Moose Lake who now have the ability to on their own—not run by government—supply wood supplies under long-term contracts to supply the product to that plant. We also finance them through the Community Economic Development Fund to buy the in-bush chippers to provide product for them.

We have not been sitting back not paying attention to economic opportunities. I would like to do a survey—in fact, I may consider that—precisely to get a better picture of what is happening, because he cannot sit back and say that there are not jobs being created. The mining industry, in fact, he knows it, Cross Lake, the band itself are very aggressive in the development and working to develop the mining system. I can tell him as well that up the east side of Lake Winnipeg, one of the restricting factors has been the lack of an overland road access to their communities. They desperately want it, Mr. Chairman. It would create greater opportunities for

those communities to access the many things that he and I take for granted.

So I want him to know, yes, we are concerned about making sure they are part of the picture as it relates to statistics. It is better for making decisions, but this government has not sat back waiting on somebody to paint a better picture for them. We have realized the need for these people to get employment, a better way of life so they can educate their children, they can feed them properly, so we can work towards the reduction of some of the terrible diseases such as diabetes that these people are faced with on a daily basis. These are challenges that we all have to work on collectively.

Set the politics aside. I say set the politics aside. It is important, yes, that we recognize there are political structures, but we have to set the politics aside. I could tell him that a lot of people would have said that the Conservative government, quite frankly, did not get a lot of support out of those, but I will tell you this government of Gary Filmon has set the politics aside, and we have done what is right.

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

* (1040)

EDUCATION AND TRAINING

Mr. Chairperson (Marcel Laurendeau): Would the Committee of Supply please come to order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Education and Training. Would the minister's staff please enter the Chamber at this time. We are on Resolution 16.4. Support to Schools (a) Schools Finance (1) Salaries and Employee Benefits.

Hon. Linda McIntosh (Minister of Education and Training): Mr. Chairman, as requested at our last sitting, I have called in people from the PSFB: the chairperson, Barbara McFarlane; and the director, Bob Goluch. As you recall, the member for Transcona (Mr. Reid) and the member for Swan River (Ms. Wowchuk) I believe had requested they be present at this sitting as

they had some questions regarding specific projects in their constituencies. As well, Jim Glen and John Carlyle, ADM and deputy minister, are back with us.

Ms. Jean Friesen (Wolseley): Mr. Chairman, unfortunately, neither of my colleagues will be here this morning, but if I can ask about the Transcona situation, I think the member had posed his question and the minister was going to bring a response on that. So if we could start with that, and then I think the Swan River situation dealt with small schools and the problems in Duck Mountain. So one and then the other, perhaps.

Mrs. McIntosh: I believe the member for Transcona had asked for a status update on Transcona Collegiate. I do not have the Hansard here with me.

Ms. Friesen: I am not sure if it is the same information the minister is bringing, but what he did say—and it is the Hansard of May 12, Tuesday's—I am quoting: “a need in the Transcona-Springfield School Division for a new middle years school within the Springfield area.” What he asked the minister was: “can she give him an indication of whether or not there are plans to construct a new middle years school in the Springfield area?” He understood that there was “an existing request from Transcona-Springfield School Division within the department that has been on the books”—and again I am quoting—“for somewhere between three and five years and that nothing has progressed in that regard.” We are looking at a total enrollment in that particular area for 1,700 students for the collegiate, the elementary and the junior high, and the community, as we have seen from recent electoral maps, is continuing to grow in that area.

Mrs. McIntosh: The Transcona-Springfield School Division No. 12 in terms of the Springfield Junior High School, that particular school has a current enrollment of 450 students, and that is with the enrollment figures as of September 30 of this fall, the 1997 school year. Next year, the population is expected to grow moderately. The board of trustees recently decided to reconfigure the existing kindergarten to Grade 6 Anola Elementary School to create a kindergarten to Grade 7 school in 1998 and a kindergarten to Grade 8 school in 1999. Thus, they have decided that some students who would normally be attending Springfield Junior High will now attend Anola School. Because of this, Anola

Elementary School will require additional space for September 1998 and, in all likelihood, September 1999 as well.

