



Fifth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

*Published under the
authority of
The Honourable Louise M. Dacquay
Speaker*



Vol. XLIX No. 30 - 1:30 p.m., Wednesday, May 19, 1999

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.	St. 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.
DOWNEY, James	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DRIEDGER, Myrna	Charleswood	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.
FAURSCHOU, David	Portage la Prairie	P.C.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
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.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
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, Hon.	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.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin, Hon.	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.
<i>Vacant</i>	St. Boniface	

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 19, 1999

The House met at 1:30 p.m.

the upgrading of this section of road a project in the 1999-2000 provincial highways budget.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

PR 326 North Upgrading

Madam Speaker: I have reviewed the petition of the honourable member for Interlake (Mr. C. Evans), and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

Some Honourable Members: No.

Madam Speaker: No? Dispense.

WHEREAS transportation is a critical component of the economy; and

WHEREAS due to the loss of rail lines many Manitoba highways are facing an increase in predominantly large truck traffic; and

WHEREAS as a result many provincial and municipal roads are facing traffic counts higher than 250 a day; and

WHEREAS PR 326 North for five miles from the junction of PR 329 North has been identified with traffic counts in excess of 300 vehicles per day; and

WHEREAS PR 326 North for five miles from the junction of PR 329 North is in need of a higher standard of maintenance due to the increased use by large heavy trucks having to use the road; and

WHEREAS concerns have been expressed over safety as a result of this increased truck traffic;

WHEREFORE your petitioners humbly pray that the Legislative Assembly of Manitoba request that the Minister of Highways consider making

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Marcel Laurendeau (Chairperson): Madam Speaker, the Committee of Supply has adopted a certain resolution, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Steinbach (Mr. Driedger), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Jack Reimer (Minister of Urban Affairs): Madam Speaker, I would like to table The Forks North Portage Partnership Annual Report for 1997-1998.

Hon. Linda McIntosh (Minister of Environment): I am pleased to table the Supplementary Information for Legislative Review for the '99-2000 Departmental Expenditure Estimates for the Department of Environment.

Hon. Mike Radcliffe (Minister charged with the administration of The Civil Service Act): Madam Speaker, it is my pleasure to table the 1999-2000 Departmental Expenditure Estimates for the Civil Service Commission.

INTRODUCTION OF BILLS

Bill 25—The Municipal Assessment Amendment Act

Hon. Leonard Derkach (Minister of Rural Development): I move, seconded by the Minister of Highways and Transportation (Mr. Praznik), that leave be given to introduce Bill

25, The Municipal Assessment Amendment Act; Loi modifiant la Loi sur l'évaluation municipale, and that the same be now received and read a first time.

His Honour the Lieutenant Governor, having been advised of the contents of the bill, recommends it to the House, and I would like to table the Lieutenant Governor's message.

Motion agreed to.

* (1335)

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon twenty-four Grade 5 élèves de l'École Belmont, sous la direction de Madame Brenda Globa. Cette institution est située dans la circonscription du député de St. Johns (M. Mackintosh).

[Translation]

. . . pupils from Belmont School under the direction of Mrs. Brenda Globa. This school is located in the constituency of the honourable member for St. Johns (Mr. Mackintosh).

[English]

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

ORAL QUESTION PERIOD

**Paramedics
Essential Services Legislation/Binding
Arbitration**

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, yesterday we recommended to the House that the binding arbitration option be considered and utilized and supported by the government and members opposite as a more positive alternative to deal with ambulance services here in the city of Winnipeg. Today Mr. Fotti in his presentation to the committee made the point to our committee when he asked what corner of the city will we leave without

coverage if The Essential Services Act is passed rather than binding arbitration. Mr. Fotti further asked on behalf of the ambulance people to please send us back to the table and please send us back to the table with binding arbitration; please do not put our citizens at risk.

I would like to ask the minister today: given the articulate presentations and given the public interest is better served by binding arbitration, would the minister now consider binding arbitration as a way of protecting all the citizens of Winnipeg?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, as the Leader of the Opposition knows, we started the committee meetings this morning. We had some presentations on this very important issue. We are reconvening I believe at 2:30 this afternoon. I believe there are still two more presentations at least to be made to the committee, and obviously we are looking at this entire issue.

I think first of all we have to recognize today if something were to happen, there is no protection for the citizens of Winnipeg and Manitoba, and that is the issue that is first and foremost certainly in the minds of our government and I would hope everybody in this Legislature.

We had a request from the City of Winnipeg to include the ambulance services under the essential services legislation. That is the purpose of the bill amendments that were introduced today, with the whole objective of ensuring that the people of Winnipeg are not in any way put at risk in terms of the kinds of services that are very important to them from our ambulance services here in Manitoba.

So, as the member knows, we will be back at it starting at 2:30. We look forward to the rest of the presentations and then making some final decisions on this issue.

Mr. Doer: We will be moving amendments to deal with arbitration today in the committee in the public interest.

Madam Speaker, yesterday a press release issued by the minister stated and I quote:

Stefanson noted that other City of Winnipeg essential services are covered by legislation to avoid service disruptions, including fire and police.

Madam Speaker, this Orwellian talk of essential services legislation and police and fire wrapped together is in my view very misleading. The minister knows that the essential services legislation of the government would leave half the services perhaps provided and half the services withdrawn. Police and fire legislation—and I will table copies of the act if the minister has not yet read them, but as a former deputy mayor he would know that it provides for binding arbitration. Why is the minister trying to mislead the public in the sense of letting people believe that the City of Winnipeg legislation is the essential services legislation when really it is binding arbitration, something we should bring in today?

Mr. Stefanson: Madam Speaker, the member makes certain comments. I am more concerned about his actions in terms of trying to scare the public, particularly when it comes to health care services in the city of Winnipeg and the province of Manitoba. He knows how the essential services legislation works, or I believe he does, or he should, if he has paid any attention to the legislation. He heard response to it today.

In terms of what will happen, the employer would designate a percentage of that service, whether it is 100 percent or 80 percent or whatever. He knows very clearly that he was not given a percentage by the representatives there from the City of Winnipeg today. He jumps up and he starts talking about a 50 percent service or less than 50 percent service, not based on any facts, not based on anything being provided to him by the experts in the field, either the ambulance service people themselves or the City of Winnipeg administrators, and I think that is irresponsible because he is trying to scare people when it comes to their health care services.

This is a very, very important issue. First and foremost in our minds is protecting that very important service to the city of Winnipeg people. That is why we introduced essential services legislation three years ago. We expanded it

again in 1997 to include more employees. We are now looking at the entire issue in terms of the very important services of ambulance service here in the city of Winnipeg.

*(1340)

Mr. Doer: Well, the minister should be concerned about information released in a press release under his name, information that basically, in my view, misleads the public on an important issue. Madam Speaker, the fire and police services have binding arbitration. They do not have the access to The Essential Services Act because we want and the people want a hundred percent of the services provided.

Janice Johnson today stated that 10 ambulances were stretched on a Friday night. The quality of care, she felt, would be compromised—I am listening to the people on the front lines—the quality of care would be compromised if we did not proceed with binding arbitration. It was partly due to the line-ups and the turn-around time in hospitals because of patients in hallways, partly due to this government's action.

So why not, in the public interest, if we get a hundred percent of the services provided to the people of Winnipeg with binding arbitration, let us go for the hundred percent solution, rather than something less. Let us go for binding arbitration today.

Mr. Stefanson: Well, first of all, I know that being a former head of the Manitoba Government Employees Union, the Leader of the Opposition knows that essential services legislation and collective bargaining are two separate and distinct issues, Madam Speaker. Again, we have essential services legislation covering our nurses, covering our doctors, and so on. They are not covered by binding arbitration. We have a case where, with the doctors in Manitoba, through mutual agreement we have gone to binding arbitration. With the nurses in the collective bargaining, as we all know we originally offered, we, the employers, offered binding arbitration. The Nurses' Union turned it down. Ultimately, through mediation, we reached an agreement with the nurses that was ratified by 75 percent.

We certainly want, first and foremost, both parties, the City of Winnipeg and the ambulance service attendants and their representatives, to reach an agreement at the table. They can do that in a number of ways. They have a conciliation officer with them now. They can also move on to mediation. They can agree to go to binding arbitration. Surely the Leader of the Opposition knows that that issue can and should be addressed through the collective bargaining system. What we are talking about is using the essential services legislation to be absolutely certain that the services are protected to the people of the city of Winnipeg.

I wonder what the Leader of the Opposition, a former head of MGEU, has against collective bargaining.

**Paramedics
Essential Services Legislation/Binding
Arbitration**

Mr. Daryl Reid (Transcona): Madam Speaker, this morning we heard paramedics describe how they save lives by bringing emergency services into our very living rooms during an emergency. The paramedics also told us that they have asked for arbitration in every contract for a number of years now. In fact, they wanted to do this to protect lives of the Winnipeg people.

I want to ask, since the paramedics are indicating that there will be a loss of ambulance services as a result of this essential services legislation, why this government did not consult with the paramedics before they tabled this legislation in this Chamber yesterday. Why did you not consult with the very people in the front lines who know about the delivery of service?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, let us remind members opposite the essential services legislation was introduced back in 1996, passed in November of that year. It was applicable to the provincial civil service. In 1997, again it was expanded at the request of employers and families in our personal care home environment.