* (1050)

To that end, the Public Schools Finance Board will likely provide the required number of units as a short-term solution as requested by the school division. In the long term, either an addition or a new elementary/middle years school may be required in the Anola area. The Public Schools Finance Board will be monitoring that situation closely and will work together with school division officials to resolve the space problem in a timely and economic manner.

Mr. Chairman, as you know, the school division will submit information and requests to the PSFB, which then assesses the need and the projections and so on, and determines in terms of priority which projects do require moving upon, which do not, and which will require potential movement in the future. Those that will require potential movement in the future are watched to see if projections are correct or incorrect, and then, as they get closer to being able to finalize or confirm projections, they will then make a decision as to whether or not a new facility is required or some addition required or not.

Ms. Friesen: Mr. Chairman, my colleague had two concerns, and one was that he was given to understand that Transcona-Springfield had applied to the department between three and five years ago.

Can the minister tell us whether that is the case? Has that application been at the Public Schools Finance Board for that long?

Mrs. McIntosh: I think it might be important for the member to understand the process here, because school divisions have to submit every year their five-year capital plan. So they do not just submit requests that are for immediate action. They do not just say: this year we have to have a new whatever and submit the request that year. They have to submit a plan that will project for five years hence what their current needs are and what their future needs are expected to be. That way everybody can do long-range planning. So when you say that something has been submitted three to four

years ago or three to five years ago, then if it is part of the five-year capital plan, it would not, in many instances, be coming up for decision until close to the end of the five years. It is part of a long-range plan. It might be decided upon that in four years you could expect a school, but it is not likely that they would make a definitive statement that far ahead of time. They are asked, however, to project their anticipated needs that far ahead.

So every year then school divisions submit what are called five-year capital plans. It is a mistake to think that everything in that five-year capital plan is the highest priority of the division or that it requires immediate action. That is something that should not be automatically assumed. In a sense, many of these projects are being red flagged as potential future issues that need to be tentatively prepared for or to have in mind as estimated needs for capital expansion down the road.

The school divisions, in submitting those five-year capital plans, are asked to also identify priority areas. So they might submit a five-year capital plan that would say: we have an immediate need; it is a very high priority that we get this particular building attended to as quickly as possible, this year if possible. This junior high problem has not been flagged as a priority with Transcona-Springfield in its initial applications.

So, when it put in its five-year plan three to five years ago, they indicated that they were going to be showing a growth in junior high population and identified some tentative considerations, but they were not their highest priority. In fact, their highest priority was and has been Transcona Collegiate. Only recently has the junior high population become a more immediate issue, and that is not unusual if you submit a five-year projected plan and then three years down the road, after that initial presentation, something that was not listed as a priority moves from a lower priority to a higher priority as you approach the end of the initial five-year capital plan.

Mr. Edward Helwer, Acting Chairperson, in the Chair

What has been interesting, however, is that the school division, as it watched its population grow, as it looked at comparisons between Anola and Dugald, has come to the conclusion that the growth area that needs to be

addressed is in Anola. Hence, their immediate request to the Public Schools Finance Board is for Anola to have capital expansion. That is for a variety of reasons that the school division has addressed in terms of where it sees its student population.

* (1100)

The Public Schools Finance Board received a letter just yesterday, two days ago, from the Transcona-Springfield School Division informing the PSFB that at their meeting on April 7 they had asked for the new Grades 6 to 8 middle-years school to be constructed in the Anola area, that three portables be requested to be placed at the Anola School, and that predesigned classrooms be requested again to be placed at the Anola Elementary for the following year as well, the 1999-2000 year, that there be some upgrading at Springfield Junior High, but basically that the Anola area be upgraded.

So, that request has just come, and it is in keeping with how the school division sees grouping its middle-years students. They will have made those decisions as to how to group them or in which areas to put them based upon their own understandings of the needs of their constituent members. This is a new request. It has only recently been formalized in writing to the PSFB, although they did identify in earlier submissions that they were going to be experiencing in the future growth in their middle years in that area.

Ms. Friesen: So it does appear that Transcona-Springfield, in its five-year plans that it has submitted to the department, has indicated that this is a long-term planning issue, and that is in accordance with the regular planning process of the department. I guess what I do not understand is if every division does that, what is the process then for the kind of request that you have just had from Transcona-Springfield? Do those come in throughout the year? Somebody says, okay, here is our five-year plan. We have put that in on a regular basis. We have alerted you to where the problems are going to be. Surely, that five-year plan would also have shown the timing and the population growth and the choices of the school division for the priority areas for location.

So just from an administrative perspective, where does this recent request come from? Well, I guess we

know where it comes from, but what is the administrative process by which those are received and dealt with?

Mrs. McIntosh: There were two questions there. Mr. Chairman, I just wanted to indicate, first of all, the requests do not come to the department. They go to the PSFB which is arm's length from the department, although it definitely comes under our Estimates, but the requests go directly to PSFB. They do not come to the department. We will see them ultimately when the PSFB has its recommendations completed and makes its request for funding from its annual amount of money to spend on schools, but I just wanted to clarify that for the process. I did not want anybody to think that those requests come to the minister's office.

Mr. Chairperson in the Chair

The member asked two good questions: the first being, what happens when a school division puts in an amendment to its five-year request, and it is pretty straightforward. It does not happen that often. Normally, the five-year capital plan is put in. PSFB is in constant touch with the officials in the divisions, and they continue to assess and monitor the long-range projections to see if what was anticipated is, in fact, what is going to be happening. Occasionally, from time to time, but very much the exception rather than the rule, a school division will make an amendment to a plan and submit that to the PSFB, and they will then assess the amendment.

In this instance, the amendment is not so much that they indicated they have new projections or vastly differing numbers or a decline instead of an increase in middle year students, but rather they have identified that they would prefer to do their building, et cetera, in Anola, as opposed to Dugald. So they have simply indicated that, as they have gone along in their work as a school division, they have made a determination that a better place to do further accommodating of middle year students would be in the town of Anola. Hence, they have alerted the PSFB that their request for accommodating middle year students will take on a little bit of a different shape.

Again, then, the PSFB will assess that and work with the officials and monitor that to see if those projections hold true and at what point there may actually need to

be some building done in that area. From time to time—and these would be even more rare—there might be some disaster occur where a roof falls in or a building burns down or some disaster of that type. That is about the only time I can see where something might be suddenly put on a list that was not there before. It does not, thank heavens, happen that often, because then that requires the Public Schools Finance Board to suddenly be dealing with an emergency situation, and that will require, in many instances, having to approach government for assistance, for example, if a school has burnt down or whatever to restore facilities for students. But, for the most part, the system works without surprises and on a sort of methodical program of requests and response to request on a five-year plan that seems to have served the system quite well.

* (1110)

I say that, as both a former trustee and now as a government member, the only thing I will ever hear that has ever been a desire for something different in terms of PSFB is that if everybody could have their ultimate desires all at once, then that would be the ideal world. That, of course, never has happened and never likely will. This measured methodical approach seems to meet the needs very nicely. I commend the people who are there at this present time for their very careful work.

Ms. Friesen: I had three follow-up questions on the Transcona area, and then my colleague from Swan River is here and would like to pursue the questions on Duck Mountain School Division. In the case of Transcona-Springfield, I wanted to ask about the Transcona Collegiate. We have been talking about the Springfield middle years school—Springfield Junior High, sorry—and Transcona Collegiate, and I believe that my colleague from Transcona understood that there were proposals for both of those to have upgrading or possible replacement. The minister has said the division wants to look at a replacement—not a replacement—the division wants to look at a new school in Anola and hence would be presumably reverting to a proposal for upgrading of Springfield Junior High. So I am looking for confirmation of that. Is that what the board is considering?