Starting late last week, on I believe Thursday, May 13, we had an initial request from the City of Winnipeg about the very issue

that he is talking about, being absolutely certain that this very important service to all people in Winnipeg continues to be provided. We received a subsequent follow-up request. Later, on May 18, it was tabled to members opposite. We then received a third letter today from the acting mayor of the City of Winnipeg, Ms. Lillian Thomas, provided to all members of this Assembly. The No. 1 objective is to protect those very important services, and certainly by being at committee today the opportunity is there to have the kind of discussion on all of the issues that we are talking about to be sure that when this is done, it is done properly. We are committed to protecting that service for the people of Winnipeg.

* (1345)

Mr. Reid: Madam Speaker, since the minister says he is interested in protecting public service, I am wondering if he can answer this question. Since we heard this morning that there was going to be a loss of ambulance services as a result of this essential services legislation, did this minister and this government know that that was going to be the effect of their bill that they brought before this Chamber, the loss of services as a result and that we need to have binding arbitration to protect those services?

Mr. Stefanson: Interesting question from the member for Transcona. They have never raised this issue of concern whatsoever in this House in any form or fashion, even though it has been certainly publicly known that discussions are ongoing, the ambulance service attendants have been without a contract for quite some period of time. They have never expressed any concern. I will have to look back and check the records and confirm whether or not in the first place they ever even supported essential services legislation.

It is this government that is responding to the key issue that everybody agrees, including the representation we had from ambulance attendants today, is to protect that essential service. Nobody wants to see that essential service withdrawn from the people of the city of Winnipeg. That is the whole objective of introducing the amendments to The Essential Services Act but still trying to respect the

collective bargaining process, which again I think everybody in this House respects the collective bargaining process that ideally we want to see both parties reach an agreement through that very important process.

Mr. Reid: Perhaps the minister can answer this question. Why, when Mr. Shoemaker said this morning that they would not be able to, under the Winnipeg ambulance service, continue 100 percent service to the people of Winnipeg, and since teachers, firefighters, police, doctors, paramedics in Brandon and Thompson fall under the binding arbitration process, is it not suitable for the paramedics that provide emergency services into the very living rooms of the people of Winnipeg? Why is this government not going in that direction?

Mr. Stefanson: Again, the member is wrong that basically doctors are not covered under binding arbitration through mutual agreement, as the Leader of the Opposition knows. Through mutual agreement with the doctors and with the employers, we are now in a binding arbitration process. There is nothing stopping both parties from committing to binding arbitration. There is nothing stopping both parties from committing to a mediation process. There are all kinds of options available to reach an agreement through various forms. Right now I understand that there is a conciliation officer I believe in place and that negotiations are in fact ongoing. We certainly respect that process.

I remind him of a letter that was received today from Lillian Thomas, acting mayor, and just to read a sentence, she goes on to say: The City of Winnipeg is prepared to continue discussions with the association in good faith in order to come to a mutually agreeable resolution to the contract issues. In the meantime, however, it is imperative that the safety and security of our citizens not be put at risk during this process.

That certainly is what the amendments are meant to accomplish.

Health Care Services Nursing Shortage—Surgery Cutbacks

Mr. Dave Chomiak (Kildonan): Madam Speaker, after 11 years of government

mismanagement of health care, after Connie Curran, after we raised the issue in March 1998, May 19, 1999, May 13, 1999, May 4, 1999, we find that they are cutting surgeries, the very surgeries that we require in Manitoba because of a critical nurses shortage. I do not know how many times we have asked this question in the Legislature: will the minister, in a point form, one, two and three, tell us exactly what the government is going to do—one, two and three—if anything, to ensure that the surgeries are not cut back and that we have the nurses in place to provide the services, because we asked you this over and over again and you did not give us—

Madam Speaker: Order, please. The question has been put.

Hon. Eric Stefanson (Minister of Health): Madam Speaker, the member for Kildonan is responding to an article he read today, I am sure, in the Winnipeg Free Press. I want to point out to him that today at the Health Sciences Centre there are 500 more procedures this year alone than last year, a 2 percent increase in a number of procedures. If you look at cardiac surgery alone, just that very important service, it is up 50 percent at Health Sciences Centre, from 400 procedures to 600 procedures.

There is always a summer slowdown every year in Manitoba because, I think as everybody in this House knows, because we have seen it right in this House where people across the way want to take some time in the summertime to spend with their families and spend at our lakes to enjoy Manitoba. That also happens in the health care system where a good number of the employees want to take their holiday time. But I can point out to the member for Kildonan that, again, there are more procedures, more processes being done right across our entire system than there have at any other time.

* (1350)

Mr. Chomiak: Does the minister expect us to tell those children whose surgeries will be cancelled and those patients who do not have ICU beds and those patients who cannot get into the surgery in the adult area and the surgeries that would be cancelled and perhaps have to go out of province, does he want us to tell them

that they should be happy they can take their summer vacation because this government did not see fit when we raised the issue last year specifically to the Minister of Health to hire critical care nurses? He said: we are working on it; we have a plan and we are going to do something. Does he want to tell them they should take vacations at the lake instead—

Madam Speaker: Order, please. The question has been put.

Mr. Stefanson: That seems to be the pattern today again from members opposite of trying to scare Manitobans, and I say shame on them for that because we are doing more—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable Minister of Health, to complete his response.

Mr. Stefanson: Madam Speaker, the member opposite chooses not to pay attention to what is happening to our system. There are more surgery procedures being done right across our system than the previous year, than before. Again, I pointed out to him some of the statistics at Health Sciences Centre. I will point out to him that Grace Hospital alone has a 40 percent increase in surgical volume this year alone. Similarly, Victoria Hospital again has a growth in terms of their surgical procedures. As a result of those shifts, better utilization of our community hospitals, we are doing more procedures, more surgery right across our entire system.

But again, in the summertime it is not uncommon for nurses, other health care professionals to want to take some of their holidays. As a result, there is a summer slow-down, but if you compare it year after year, if you take an example, for this summer alone, that will be significantly less than it has been in the last many years, so it all points to the fact that with the budget that we have, we are doing more surgeries, more procedures and better servicing the citizens of Manitoba.

Mr. Chomiak: Madam Speaker, I can hardly believe what the minister is regurgitating.

Madam Speaker: Order, please. The honourable member for Kildonan was recognized to pose his final question.

Mr. Chomiak: Thank you, Madam Speaker. My final supplementary to the Minister of Health: will the Minister of Health not recognize that the government who was warned about the critical nurses shortage and the lack of surgery slates not just several weeks ago when we raised it but by the doctor who attended the opening and asked the minister to do something about it, and by us a year ago when the former Minister of Health said they had a plan to deal with it, does he not recognize that this crucial problem is going to affect the women, children, the men of Manitoba, and children in particular in terms of surgery because this government has not seen fit to provide the service, and the hospital has been forced to pare back surgeries? If the minister will not recognize that this is a major problem, then why do they not just call the election and have a new administration do the proper job?

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I would appreciate the co-operation of all honourable members. A very serious question was asked, and I am sure all honourable members would like to hear the response.

Mr. Stefanson: Madam Speaker, I like to think that normally the member for Kildonan does a little more research when he comes asking questions in this House. First of all, no emergency surgeries are in any way being cancelled, no urgent surgeries are in any way being cancelled. What we are talking about are some elective procedures that are being deferred, not cancelled as the member tries to talk about, and the maximum number through the summer months that we are talking about is a maximum of about 50 patients across the entire system.

I remind him of the significant growth in terms of the number of procedures being provided right across the system, 2 percent increase overall. I have already outlined for him more procedures at HSC. I am assuming that is one of the reasons that he and his colleague supported the 1999 budget that we brought down

that includes \$194 million more for health care or a 10 percent increase, so that we can continue to provide the kinds of dollars required to continue to maintain and expand the overall services right across the system, which is exactly what is happening. I encourage him to just do a little bit of research.

* (1355)

Brandon Regional Health Centre Medical Equipment—Funding

Mr. Leonard Evans (Brandon East): Madam Speaker, according to the chairman of the Brandon Regional Health Authority, the board is now launching a fundraising campaign to raise \$1 million for new medical equipment because of inadequate and insufficient funding by the government. There were many years, the chairman points out, that there were no dollars for medical equipment and some other years where there was just totally inadequate small amounts. As a result, the Brandon general hospital has been seriously handicapped and cannot provide the quality care that it wishes to do so because of this outdated and inadequate equipment.

Madam Speaker: Order, please. Does the honourable member have a question?

Mr. L. Evans: My question to the minister is—and I hope he does not talk about construction, because we are talking about medical equipment—why does the regional health authority have to go this very day cap in hand to the community begging for money, asking for donations, when this government has the clear responsibility to provide adequate funding for badly needed medical equipment?

Hon. Eric Stefanson (Minister of Health): Madam Speaker, this budget, that the member for Brandon East has just supported wholeheartedly, includes \$27.5 million for equipment right across the province and includes \$8.5 million being allocated to our regional health authorities to use as they see fit. It includes another \$19 million for specialized equipment on a priority basis across the province of Manitoba.

I remind him that I have had an opportunity to meet with the representatives at the Brandon Regional Health Centre, and they are very pleased with the \$65-million commitment for a number of capital projects that will continue to improve the facilities and the equipment at the Brandon Regional Health Centre, continue to provide quality care not only to the people of Brandon but to that entire region of our province which is very important to all of us.

Mr. L. Evans: The minister talks about construction dollars—

Madam Speaker: Order, please. The honourable member for Brandon East was recognized for a supplementary question.

Mr. L. Evans: Is the minister aware that the Brandon general hospital right now needs—

An Honourable Member: Brandon Regional Health Centre, Len.

Mr. L. Evans: The regional health centre—the Brandon general hospital has been referred to by the Chair as the Brandon general hospital as well—needs \$1.6—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I would remind all honourable members this is not a time for debate. This is Question Period. Would the honourable member please pose his question now.

Mr. L. Evans: Madam Speaker, the honourable member for Brandon West (Mr. McCrae) talks of the name of the regional health centre—

Madam Speaker: Order, please.

Mr. L. Evans: Madam Speaker, I have a question.

Madam Speaker: Would the honourable member please pose his question now.

Mr. L. Evans: Is the minister aware that the Brandon general hospital needs \$1.6 million alone to buy two new gamma cameras for use in nuclear medicine to provide better diagnosis and

reduce a four-month waiting list resulting from old equipment which is so slow and does not provide adequate images?

Mr. Stefanson: Madam Speaker, as I have already indicated, on the capital side we have made a number of commitments to Brandon Regional Health Centre, some \$65 million. We have also made significant equipment commitments in terms of issues like bone density and so on. As I have indicated to the member for Brandon East, in the budget that he supported just recently, it includes \$19 million for specialized equipment based on a priority need across Manitoba. I am sure that the Brandon Regional Health Centre will receive some support from those allocations as well. So, on a number of fronts, we continue to put in place the dollars that are required to provide the facility, the equipment and the other financial support to maintain a quality facility and quality services at the Brandon Regional Health Centre.

* (1400)

Mr. L. Evans: My question to the minister regarding medical equipment: he looks at the budget, he is giving them peanuts for medical equipment—

Madam Speaker: Order, please.

Mr. L. Evans: Madam Speaker, will this minister admit in this very year the government continues to shortchange Brandon general hospital in terms of medical equipment when it does not even have money to buy worn-out bed mattresses or replace 20-year-old and worn-out blood pressure machines which should have been updated years ago?

Mr. Stefanson: Madam Speaker, I can assure the member for Brandon East that the situation in Brandon is an awful lot better today than it was as a result of some of their actions, and I will remind him—since the member for Kildonan (Mr. Chomiak) utilized the Free Press, I will quote from the Free Press—on December 24 of 1983, where it says: More than 1,000 people are on the waiting list for surgery at Brandon General Hospital and some are going to the United States rather than waiting more than six months.

That is not the case today because we committed the money to the equipment, to the facility and the—

Madam Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): On a point of order, Beauschiesne Citation 417 is very clear that answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate.

I think, Madam Speaker, we have clear evidence of another minister living in the '80s and practising for opposition. Yesterday it was the Premier (Mr. Filmon), today it is the Minister of Health. We are in the 1990s, and in the new century we want answers about health care in Brandon today, not the trip down memory lane of this tired old government across the way.

Madam Speaker: Order, please. The honourable government House leader, on the same point of order.

Hon. Darren Praznik (Government House Leader): Madam Speaker, every time the New Democrats are confronted with the images of their time in government, they run back to say: oh, we cannot look at that; no one should remember us in government. That is what they do. They run to hide and go in some sort of bunker about their past.

Clearly, there is no point of order here.

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

Mr. Dave Chomiak (Kildonan): Madam Speaker, I was prompted to rise because of the comments of the former Minister of Health and the government House leader with respect to the point of order.

I would just like to add in this regard, if the government wants to talk about the 1980s, perhaps we should start talking about the 1990s—Connie Curran, frozen food, SmartHealth. They

should deal with the issues today, instead of trying to look back in the '80s. Instead of things like 1980s edition, talk with the 1990s and clean up some of the messes they have created.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I would remind all honourable members, when speaking to a point of order—and I raised this concern two or three days ago—they should speak directly to the potential rule that has been violated and not debate or rise to dispute what has been put on the record previously. A point of order is a very serious matter.

On the point of order raised by the honourable member for Thompson, I would agree he had a point of order. Ministers, when giving responses, should respond to the question asked.

* (1410)

Government Business Loans Issue of Funds—Release of Information

Mr. Kevin Lamoureux (Inkster): Madam Speaker, as a follow-up to yesterday's question, and again to the Minister of Industry and Trade, the government has given out \$1.6 million of a \$2-million loan, yet it is not prepared to be able to tell Manitobans where those tax dollars are in fact going. I ask the minister pointblank: can he indicate to this Chamber today, has he completed the negotiations in which already \$1.6 million has been spent?

Hon. Mervin Tweed (Minister of Industry, Trade and Tourism): Madam Speaker, as I replied yesterday to the honourable member for Inkster, when we enter into negotiations with companies, there are certainly some considerations that we like to put into the agreement. There are certainly some considerations that they like to put in. Some of the things that we talk often about when we are dealing with these companies is that they have employees that they have to inform. They may have other operations throughout the country that they are consolidating, and there are sensitive issues that are not necessarily deemed important to make public until the agreement is finalized.

As I advised the member in Estimates and again yesterday in this House, as soon as we reach agreement with the company we will make that available.

Mr. Lamoureux: My supplementary question is to the Deputy Premier (Mr. Stefanson), and that is: is it now government policy that it is okay to issue out \$1.6 million of a \$2-million loan without actually having an agreement in place?

Mr. Tweed: Again, I will just advise the member again and again that the fact is that when we have completed negotiations in regard to the announcement of this program or package to the corporation that we are dealing with, I would be happy to make it available to the member.

Mr. Lamoureux: We appeal to the Deputy Premier in asking a question in terms of government policy, and that is: is it this government's policy that money be issued out before any sort of agreement is actually in place? Is that now how we have a government, Madam Speaker, prior to actually having an agreement we are flowing the money?

Mr. Tweed: If the member will refer back to the Estimates process, when we presented the list, which I believe the member for Crescentwood (Mr. Sale) asked for, we noted at that particular time that there were some in negotiations, there were some that had completed negotiations. The financial negotiations have been completed in this particular deal. The timing and the items that surround the deal on the announcement are not completed. When they are, as I said before, as I said in Estimates, I would be more than happy to share it with the member.

Public Utilities Board Manitoba Hydro

Hon. David Newman (Minister of Energy and Mines): Madam Speaker, I would like to respond to two questions posed by the honourable member for Elmwood (Mr. Maloway) on April 14, 1999, relating to the sale of Centra Gas to Manitoba Hydro.

The first letter I would like to table is dated April 16, 1999, the second one dated May 17, 1999, both from Bob Brennan, president of Manitoba Hydro, the first one to myself, the second one to Mr. Forrest, the chair of the Public Utilities Board.

The first question which was unanswered related to who was acting as lawyers for Manitoba Hydro in relation to requests to the Public Utilities Board about the nature of the hearing process. The second one relates to the nature of the hearing process that Manitoba Hydro was seeking.

The first letter indicates that procedurally the application for approval will be made by West Coast Energy, with supporting evidence being provided by Manitoba Hydro. The nature of the approval process to be employed will be determined by the Public Utilities Board, but Manitoba Hydro has not taken the position and is not advocating that the board's activities should be conducted in camera, and Aikins MacAulay was not acting for Manitoba Hydro in the letter sent by Mr. Foran.

Secondly, in the second letter, Hydro assures the board that Manitoba Hydro will fully co-operate in whatever process the board chooses as appropriate to provide for an effective review of the relevant issues. He says: I do however suggest the review should be as open as possible so that all interested parties have an opportunity to express their views on this important transaction for the board's consideration, and closes by saying: during your review and deliberations, Manitoba Hydro is at your disposal to provide whatever assistance you may require.

Rural Municipalities High Water Levels

Mr. Stan Struthers (Dauphin): My question is for the Minister of Natural Resources. Rural municipalities in the southwest corner of the province continue to be faced with high water levels that are threatening the livelihood of area farmers. It has been reported that farmers in some areas are desperate to get water off their land and are taking their own measures to do so. This is having repercussions on producers downstream.

Can the minister indicate what measures this government is taking to co-ordinate drainage in the southwest corner so that R.M.s are not working against each other in coping with high water levels?

Hon. Glen Cummings (Minister of Natural Resources): Very much as the member has just described, it is because we are in emergency and in some cases near disaster situations on some of the adjacent farmland, there is tremendous pressure being put on municipal officials. That in turn leads to disagreement and conflict between municipalities if the water should happen to be crossing municipal boundaries. We continue to be available and will add whatever resources are necessary to work with the municipalities to deal with this issue because while there are some issues around regular drainage that occurs, this is significantly compounded at a time like this. We have offered our services and continue to do so to co-operate with the municipalities.

Mr. Struthers: This question is to the Minister of Agriculture. Can the minister indicate what assurances he is providing to farmers in the southwest region who are having to pay for feed for livestock as grazing land is under water and who are increasingly concerned that they will not get a crop in before the June deadline?

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I believe I answered that question earlier on, but I am pleased to repeat that certainly I am very much aware of the concerns that farmers have in the southwestern part of the province. Not only in the southwestern part of the province, I remind honourable members the Red River is acting up, and a considerable amount of land is being troubled with high waters in that area as well.

I am sending the chairman of the Manitoba Crop Insurance Corporation to Melita on Friday, along with a number of officials. We are coming together there at the invitation of the regional KAP, Keystone Agricultural Producers organization.

An Honourable Member: Souris.

Mr. Enns: Into Souris, pardon me, I am reminded by my good friend from Arthur-

Viriden. That will fully explain the programs, listen to the complaints. Certainly we will listen carefully to how we can adjust the program to take in the unbelievably wet circumstances that that area faces.

I am also happy to report to the House that I will be contacting my federal colleague, Minister Lyle Vanclief, the federal Minister of Agriculture, and alerting him to the situation that we are experiencing in Manitoba.