Then, secondly, on the Transcona Collegiate issue, is there a proposal before the board for upgrading of Transcona Collegiate? Then, third, and it may well be

connected, and this is an issue that my colleague raised about overcrowded conditions at Springfield Junior High. He made reference to a provincial standard and argued or believed that Springfield Junior High was 50 students over the provincial maximum student enrollment for that particular facility. So I guess, finally, I would like some information from the minister on those standards. Is there a list of those standards? What would lead to such an argument, that there is a provincial maximum and that this school is over it? When the board gets notification of such a condition of overenrollment, according to a provincial standard, if that is the case, what kind of action does the board take?

Mrs. McIntosh: In answer to the member's questions on middle years, essentially she was seeking clarification of my comments, and I believe that she has interpreted them correctly, that the school division has now identified they will be moving students to Anola. They will still probably need some renovations in Springfield, but since the renovations are not to accommodate increased students in Springfield, they are showing up as a lower priority on their request, but still there. The request now is as I indicated for some work in the Anola area.

A member asked about the member for Transcona (Mr. Reid) having indicated that there were 50 students over. He asked, like, what would that be based upon. It would be based upon a school division decision, I guess it is, I will try to put it this way. Every division will have a sense of the number of students that they deem acceptable. Some divisions have said they will only allow 25 students per class in the elementary school, for example. Other divisions, because of scheduling problems, will say that they will have X number per class, so they will have to make decisions in terms of how they group students for learning, but of course all of their decisions have to abide by things such as fire safety codes and building codes and how many people per square feet you are allowed to have in a room if it is built of certain material and so on, so there will be all of those things that will guide them. The school divisions will determine what they think is an ideal number of people to have in any one given room.

The Public Schools Finance Board will come out if a school feels they have, in this case, say, 50 students too

many, and they will do an assessment with the school division, and assuming, as I think is correctly assumed, that school divisions will automatically be in compliance with fire safety codes, et cetera, but all of those things will be checked. Then if there is a need in any given school, relocatable classrooms can be assigned and often are assigned as temporary measures. If, for example, a school division says they will only allow 25 students per class and it is determined that two new classes are required, they could ask for two new portable classrooms. If the PSFB determines that their assessments are correct, the classrooms will come forward.

* (1120)

In this situation the original request was to have I think it was three portables at the Springfield Junior High, but with students now slated to move to Anola, that may have changed the necessity, or the perceived necessity, for portables. That is something the PSFB is going to have to assess. They will go out, talk to the division and find out is there a need for relocatables here, and after that determination, then they will make their recommendation and decision. That is kind of the process they go through.

In terms of Transcona Collegiate, the Public Schools Finance Board commissioned a condition study of Transcona that did confirm architectural and mechanical and electrical problems in that building. That building is, 1960 and 1962, so it is in that era of buildings that we now see, they were built very quickly, a whole slew of them in the late '40s through the '50s and starting into the '60s. They are now aging and they were built quickly to accommodate a very swiftly growing student population.

Since that report, the PSFB has had numerous meetings with school division officials to determine how best to address the problems at Transcona Collegiate. It is a very complex project, requires a considerable amount of time to solve that collegiate's problems in a proper and a thorough manner.

The school division, for example, conducted a review of the west end of Transcona and they studied population fluctuations, program offerings, grade groupings, those kinds of things. They completed that

review very recently and in March of this year, the board of trustees approved Transcona Collegiate to become a Senior 1 to Senior 4 facility effective August 1998, so that will be coming up this summer. It used to be a Senior 2 to Senior 4 facility, so essentially they are adding Senior 1 to the building. That was an important decision that was reached last month, or the month before last, rather, by the school division itself.

Another important decision made by the school division was to designate Murdoch MacKay as the focus school to provide for special needs students. The board decided last year to phase out work education program over three years, and that will also affect student numbers at Transcona. So the school division has to determine how it wants to deal with student numbers, program offerings, grade groupings at Transcona Collegiate. Those are important factors that will impact on the nature of the Transcona Collegiate project.

Once the school division has concluded its recommendations, it will first, I understand, be consulting with its communities and then finalizing recommendations. Once they have done that, the Public Schools Finance Board will, in turn, formalize its decision and provide recommendations to the minister. The PSFB met on May 11, just a couple of days ago, with the Transcona School Division people, and it is hoped that the assessment process will conclude in the next few weeks. That is the update on the Transcona Collegiate.

Ms. Rosann Wowchuk (Swan River): Mr. Chairman, the last day in Education Estimates I raised the issue of Duck Mountain School Division and funding for Duck Mountain. The question that I was asking was that in this particular year the department recognized that there is going to be a shortfall of money and has put money in to help the division through this year, but, as I understand it, that is only a one-year funding. So I would ask the minister: what work is the department doing with Duck Mountain School Division, and what does she see as the future of that division? Does she see it as having to be divided up amongst other divisions, or does the minister see any way that the Duck Mountain Division can continue to operate? Is there a possibility of additional funds being provided so

that this division can continue to operate and provide educational opportunities for the students of that area?

Mrs. McIntosh: I thank the member for the question. The member is correct that last year some extra money was provided to Duck Mountain, and at the time, that was given in order to allow the division time to determine what their long-term goals might be. It was not given with the intention that it would be an ongoing annual grant. Neither was it given with the intent that it would just be for that one occasion only. It was provided because the school division was wrestling with its future in terms of consolidation, and so it needed time to consult not just with its own community but with neighbours, and it has been discussing with neighbouring school divisions.

* (1130)

For example, it has had discussions with other divisions regarding possible amalgamations or joint functions or shared services, those kinds of things. The Department of Education staff have been out there a lot. Mr. Farthing has been out there many times, for example, and others as well as him, working with the division to talk about where it might go in the future.

The member is probably aware that we encourage amalgamations. We promote them, but we do not force them, and we do not act in a punitive way if people do not want to amalgamate, but rather we try to offer encouragement—a carrot rather than a stick approach—and facilitate amalgamations where divisions themselves honestly feel that that is the best route for them to go. So in this instance, the school division has not yet, I understand, determined whether it wishes to remain as a stand-alone division or partner in some way with another or other, like with one or more other divisions.

So I really cannot answer her question at this stage. Last year that was the reason for providing money, was just to give them—take a little load off their back so they could breathe deeply and plan without feeling that they were being strapped financially. We did not want money to be the motivating factor, and I am sure we will hear from them in due course as to what their conclusions are, and we will respect those conclusions, but I cannot say at this stage if it would be prudent for

the government to provide more money until we know what their plans are.

Ms. Wowchuk: Just on that same line, it is a very difficult decision. I am sure the minister is aware of the geographic area that we are talking about in the Duck Mountain division. So it is not going to be a decision that is made very quickly or a decision that I think will be complete in this year. That is one of the reasons I am asking if this is going to take some time.

As I understand it, other divisions may not even want the Duck Mountain division because of their low assessment and the low amount of taxes that they can raise. It is not really one that people are jumping up and down to grab ahold of. So if they are not able to negotiate anything by the next fiscal year, can the minister indicate whether that money can be there for another year to help them through so that they do not make a hasty decision as to what they should do with the division?

Mrs. McIntosh: I appreciate the member's question. It is difficult to answer because it is hypothetical at this stage, but I know why she is asking it. It is a good question and it is one that I know, I am sure the members there are asking themselves also. But I understand they are having some very dynamic discussions at the current time. I hope and I know they are being encouraged to see the issues of governance as the important issues. The questions that they should be zeroing in on, and I believe they are, are not so much questions of finance, because, while that is definitely important, finances will always be an issue. Even when money is flowing abundantly, it never is enough to meet all that could be done in a system of perfect-world calibre.

But the things they need to be asking are the really, to me, essential points of amalgamation, which are, will the community beliefs and values be reflected in an amalgamated system? Will the service for children in terms of being able to hire more specialists, being able to make better use of equipment, et cetera, of counsellors, that type of thing, be enhanced? Will the economies of scale in terms of purchasing of cleaning supplies for schools, for example, paper costs and all of those mundane, small things that add up to thousands

and thousands of dollars, will the administration costs be able to come down?