Estey Report Implementation Farmers' Input

Ms. Rosann Wowchuk (Swan River): Madam Speaker, last week when Minister Collette announced that Mr. Kruger was appointed to implement the Estey report, he was doing this despite the fact that the majority of farm groups are concerned about many of the recommendations. Mr. Kruger plans to set up a 12- to 15-person steering committee and three or four technical groups who will work out the implementation of the report. However, the committee cannot debate the merits of the recommendations; they can only look for ways to implement.

Madam Speaker, I would like to ask the Minister of Agriculture (Mr. Enns) how he expects these groups to work four to five days a week between May 31 and July 31 and on again in August and September, when he knows that this is a very busy time of the year for farming communities, and what steps he is going to take to ensure that this process is not pushed through and farmers' input will be heard.

Hon. Darren Praznik (Minister of Highways and Transportation): Madam Speaker, as the lead minister on the Estey issue, I can tell the member that the concern she expressed about the availability of farmer representatives was one that was shared by many provincial ministers, including myself and the minister from Saskatchewan. The process that has been established is not a provincial process; it is a federal government process established by Mr. Collette. It is being carried out on the time frame that he, in fact, has set forward, which is if there are going to be amendments required to federal legislation, that they be ready by the fall

so they can be contemplated by Parliament the following year.

Madam Speaker, this has posed some difficulty to farm organizations, and that was one of the discussions I had with Mr. Kruger when he visited with me last week here in Winnipeg. He is looking for some innovative ways to ensure that farmers are going to be able to be fully participating in those committees, which is essential, we believe, to the success of the process.

Madam Speaker: Time for Oral Questions has expired.

Speaker's Ruling

Madam Speaker: I have a ruling for the House.

I am ruling on a point of order raised by the opposition House leader on May 6. Citing Beuchesne Citation 417, he asserted that, in answering questions during Question Period, both the Minister of Family Services (Mrs. Mitchelson) and the Minister of Education (Mr. McCrae) were not relevant to the questions posed. I took the matter under advisement in order to review Hansard.

As Beuchesne's citation states, answers to questions should be brief, should deal with the matter raised, and should not provoke debate. The opposition House leader did have a point of order. The Minister of Education and the Minister of Family Services were not complying with Citation 417. Ministers should provide brief, relevant and nonprovocative answers.

* (1420)

MEMBERS' STATEMENTS

1999 Women Entrepreneur Awards

Mr. David Faurchou (Portage la Prairie): Madam Speaker, it is my pleasure today to rise before all honourable members of this House today and offer congratulations to the winners of the 1999 Women Entrepreneur of the Year Awards which were presented last Thursday.

These awards, sponsored by the Women Business Owners of Manitoba, recognize

achievement by women entrepreneurs in Manitoba.

The award winners were as follows: for the category of Start Up and Overall Excellence Award, Leslie Reimer, co-owner of Timber Trails Tree Farm; the Contribution to Community Award, Carmen Neufeld, Frontline Associates and Strictly Speaking; the Impact on the Local Economy Award, Daphne Petrakos of Giselle's Skin Care; the Home-Based Business Award, Fran Kowalchuk of Fran's Jewellers & Gifts; the Franchise Award winner was Darlene Pelda, World of Water; and the Innovator Award, Irene Merie, Executive Computer Training.

This year the provincial government sponsored the Lifetime Achievement Award, and I was very pleased that the Minister of Industry, Trade and Tourism, the Honourable Merv Tweed, presented this award to Fran Funk, owner of the Portage Conservatory of Music. I am very proud to say that her love of music and her sense of community are very much appreciated in Portage la Prairie, and she is indeed a worthy recipient of this award.

Madam Speaker, whether those that were award winners or whether they were nominees, they all played an important part in being role models for Manitoba women. Their efforts and achievements will inspire all to test their own entrepreneurial spirit. Thank you.

Meet the Miners 1999 Reception

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, I rise today to urge members of this House to attend a very important meeting coming up at the end of the month, called Meet the Miners 1999 Reception, where members of the House are invited to meet with real miners who make a difference in Manitoba's economy. Mining is a very important economic resource to Manitoba. Many of us are not personally impacted by mining, but I must remind you that the wealth of mining impacts all members of Manitoba's community.

It is second only to agriculture in terms of its importance to our economy. In 1989 over 4,600 people worked in the mining industry. Now we

see significant job losses, unfortunately, mine closures and extended shutdowns. The condition of Manitoba's mining industry in 1999 remains a concern. The rapid decline of ore prices over the past year has had a severe effect upon our operations in this province. Nickel prices have dropped by nearly 50 percent to roughly \$1.75 a pound, a 12-year low. Copper prices have also dropped by nearly 40 percent over the past four years. The Triple Seven deposit at Flin Flon is proceeding; Snow Lake and Bissett are both operating well. Regrettably, the proposed Cross Lake mine is still in negotiations. Leaf Rapids has been a major source of provincial revenue for over 25 years, while Lynn Lake has had more than half a dozen mines over the past 30 years. Both mines are nearing the end of current known reserves.

On May 31, the Mining Association of Manitoba is presenting the annual Meet the Miners event. This is an important opportunity for the mining industry representatives to meet with government and opposition officials to discuss the state of the industry. I invite all members and urge you to attend the reception at the Art Gallery where you will be able to meet the people who make mining in Manitoba.

Health Care and Post-Secondary Education Federal Funds Restoration

Mr. Peter Dyck (Pembina): I would like to address an important issue, namely the level of funding the federal government provides to the provinces for vital programs. At this week's Western Premiers' Conference in Drumheller, Premier Gary Filmon will be calling for full restoration of federal funds to be invested in health care and post-secondary education. The federal government has already announced the partial restoration of its Canada health and social transfer cuts. This amount has already been fully committed to health care. Our Premier is proposing that the premiers and territorial leaders consider allocating the \$3.7 billion not yet restored between health care and post-secondary education initiatives equally on a 50/50 basis.

Since 1994, the federal government has reduced its funding to all provinces for health care, post-secondary education and other social

programs by about \$6.2 billion annually. During the same period, Manitoba lost over \$260 million annually in CHST funds. Along with our government, the council of western Canadian university presidents is also calling on Ottawa to fully restore Canada health and social transfer payments for post-secondary education.

For too many years the federal government has pursued a policy of reducing transfers for health care and post-secondary education while lowering the national commitment to programs they seek to protect. Funding for post-secondary education is essential in our rapidly evolving global economy. By enhancing post-secondary training opportunities, we can continue to meet the increased need for skilled workers in our growing economy, but Ottawa must do its part to ensure that it is providing the provinces with adequate funding for post-secondary institutions. This will help ensure our young people are given the greatest possible opportunity to succeed. Thank you.

Churchill Rocket Range

Mr. Eric Robinson (Rupertsland): Interest in the Churchill Rocket Range has again been renewed as people recognize the potential of this very valuable asset. There have been more than 3,500 sounding and weather rockets that were launched from the Churchill Rocket Range from 1957 to 1989. The federal government planned to bulldoze the site when the range was closed at that time. Fortunately, that plan was scrapped. Akjuit Aerospace made a major commitment to developing the range as an international private satellite launch site. Sadly, their first launch in April of 1998 proved to be their last, and the firm was unable to raise as much capital as they needed to proceed with their ambitious project.

Studies are currently being conducted to evaluate the market for an orbital satellite launching facility and another on the demand for a rocket launching facility. Meanwhile, at least two groups are looking at launching rockets from Churchill. One hopes to launch a sounding rocket this coming September.

This is good news for Churchill and good news for Manitoba, Madam Speaker. It proves once again that the range has potential and should be maintained. The Manitoba and federal

governments should be working with the town council to see what other opportunities can be developed. With proper promotion, the range will find new customers and businesses in the years ahead. Thank you.

River Avenue Daycare Centre

Mr. Tim Sale (Crescentwood): Madam Speaker, I rise to pay tribute to the staff and board of the River Avenue daycare centre. It is a co-operative daycare centre located in a very nice facility adjacent to the Hugh John Macdonald Youth Services on Mayfair Avenue. This co-operative has been in existence for many years now and provides a high level of service to many parents but particularly to many children with special needs.

I had the opportunity a week or so ago to observe the care being given to a young autistic child in a one-on-one situation with a very difficult child, and the caregiver was amazing in her patience and her compassion for this child.

This government has done much to make it difficult for parents of moderate and lower income to access child care at an affordable rate. It has not provided the kind of level of support for special needs children, and it has not provided the level of support for the staff of this vital service that they could have a reasonable income and be able to provide the care and compassion that they are able to do by virtue of their training to the children of Manitoba who need this service so badly.

I want to pay tribute to this centre that has provided the only 24-hour care service in this area of the city against great odds, and I want to wish them well as they celebrate again today their anniversary and service with all the parents and children.

* (1430)

ORDERS OF THE DAY

House Business

Hon. Darren Praznik (Government House Leader): Madam Speaker, I have a number of announcements for the House arising out of the committee meeting this morning.

First of all, just by way of amendment, in calling the Standing Committee on Public Utilities and Natural Resources with respect to the Workers Compensation Board, I believe for next Tuesday, omitted were the 1998 and 1999 five-year operating plans of the WCB. So at this time I would like to amend that call to include those two documents so that the committee could have a full consideration of the annual reports and appropriate operating plans. So I make that amendment at this time.

Secondly, what our plan for today is, I will be seeking leave of the House for us to sit two Estimates committees this afternoon, one with respect to Industry, Trade and Tourism, the other with respect to Education, while a committee of the House, the Committee on Law Amendments, continues to sit in the committee room where it was sitting this morning. We would ask if I, T and T, as well, could be, with the consent of this House, moved into the Chamber for the course of this afternoon.

If there is agreement for that, as I believe there will be, we would also ask that if the Committee on Law Amendments completes its work before we reassemble for private members' hour, then the third Committee of Supply of Estimates continue to sit for Health in the committee room for the time that is remaining in the afternoon.

So that is what we are seeking leave for. I believe if you canvass the House, there will be such agreement, Madam Speaker.

Madam Speaker: Is there leave to, firstly, have the Standing Committee on Law Amendments reconvene in Room 255, then have two sections of Committee of Supply running concurrently, Education in 254 and move Industry, Trade and Tourism into the Chamber? If the Standing Committee on Law Amendments completes its business prior to private members' hour at 5 p.m., then the Department of Health to resume its Estimates in Room 255. Agreed? [agreed]

Committee Changes

Mr. Edward Helwer (Gimli): Madam Speaker, the following committee change was moved this morning by leave in the Standing Committee on

Law Amendments. I am now going to be moving the same change in the House so that the official record will be correct.

I move, seconded by the member for Pembina (Mr. Pitura), that the composition of the Standing Committee on Law Amendments be amended as follows: the member for Portage (Mr. Fauschou) for the member for La Verendrye (Mr. Sveinson).

I move, seconded by the member for Pembina, that the composition of the Standing Committee on Law Amendments for this afternoon's session be amended as follows: the member for Charleswood (Mrs. Driedger) for the member for Sturgeon Creek (Mr. McAlpine).

Motions agreed to.

Mr. George Hickes (Point Douglas): The following committee change was moved this morning by leave in the Standing Committee on Law Amendments. I am now moving the same change in the House so that the official record will be correct.

I move, seconded by the member for Broadway (Mr. Santos), that the composition of the Standing Committee on Law Amendments be amended as follows: Concordia (Mr. Doer) for Wellington (Ms. Barrett).

I move, seconded by the member for Broadway, that the composition of the Standing Committee on Law Amendments be amended as follows: Wellington (Ms. Barrett) for Crescentwood (Mr. Sale).

Motions agreed to.

Mr. Praznik: Madam Speaker, I would move, seconded by the honourable Minister of Agriculture (Mr. Enns), that Madam Speaker do now leave the Chair and this House resolve itself into a committee to consider of the Supply to be granted to Her Most Gracious Majesty.

Motion agreed to.

* (1440)

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

EDUCATION AND TRAINING

Mr. Chairperson (Gerry McAlpine): Order, please. Will the Committee of Supply please come to order. This afternoon this section of the committee meeting in Room 254 will resume consideration of the Estimates of the Department of Education and Training. When the committee last sat, we were considering item 16.1 Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits on page 46 of the Estimates book. Shall the item pass?

Ms. Jean Friesen (Wolseley): Mr. Chairman, I think the minister had a number of things to table, the exam results, any material from the Council of Ministers of Education and several things which I had asked for previously in Estimates. I wonder if the minister would like to table those now.

Hon. James McCrae (Minister of Education and Training): Mr. Chairman, yes, I appreciate that question. I think each day there are some undertakings that I generally make, and I like to follow through on them as soon as I can. Sometimes it takes longer to make information available, but if it does not have to, then it should not. So, in that spirit, I would like to table some stuff and also make some information available in response to questions raised.

The honourable member asked about the agreement between the Canada Millennium Scholarship Foundation and the Province of Manitoba. She asked for the tabling of that agreement, and I do not blame her because I think it is a very good arrangement for students in Manitoba. So I now table that particular agreement.

The honourable member for Wolseley also asked for the Canada-Manitoba Agreement on Labour Market Development, and I am making that agreement available this afternoon.

The honourable member asked about an update on the response to the Report on the Health of Manitoba Children, the so-called Postl report. This, by the way, is Canada's first

population health report on children and youth. It was released in March of 1995 by myself, I might add, in another capacity. It was referred to the Children and Youth Secretariat for processing of the recommendations and to provide leadership on implementation. Recommendations address determinants of health and cross-departmental boundaries. The emphasis is on resiliency and building protective factors. There is a population health focus, and that focus addresses the multifactors which facilitate well-being, and the emphasis was on improving the health of aboriginal children and youth.

At the time of the release of the document, there were already 40 of its recommendations which were in the process of implementation. Currently, 90 recommendations have been implemented and are ongoing. Twelve are in process. Nine have been referred to a specific department. On three of them, no action will be taken. Two of them are under consideration. The Children and Youth Secretariat uses the report, The Health of Manitoba's Children, as a source for its strategic planning, and questions about that could be further directed to the secretariat or to my colleague the Minister of Family Services (Mrs. Mitchelson).

The honourable member asked about the national agenda of the Council of Ministers of Education of Canada, known as the CMEC. The CMEC Secretariat was created almost 30 years ago from an evident need—

Point of Order

Ms. Friesen: I know it is not a point of order, but the minister has changed subjects. He has gone from the Postl report to CMEC, and I had understood that he was going to table a report on what the government had achieved since the presentation of the Postl report over the last three or four years. Is that the case, or was what the minister summarized what he is going to present?

Mr. Chairperson: The honourable member for Wolseley did not have a point of order.

* * *

Mr. Chairperson: Did the minister wish to continue his response?

Mr. McCrae: Just to save the Chair the problem that arises when a point of order is raised, because I realize that when a point of order is raised, some ruling has to be made, and I do not think having ruled that there is no point of order that you need to worry anymore, Mr. Chairman.

But I would point out that the honourable member's point is, while not necessarily a point of order, a good point nonetheless. What I said to her was basically the update that I wanted to give to the honourable member in response to the discussion yesterday. At the end of my brief report, I did say that if there are issues or questions arising from the Postl report, they could be directed to the secretariat or to the minister, or the honourable member could try me, and if I am able to, I would certainly try to be responsive to anything that she raises with me. But, generally speaking, the lead with respect to the implementation of the report on Manitoba's children is held by the honourable Minister of Family Services (Mrs. Mitchelson) in her capacity as the lead minister responsible for the Children and Youth Secretariat. So I gave the honourable member simply a brief rundown of the general response to the report, and the specifics would have to come out in another way.

If that is okay, then I will move on to the CMEC Secretariat. The secretariat was created almost 30 years ago from an evident need for ministers and ministers of Education to benefit from the experience of other jurisdictions, to provide economies of scale where possible, to provide the ministers opportunities to interact formally and informally, and to represent the educational interests of the provinces. Now this is not unlike the same type of council that exists for ministers of Environment, because so much of what we do in our country is national in scope, and sometimes if it is not, some aspects of it should be. We can learn a lot from our colleagues in other parts of the country, and I have found in my experience in various ministries that the opportunity to share experiences and advice with colleagues from other provinces and the federal government has been a very useful part of our confederation. It helps keep our country a united country.

Sometimes we borrow from other provinces and sometimes we lead.

* (1450)

In Manitoba's case in the last 11 years or so, there have been repeated examples of Manitoba taking a leading role. In 1993, ministers released a Pan-Canadian agenda on intentions for education. This release was called the Victoria agreement. In this declaration ministers stated that CMEC's actions would focus on the following four themes: quality of education, accountability, accessibility and mobility.

Currently, today, provincial ministers are in the process of revising the 1993 declaration to make it more relevant to the rapidly changing global environment. Priority issues identified by provinces to be incorporated into CMEC's national agenda include lifelong learning, education for a changing economy, education as a tool for international competitiveness, post-secondary education access, transitions and clarity of pathways, labour market mobility, appropriate use of technology in education and aboriginal education. By the way, on aboriginal education, I have to share with you that on matters related to aboriginal issues, provinces like Manitoba and Saskatchewan always have to take the lead, and Alberta and sometimes B.C. and sometimes others, but almost always Manitoba and Saskatchewan, have to take the lead because on major issues other provinces come to the table without the briefing that you will get in Manitoba and Saskatchewan delegations. The reason for that is pretty obvious, and that is that we enjoy relatively large aboriginal populations in our provinces.

So we have to be concerned about issues of importance, not only to aboriginal people but to our whole society. That is something that has come about, if not because we want to, which I doubt, but because of necessity. Aboriginal issues play a very significant role in all of our issues in Manitoba education and in health and in justice and in all of those things.

Sometimes it is a frustrating thing. I remember taking the issue of substance abuse to an Attorney Generals' conference and getting the

response from one or two other ministers from across the country: well, that is not really a problem with us. So we did not really get them involved in discussions in this case of substance abuse, which is a very serious issue in this part of the country. So it is both frustrating and sometimes not so frustrating in that we can show by example or by participation that Manitoba can play a leading role, and very often we share that with the Province of Saskatchewan at these types of meetings. It goes further than that, that you make some pretty good friends from all political persuasions that are represented at these meetings.

CMEC continues to play a very significant role in a number of continuing initiatives. Examples include the official languages program, Pan-Canadian Student Achievement Indicators Program, the public expectations on post-secondary education project. On that one, Saskatchewan is the lead jurisdiction for that particular work, and sometimes Manitoba takes that role, depending on the project. But we are pleased to partner with provinces like Saskatchewan and other provinces in these very important projects.

Another continuing initiative is the copy-right initiative. Another one is the elementary and secondary learning outcomes frameworks, student financial assistance, teacher mobility, education-related international activities. In partnership with Statistics Canada, the Canadian education statistics council was created. Major initiatives currently underway through this collaborative effort include the Pan-Canadian Education Indicators Program and the pan-Canadian education research agenda.

Additionally, representatives from the CMEC Secretariat and provincial ministries work directly with Statistics Canada's centre for education statistics on such programs as conditions of education and post-secondary enhanced student information system. CMEC supports the work of the Canadian Information Centre for International Credentials, CICIC, assists Canada in carrying out its obligations under the terms of the UNESCO convention to promote international mobility.