There is the financial aspect coming in in terms of freeing up dollars, but basically the first two that I mentioned, the community beliefs and values and the service for children, are the two things that are sought as enhancements to education that should be primary driving factors in amalgamation, with money being important but not as important as those first two.

I am not so sure that Duck Mountain would be unattractive to all potential partners. I understand what the member says about low assessment, et cetera, but the opportunity to gain additional students if economies of scale are being looked at or if the ability to hire an extra specialist is looked at could be very attractive to neighbours.

I guess in a nutshell all I can answer her with is this. If Duck Mountain determines that it would like to amalgamate and makes that decision, then we stand by to do everything within our power to facilitate it. If Duck Mountain decides that it wishes to remain a stand-alone division and is experiencing financial problems because of that, then at that point the question you asked would turn from being hypothetical to actual, and I would have to do a number of things; one, examine the reasonableness of the request, examine and determine how much Treasury Board is willing to release for those kinds of purposes and provide to them an answer at that time, which, unfortunately, I cannot provide right now.

That is sort of the rationale behind things to just help the member understand where I am coming from on the issue, and I appreciate the concerns that that division has and the soul-searching they are going through right now.

Ms. Wowchuk: I thank the minister for the answer. The minister talks about money not being the most important thing, but, in fact, it is money that is driving the decisions that people are having to make right now. There is not enough money to provide what they want for their children, and every school division and every parent wants the best possible opportunity that they can get for their children, so that they can get the education

that they need so that when their turn comes they can play an important role in society.

* (1140)

That is the goal of all of it, and these people are facing real challenges because they do not have enough money to provide the teacher's aide that they need. They do not have enough money because of low population as well. They do not have enough money to offer all the courses that they want. So then you have a spin-off effect because some people then leave the division because they go somewhere else where they can get the courses that they need. There are people leaving the area because of a policy that was brought in by another department, through social services, that people who are on social assistance have to leave the community to go and get their training.

So it all does tie into money, and it should not be the most important thing. The most important thing that we should be looking for is the ability to enhance our children's education and give them the tools that they need to play an important role in life. That is what these people want to do. The people in the Duck Mountain School Division want that. I know that they are struggling with what has to happen, and the board is doing an awful lot of work on it.

I want to ask the minister whether it is possible for them to negotiate with divisions that only border them or whether or not they can negotiate with other school divisions, and that in particular being Frontier School Division, whether they have that opportunity to negotiate with Duck Mountain, and, if they do, who does the negotiating? Are there representatives from the Department of Education who work with Frontier? Who negotiates with Duck Mountain if they were—and I know that they have given consideration to Frontier. Is this acceptable in the minister's mind for them to consider Frontier? Who does the negotiations, and what are the implications of that, because Frontier is a different funding formula than other divisions in the province. I wonder whether the minister could address that.

Mrs. McIntosh: Mr. Chairman, I wish to indicate to the member that I do not mean to downplay the importance of money in these decisions, but I maybe

can put it to her this way: there are many people who believe philosophically that multiaged classes and multigrade groupings are the best way to teach and learn—not the majority, and not a very big minority, but there are groups of people who believe that children learn better in multigrade classrooms. Most would seek to have a single grade per classroom if they could.

There are also people who believe that in any given school the emphasis on specialists teaching is not something that they want; they prefer to have one teacher with whom a student can bond and have an extended bond. Sitting in this chair here, you hear from those people who say that they do not like the increased specialization in elementary schools, even though it does provide greater expertise, say, in music and physical education and language arts and math and so on, because they want their children to bond with a teacher who would teach them everything. Teach the child, not the subject.

Now, if people have those kinds of philosophically held beliefs and hold them deeply, then they can certainly, based upon their community beliefs and values and service for children, operate much more cheaply than those who believe in having music and phys ed specialists in an elementary school with at least one or two grades per classroom. So, in other words, they would do different things with the money I guess is how I am putting it.