The honourable member asked also about the highlights of CMEC's post-secondary education agenda. There is a background in that in February of 1997, ministers established a consortium-based initiative to examine post-secondary education issues. A public expectations of post-secondary education project was initiated. As this initiative developed, the following three ancillary projects have emerged: learner pathways and transitions, accessibility and post-secondary education research.

In regard to the public expectations of post-secondary education report—this is the one where Saskatchewan is the lead jurisdiction—in February of 1999, ministers released a report on public expectations for post-secondary education in Canada. The report was prepared through a collaborative effort of nine provinces and one territory with extensive consultation with education partners. Saskatchewan acted as the lead province. Quebec and Yukon opted for observer status. Manitoba's representative was Leo LeTourneau from the Council on Post-Secondary Education. The key areas of expectations identified in the report are as follows: quality, accessibility, mobility, relevance and responsiveness, research and scholarship and accountability.

The report points out that provincial government's play an important role in supporting post-secondary education initiatives through policy, legislation, funding and accountability. New Brunswick, with respect to learner pathways and transitions, is the lead province on this initiative. A review and examination of issues pertaining to four key transition points has been initiated. The four points are from secondary to post-secondary education, through post-secondary education, from post-secondary education to the labour market, and between different education sectors such as college and university. Work has proceeded in two stages. A background paper on learner transitions and pathways as well as a series of challenge papers covering a range of issues were developed, and a set of three multistakeholder round table consultations were conducted across Canada in Halifax, Calgary and Toronto. A work plan is currently being developed for jurisdiction review and use.

With respect to post-secondary expectations thematic initiative on accessibility, in September 1998, ministers agreed that a thematic initiative on accessibility would be undertaken as part of the CMEC post-secondary expectations project. British Columbia agreed to be the lead province for this initiative. A work plan was prepared by British Columbia in consultation with an interprovincial PEP, post-secondary expectations project steering committee. Manitoba provided input.

The work plan lists the following six major themes related to accessibility that are of interest and concern to all jurisdictions, K to S4 to post-secondary education transition, access to post-secondary education as a force for social and economic mobility, technology-mediated learning as a means of enhancing access, inter-provincial mobility and access, access and financing issues, access and lifelong learning.

* (1500)

With respect to post-secondary education research, in 1998, a working group on post-secondary research was created. The terms of reference for the group are as follows: to act as a network to share information among provinces and territories on policy initiatives, programs and data on post-secondary education research in their jurisdictions; to develop proposals for CMEC activities related to post-secondary education research; to conduct studies and develop position papers on post-secondary education research as directed by CMEC; and, to act as a focal point for CMEC initiatives on post-secondary education research.

The working group is chaired by Alberta. Manitoba's representative is Leo LeTourneau from the Council on Post-Secondary Education. Priority issues identified by jurisdictions focus on quality and accountability including provincial policies on research in the post-secondary education sector, research quality and accountability, the role of the federal and provincial governments and post-secondary education and research on the economy. An action plan is being developed by the working group. Thank you.

Oh, there is one more, I am sorry. The honourable member asked also about school achievement indicators program, or SAIP. In response to that question, the following results for Manitoba have been summarized with regard to the 1996, 1997 and 1998 SAIP assessments. With respect to the 1996 SAIP science assessment, the SAIP science assessment measured student performance in terms of what students should know and be able to do in four areas of the science curriculum: knowledge and concepts of science, the nature of science, the relationship of science to technology and societal issues, science inquiry skills. There was a written portion and practical task assessment portion to this assessment. For the results, student achievement was based on a five-point scale with five being the highest level of performance. In the written portion of the test, Manitoba results were as follows: 73 percent of English-speaking 13-year-old students in Manitoba performed at Level II or above. This result is essentially the same as the national average of 72 percent. Sixty-eight percent of 16-year-old Manitoba students in English, français and French immersion programs performed at Level III or above.

These results are also consistent with the national average of 69 percent. Sixty percent of 13-year-old Manitoba students in français and French immersion programs performed at Level II or above. This result was much less than the national average which saw 72 percent of students perform at these levels. At both age groups, girls performed as well as boys of the same age in both the written and practical tasks.

With respect to the 1997 SAIP mathematics assessment, the mathematics assessment measured student performance of five levels representing a continuum of mathematical knowledge and skills acquired by students over the entire elementary and secondary school experience. Level I describes the very early stages of mathematical competency, while Level V describes the full competency acquired by a student at or near the end of secondary school. The content portion focused on four areas: numbers and operations, algebra and functions, measurement and geometry, and data management and statistics. The problem-solving

portion of the test involved practical application of mathematics concepts.

The results in mathematics content for the overall Manitoba student population: 53 percent of 13-year-old students scored at Level II or above, and 59 percent of Canadian students achieved at Level II. For 16-year-olds, 54 percent of the overall Manitoba student population scored at Level III or above compared to 60 percent of Canadian students who achieved at Level III or above. In mathematics problem solving for the overall Manitoba student population, 46 percent of 13-year-old students scored at Level II or above, and 52 percent of Canadian students achieved at Level II. For 16-year-olds, 41 percent of the overall Manitoba student population scored at Level III or above compared to 40 percent of Canadian students who achieved at Level III or above.

In both mathematics content and problem solving, 13-year-old English program students from Manitoba demonstrated lower performance than the rest of Canada at Levels II and III. In mathematics content, 16-year-old English program students from Manitoba demonstrated lower performance than the rest of Canada at Levels II, III, and IV. In problem solving, Manitoba 13-year-old students in the English language program performed as well as the rest of Canada at all levels except Levels II and III. Manitoba 16-year-old students in the English program performed as well as the rest of Canada at Levels I, II, III and V.

Results of 1997 compared to 1993: in terms of mathematics content 1997, 59 percent of 13-year-old students in Canada were able to perform at Level II or above. In Manitoba 52 percent of English program students and 62 percent of French immersion and français students were able to perform at this level.

These scores are slightly higher for Manitoba students than those attained in the 1993 study which showed 64 percent of 13-year-old students in Canada, 48 percent of English program Manitoba students and 61 percent of French immersion and français Manitoba students performing at these levels.

In the 1997 study, 60 percent of 16-year-old students in Canada performed at Level III or above in mathematics content. In Manitoba 53 percent of English program students and 61 percent of French immersion and français students performed at this level. This is very similar to the 1993 results which showed that 62 percent of 16-year-old students in Canada performed at Level III or above, and 51 percent of English program Manitoba students and 64 percent of French immersion and français Manitoba students performed at this level.

With respect to the 1998 reading and writing assessment, the SAIP reading and writing assessment was measured on five levels of performance. Level I represented very limited skills, and Level V represented the highest level of performance. The results: overall reading and writing skills of 13- and 16-year-old Manitoba students were on par with their counterparts across Canada in both the 1994 and 1998 assessments. For the English students, both 13- and 16-year-old Manitoba students showed higher levels of performance in writing than in reading. Français 13- and 16-year-old Manitoba students in both reading and writing performed at levels comparable to français students outside Quebec. In reading and writing, the percentages of 13-year-old Manitoba students who performed at Level II or above meet or exceed the expectations. The percentages of 16-year-old Manitoba students who performed at Level III or above are lower than expectations except for the writing component where the percentage of English students met the expectations. A comparison between 13-year-old and 16-year-old students results show that, as is reflected in the Canada overall results, 16-year-old Manitoba students performed better than the 13-year-old students. There is one exception with the 16-year-old Manitoba French students performing lower than 13-year-old students in writing for Level IV.

With respect to the future status, in 1999 the SAIP assessment will be implemented in science, and in the year 2001 the SAIP assessment will be administered in mathematics.

That is all I have to say about that.

Ms. Friesen: I think the minister was going to table that, and I wondered if the minister has read summaries and interpretations. I wondered if the minister could also table the actual tables which are usually included with SAIP, which indicate Levels I, II, III, and IV.

Mr. McCrae: We will return with the tables. I am not sure what the member said at first, though.

Ms. Friesen: What I intended was to ask the minister for the tables, because what he had read were summaries and interpretations of the tables, but there are, in addition, tables. Sometimes the summaries do not actually give you the full picture. They give you a quick glance of above and below, but they do not necessarily tell you what happens at each level.

* (1510)

Mr. McCrae: Does the honourable member include in her request all the way back in '96, or just the most recent '98 ones, because it will take longer to get all of that?

Ms. Friesen: No, I am looking for comparisons and change over time, obviously, so that the '96 ones would be helpful. I recognize that would take a little longer.

Mr. McCrae: We will get it, but it will take a little longer.

Ms. Friesen: One final thing from last time was the Mennonite university, the issue that it is not listed in the Estimates book. Now, I do not know what the actual legal standing is of the Estimates book or whether there needed to be an addendum, an erratum, or whatever, but perhaps I could ask the minister: is that required? Does it need something more than the statement he made that it was simply an omission?

Mr. McCrae: I think the supplementary information that is provided is provided to assist honourable members in their deliberations over the Estimates. I do not think there is any legal requirement for it. We can either make an addendum or put in a letter to the honourable member the omission and deal with it that way.

I think, rather than republish or redo the whole thing, this document is really meant as an assist to the honourable member and all honourable members in their review of departmental Estimates.

Ms. Friesen: It is on the record in Hansard. I do not think it requires a letter. I just was concerned whether it required anything further than that.

I wanted to ask the minister about a policy. We are looking at general departmental policies. Are there any policies or regulations that the government has developed on international students? As the minister is aware, a number of school divisions now are recruiting international students in various types of programs, some of them language programs, some of them regular programs, some of them for short periods of time, some of them on the basis of exchange. There is a wide range of programs that are developing across Manitoba. Particularly for those that are longer term, not the short-term, exchange ones, I am wondering if the department is developing any regulations, any guidelines, any advice for school divisions that are entering into these kinds of negotiations.

Mr. McCrae: This question really takes in both parts of the department, the K to 12 part as well as the post-secondary part. We do have a staff person, Mr. Gordon McLeod, from Fort Garry. He is on secondment from the Fort Garry School Division. Mr. McLeod is working with the post-secondary sector as well as the school divisions.

At this point, there are no policies that have evolved from this approach but, as the world shrinks, as it were, Manitoba is very well placed to be of interest to students from around the world. So discussions take place with both sectors and Mr. McLeod respecting the marketing of Manitoba. With the Internet being available to people around the world, getting on-line is one of the things we need to do to make sure that the world knows about us. We have good schools in Manitoba; we have good curricula; we have excellent teachers in this province; we have a lot to offer. So Mr. McLeod has made it his work to work with both parts of the education system.

Ms. Friesen: Since it is both parts of the education system, I am assuming that this is an appropriate line to ask questions on that.

Mr. McCrae: I do not really rest on a lot of rules, and have not always done that anyway, and I do not intend to start insisting on it. If we are not able to deal with an issue or bring forward specific information on the spot, we will continue to undertake to do so at a subsequent time. I do not want to, in any way, limit the honourable member's approach to asking these questions by insisting that we have the right people here at any given time.

Ms. Friesen: He mentioned on-line, and I assume Manitoba Education then is developing a website that is available internationally, as, of course, many provinces and jurisdictions and individual institutions have done. Does the minister have any information on that here, and could he tell us where that is going? The reason I was asking for government policy and government guidelines, of course, is that obviously we are into a quite competitive situation. In general, Canada has fallen severely behind, certainly at the post-secondary level. It is not so much the fault of the provincial government, but there was a period of years there when the federal government let the ball drop, took away its educational counsellors from its embassies, and has only recently reinstated them. It is, unfortunately, reinstating them at a time when the Asian market is not what it was for educational institutions.

* (1520)

So I think we are coming with disadvantages internationally. I think obviously Manitoba, within that, will have not only advantages but disadvantages in the sense of the lateness of this. It is something that I have raised in Estimates over a number of years. I was impressed 10 years ago by the rate of expansion of Australian universities, not just in Australia, but actually overseas campuses. In terms of using education as a knowledge industry, in fact, it does something which is of international interest and which has, of course, spillovers into many other areas of international economic exchange. It seemed to me that they moved very quickly. Canada was much slower; it then became even

slower. Manitoba has a difficult situation even within Canada, and Canada itself, I think, has difficulties.

British Columbia, obviously, has much greater advantages in terms of climate, proximity, having been in the field much longer, both at the K to 12 area and at the post-secondary level. I do not know that much about what is happening in the Maritimes, but one would assume that there are some advantages there at the post-secondary level with the diversity of institutions, smaller institutions and again closer to an international market in some ways. I am thinking of the Caribbean in particular.

So I wonder if the minister can give me a sense of the place of Manitoba, what the impact has been of the federal government changes in international education, the actual uptake, re-uptake of activity at the federal level, and what direction he sees Manitoba going in terms of market.

Finally, to get back to where I started with guidelines for the school divisions is that I think there is always a danger in these situations of school divisions competing with each other and without, which, I think, does hinder some of the presentation, some of the position that Manitoba could take. So what is the minister thinking of in developing in that context?

Mr. McCrae: I know the challenge to which the honourable member refers. I do not know if relative to others we are in such bad shape in this area, but I think there are some natural advantages other jurisdictions enjoy that we do not. We just have to work harder. I think that, as the economy of Manitoba reaches out to the rest of the world, so too will our educational sector. I think that is going to be a by-product. It is not going to happen automatically, but it is going to happen if people roll up their sleeves and make it happen.

I know recently I had the pleasure of attending a dinner on a Sunday evening in Brandon put on by Brandon University and one of the major universities in Taiwan, a partnership agreement where they share

professors and they exchange, shall we say, students, that sort of thing, at that kind of level all the way to the exchange of research programming and other opportunities that a global economy presents all of us with. It is simply a question of making sure we have dynamic people who believe that the changes that the world is undergoing represent opportunity. We need to continue as a province to be involved in establishing partnerships. We have to network not only here in Manitoba but well beyond. I note that in this year's budget there are dollars set aside for the strategic efforts to be undertaken by the universities and colleges. This is the right direction, but that sort of thinking needs to extend well beyond the Manitoba borders. So we have some reciprocal arrangements with other universities which are helpful to students.

I think the point the honourable member makes is a good one, because we do need to work harder at this just to try to catch up to the natural advantage that other jurisdictions might enjoy, those that are closer to, let us say, Asian markets, for example, or those that are more involved with the Asian market than we are. But we are getting more and more involved with our products and services. Those things can include the education sector.

So we by no means want to rest on any laurels because, sitting in the middle of this big country, Manitoba could possibly not be on everybody's destination list, but we have to make that happen, and there are certain economic advantages to our location. If we can tie those economic advantages to advantages related to our education system, then that is what we should be doing. So I agree with the concern the honourable member raises. I do not know if it is as bad as she has characterized it, but there is a challenge there.

Ms. Friesen: My question also dealt with guidelines and policies that might enable Manitoba institutions to co-operate with each other, both at the post-secondary and the K to 12 level. I wondered if the minister could address that part of the question.

Mr. McCrae: The key I think is perhaps for Manitoba to become more co-ordinated. I

mentioned Mr. McLeod. That is part of his function, in fact a big part of his function, to get us all working as if we were one major player rather than half a dozen or more pieces of it, sometimes competing with each other, which is not always a good idea. The honourable member talked about competition even between school divisions. I agree it is not always a good idea, but it is not always a bad idea either. You have to pick and choose carefully and have some kind of system in place whereby you can make good decisions about efforts on the part of school divisions or the post-secondary sector that would provide appropriate guidance.

This is not a dog-eat-dog situation in terms of education. It should not be, because we are talking about education institutions, but we are in a competitive world. So I guess we have to be judged by directions we take and decisions we make as they are made, to some extent, but certainly there is nothing wrong with trying to get a co-ordinated system for working with the rest of the world. Manitoba does indeed have a good track record in a lot of these areas.

Ms. Friesen: Can the minister direct me to the department's website on this?

Mr. McCrae: It is not a specific website for this particular topic. What we have is a Manitoba Education website from which you can link to other websites of the various institutions and services. So it is not one website for this function and this function only. I guess the way the Internet works is there are various links that you can get to from one major Web page, and that would be the Manitoba Education one. I think the honourable member would know that one, but if not, we have it here. The honourable member would have that, so then it is the links that you come across, I guess, as you are working your way through that web page. You would have this one: edu.gov.mb.ca.

* (1530)

Ms. Friesen: Mr. Chairman, what I was interested in was whether Mr. McLeod was developing a website that was specifically aimed as a marketing tool at overseas students. The Manitoba site is, of course, a very general one, and the institutional sites are aimed at

prospective students largely within Canada. Is there something else that is being proposed by Mr. McLeod? Where are his efforts being spent in the marketing sense?

Mr. McCrae: The answer to the specific point is no. Mr. McLeod's function is to work with all of the institutions and network with them towards developing a common marketing strategy so that we can maximize the opportunities.

Ms. Friesen: At the post-secondary level—since the deputy minister is here—the government some years ago initiated a differential fee policy for post-secondary students. That had an initial impact and the loss of international students.

Does the minister have a report that would cover the years since then on the impact or the—what do I want? I want the changes in enrollment in international students since the imposition of that differential fee and recognizing—I understand, as I said earlier, that there were also federal difficulties—well, not difficulties, federal choices that were made in that period that reduced the numbers for everybody.

Mr. McCrae: It is not easy to agree that simply having a differential tuition fee policy would be the major or approximate reason for a change or a drop in enrollment of international students. We will get the information for the honourable member about enrollment of international students since the coming into effect of the differential fee policy. I think it could probably be argued that access to Manitoba institutions by international students, if you stripped away all the other things that got in the way of access—as the honourable member has acknowledged, there are other things and named one of them—at the end of the day I would think to an international student, a Manitoba institution would be a pretty attractive place from a tuition fee point of view. But if you look at where in the past have we got our students from, our international students, if a lot of them have come from the Asian community, well, you have to keep in mind what the honourable member said a little while ago, that the Asian economic downturn will have had some effect on students finding their way to foreign countries to get education. That would

be one alone; I do not know, I suppose there must be others too. But I would not want to accept that tuition fee policy alone would be one of the main features. It would be one, I know that. I would be interested in knowing myself, if time should permit, how Manitoba's tuition fees stand up to other institutions across the country or in the United States, how Manitoba stands up in terms of competitive tuition fees for international students. That would be an interesting thing too. If that is available, I would not mind having that information, and if the honourable member was interested, I would share it with her.

Ms. Friesen: Yes, I would be interested in that. I am wondering too if the Council on Post-Secondary Education is tracking international students, in a sense, moving in both directions. I am hearing, and it is anecdotal, of an increasing number of students who are going to nearby American universities, I think in particular North Dakota, not necessarily places where we have tuition agreements with. Minnesota we do, and, yes, there has always been a very small trickle of students there. It has always puzzled me as to why there has not been much more of a two-way street there. Now I am hearing much more about people going to the smaller colleges in North Dakota. Part of it is particular programs obviously, and the speech therapy one is an important one, but I am wondering if the Council on Post-Secondary Education is able to track that in any way and whether it has taken that upon itself.