Still other communities believe it is very important to have a local school very close to the home whereas in some communities the people would rather travel to a larger centre to a consolidated school and do not worry so much about the distance if they can get to the larger consolidated school. So they say, yes, my child has to spend an hour on the bus, but my child reads on the bus, and the schooling they get in the town down the highway is improved because it is a bigger consolidated school. Others will say I do not want that bus ride. I will keep my child in this smaller local school and enjoy, because I prefer, the multiclass grade and the one teacher bonding with my student.

So depending on their philosophies, money becomes a larger or a lesser consideration. What I am trying to say when I said that I hope the emphasis would be first on community beliefs and values and service for

children, that parents would first ask themselves those kinds of questions. Do I want a school with specialists and single grades per classroom, or do I want this multiclass grouping and one teacher-bonding thing? Does it matter to me if my child goes 30 kilometres down the road to another school, or do I want them just a couple of blocks from home? Are these things important to me as a parent? So they need to ask themselves those things first. Once they have answered those things, then they will have a much better idea of how much money they need to sustain those things, and then money becomes in that sense a secondary issue.

But the member is quite right in saying that all things are going to cost money, and I do not dispute that. I just wanted to clarify where I meant the focus should first go in determining what is desired and then secondarily on how much money will they need to sustain that, sustainability being a big factor in running a school division. So I just wanted to clarify that and indicate I understand what she is saying.

* (1150)

With respect to Frontier, any division can negotiate or woo any other division. There is no restriction. I know Frontier has a different tax base and a different funding base, but any joining to Frontier must be considered primarily from the view of Frontier's mandate and its governance method, because anybody who joined with Frontier would likely have to subject themselves to Frontier's governance model. Whereas other divisions maybe could come together and merge and form a hybrid or a crossbreed or a new entity, going with Frontier would, in my opinion, necessitate coming under that kind of governance model.

Mr. Edward Helwer, Acting Chairperson, in the Chair

That is in legislation, that particular model, and it has a cultural client mix, too, that people joining them would need to embrace because it was—and the member is aware of this, I realize, but Frontier was created primarily to serve northern and remote regions mostly if not exclusively in the Canadian Shield territories, and its communities are almost all like that. They are small, they are isolated, and they have very little tax base, and many—well, practically all of the people are of aboriginal descent. Further, its governance structure

provides what it indeed requires, each school to have a committee, and from that committee, representatives were chosen to the regional board and then on to the overall board. So it is rooted in communities and then indirect involvement as opposed to direct school board.

That indirect involvement in the educational decision making works very well for Frontier, and it may well be that others would fit neatly into that kind of model. It is not unlike the model that in many respects is used for the DSFM, the French school board, in terms of the indirect representation, et cetera.

Mr. Chairperson in the Chair

They could do that. We do not have a negotiator, per se, although with all of the interest that is going on in the province right now, we will be having a person working with school divisions. We do now send out our financial people mostly, but others as well, to facilitate with consolidation. We will have a full-time person very shortly to facilitate. That would not be to negotiate, because we believe the negotiations must be done between the divisions themselves, but it does help to have a facilitator to identify issues, to show what has happened elsewhere, et cetera. So they can certainly negotiate with Frontier, and maybe there is something there that would be suitable for them.

Ms. Friesen: Mr. Chairman, I think the minister is probably also aware of capital questions and considerations in Gimli, and I believe the minister may have seen newspaper reports on the Gimli schools and the increase in population and the impact that this is

having upon the schools. Can the minister tell me whether this has been raised with the Public Schools Finance Board in the five-year plan or on the basis of an amendment to the divisional plan?

Mrs. McIntosh: That is under the five-year capital plan, and if all goes as expected, unless other things come up, it is expected that planning authority would be given the go-ahead next year under the Aging Buildings category for the '99-2000 year.

Ms. Friesen: And what options does the division have for the interim period when the students are there and the buildings have not expanded?

Mrs. McIntosh: Mr. Chairman, I just wish to indicate, of course, something that I think, just for the record, should be made clear. This school is still habitable and so on. Sometimes people feel, or get an impression, that any particular school is not habitable. Of course, if that were the case, there would be immediate action taken in terms of relocatables or move to another building or something. This one, though, was an excellent candidate for modernization.

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 14, 1998

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