Mr. McCrae: It is very relevant, what is happening in terms of a region of a continent. Yes, it is relevant, what is happening in North Dakota or Minnesota or South Dakota or Montana. I am not just sure what the honourable member's point was, I am sorry.

Ms. Friesen: Well, while the deputy minister for post-secondary is here, I am trying to focus on some of those questions at a policy level rather than have him pop back and forth all the time, which does not seem very productive. So I was asking about the Council on Post-Secondary Education. I know there is a specific line for that and we will be coming to it, but I was interested in whether the council was tracking

the immigration, outmigration of students and particularly vis-a-vis the United States.

Mr. McCrae: On the condition that I understood the honourable member correctly, that what she is asking about is students from nearby states or provinces, I assume, yes, we have that kind of information. We were discussing whether she was talking about our students going outside. That is harder to track them obviously.

* (1540)

Ms. Friesen: Yes, that was my point. I am assuming that you can find students who are here from elsewhere. What I am really interested in is whether the Council on Post-Secondary Education has undertaken a particular responsibility to keep track of this. Yes, it is much more difficult to get an account of people who are going out. Obviously, I think you can if people are working from the particular agreements with places like Minnesota where there is a dual agreement, and presumably that has to be registered somewhere. But there are also people—and again all I have is anecdotal information. I wondered if the council had another mechanism, had taken upon itself to find another mechanism of looking at students who were going particularly, for example—the example that is often given is North Dakota, and it is for speech and language therapy, a program that there is some concern that we do not have here. Are there enough students going there that we should be having something here? That is really what I am looking for. Why are students leaving here? What is it that cannot be met in Manitoba, and has the council taken upon itself that responsibility for tracking that so that we can begin to develop some policies as a province?

Mr. McCrae: That is something we can inquire of the council about. That is an excellent question. They should be able to provide us with some information, and depending on what it is, we might be able to explore the matter further.

Ms. Friesen: Then, while the deputy minister is still here, could I ask for an update on The Apprenticeship Act that was recently proclaimed

and the steps that have been taken to implement that act in recent months?

Mr. McCrae: In addition to the budget that we have had for the Apprenticeship Program, this fiscal year \$1.75 million is added to the budget for this important work for study and for operating costs. Sixteen staff members are being added this fiscal year, which is an increase of 50 percent. When we committed to doubling apprenticeship, there were 3,000 apprentices in the province. We are now at 3,600, as we head into this fiscal year, and we expect to be at 4,800 by the end of this fiscal year. That is a significant increase.

The proclamation of the act is to be followed by the appointment of an Apprenticeship and Trades Board, and that work is underway. We are, as we speak, making those appointments. They will be made known in pretty short order. I cannot do that today for the honourable member, but I can do that probably within a day or two.

Ms. Friesen: Mr. Chairman, could the minister explain why there was the year's delay, as it seemed, in the proclamation of this act? I gather one of the reasons was to get the trade advisory councils into place. Have those been put into place? Can the minister tell us when the board will be established? I had assumed that the delay was because the board was part of that whole system, that the trade advisory councils and the board will be announced at the same time. Can the minister tell us when that will happen?

Mr. McCrae: I cannot really accept that there has been any undue delay. The only delay I can really talk about is the delay occasioned by myself in making sure that we got those appointments done, and that took a little time to get that part done. I cannot really point at anything or anybody else for any particular delay. The board, when it is appointed, which is imminent here, will go to work to structure and restructure trade advisory councils under the new act. There are 51 trades, and I do not know if they need that many advisory councils. I do not think they do, but that will be probably job No. 1 for the board once it is established or re-established. The proclamation happened just a

few weeks ago, and I have been working away to get the board in place. As I say, the letters are going out to new board members, and it will be public knowledge within a day or two.

Ms. Friesen: Mr. Chairman, so in the past year—the act was passed in June; it is now May—has there been no restructuring of any of the trade advisory councils? I understood that that was the first task because that was what it was going to deal with curriculum, it was what it was going to do with restructuring of apprenticeships with costs, et cetera, fees. Has that not happened? What has happened in the past year? That is another way of putting it.

Mr. McCrae: Actually, quite a bit has been achieved to move from 3,000 apprentices to 3,600 in a year. That is not insignificant; that is a—what?—20 percent increase in that year. The existing trade advisory councils have not just been waiting around to find out what the future of trade advisory councils is. They have been meeting and devolving the whole apprenticeship effort.

I do not think "delay" is the word here. Work has been ongoing. Significant numbers of apprentices have been achieved. There were seven new staff people appointed or hired to this project last year. As I mentioned, another 16 this year. I have been involved in trying to find out what we can do to make the public more aware of and appreciative of apprenticeship. People think of their future at a certain time in their lives, and they think of university education; they think of college education; they think of apprenticeship. More and more, we are seeing a change in people's perception of all of these types of opportunities.

I would think that at one time, if you were to categorize these in such a way, like most desirable, you might have seen university or professional postgraduate-type degree professions as the No. 1 on people's wish list, if they kept a wish list. Next, you might see undergraduate achievers, and then you might see diploma earners in our colleges. Then people did not even really acknowledge that there was much else to choose from.

* (1550)

What we need to do is make people aware of the fact that apprenticeship is an extremely good option for thousands of Manitobans for the future. As we know, we want people to be ready to take on high skills occupations and professions for their working lives, and apprenticeship is a very realistic option in the '90s. Things have become high tech in pretty well every kind of field you can imagine.

So I guess the image of apprenticeship is what I am getting at here. We want to enhance the image of apprenticeship training and work, because it can lead to a very bright future for many Manitobans. So I think that I am certainly not the only one who feels that way about this, and it is safe to say that the new board will have some transitional representation from the last board, but that board will go to work, and this is only one step in a number of steps that have been and continue to be taken as we move toward achieving that doubling of the number of apprentices in our province.

So I bristle a little bit at any suggestion that there have been long periods of time where not much has been going on, because the performance here suggests otherwise, and the economy says we cannot just be sitting around because there is too much opportunity out there for us to prepare for. So virtually thousands of Manitobans are going to be preparing in this way for a better future for themselves and for their families.

Ms. Friesen: The minister said that there are 600 additional apprentices this year. Could he provide me with a breakdown of the areas in which they are being apprenticed, or is there, for example, a breakdown of the 3,000 as well? So that would be two different ones.

Mr. Denis Rocan, Acting Chairperson, in the Chair

Mr. McCrae: For instance, Mr. Chairman, at the end of 1997-98, there were 102 active apprentices involved in the aircraft maintenance engineer technician category. One year later, there were 132 at the end of 1998-1999. With boilermakers, 25 at the end of '99, compared to 18 at the end of '98. It goes on. I mean, surely, this is not going to happen everywhere, but the

bricklayers, there were 26, now there are 39; cabinetmakers 40, now there are 52; carpenters 472, now there are 502; construction electricians 390, now there are 516. Cooks, well, I guess people are not eating quite as much, because the number of apprentices in that area declined from 64 down to 59. Drywall installer apprentices, they were the same number each year.

There is one additional electric motor winder apprentice from two up to three. There were four additional active farm equipment mechanic apprentices from '90 to '94. The number of active apprentices as glaziers remained the same at three, but hairstylists, a new category, moved from zero—obviously they were not a category before—to nine.

But as we go all the way through heavy duty mechanic, industrial electrician, industrial instrument mechanic, all of these are up. Industrial mechanic, up; industrial welder, up; interior systems mechanic, up; landscape technician, lather, even at five; machinists, up significantly from 91 to 151; motor vehicle body repairer, up. Oh, we are down with respect to motor vehicle mechanics, from 388 to 356. I do not know what all the reasons for that would be, but maybe people are buying, with the economy being what it is, newer cars that do not need as much repair, but that is just me guessing about what the reason might be.

The same with motor vehicle body repairers. There are two fewer apprentices in that area. Well, maybe that is because of MPIC's fantastic public education driver safety programs. There are not as many accidents happening. I guess we can guess at some of these. Other people do it; maybe I should too. Painters and decorators, there are more of them, 46 versus 38. The same number of parts persons. Plumbers, more of them; more power electricians; significantly more refrigeration/air conditioning mechanic, commercial and residential. One less roofer apprentice, down from three to two. There are more sheet metal workers. There are two fewer sprinkler and fire protection installers. There are six more steamfitter/pipefitter apprentices. There are nine more tool and die maker apprentices. Transport trailer mechanic, now that must be a new one, because they had none at

the end of '97-98, but they had 31 at the end of '98-99.

This is a move in the right direction. This is a really big area of growth in Manitoba, transport truck mechanics. There are 213 at the end of '99 versus 158 at the end of '98. This is a major area of growth in our province, moving goods and materials around.

We have more building technician/carpenter apprentices. We have the same number of building technician electrician apprentices. We have one additional building technician plumber.

So, overall, active apprentices at the end of 1997-98 is 3,032 and at the end of 1998-99 is 3,550. So the expectation is for pretty significant growth in this activity for this fiscal year.

* (1600)

Ms. Friesen: I wonder if the minister could table the material that he just presented, since he was not able to read all of the numbers into the records. Some were more; some were less; some were specific. Is it possible to table the whole group?

Mr. McCrae: I would be glad to table that for the honourable member. It is a very positive picture of what is happening out there.

Ms. Friesen: Could the minister tell us what the plan is for the coming year? The board will be established, I understand. Which curriculums are going to be dealt with over the coming year? What is the work plan?

Mr. McCrae: In addition to the three compulsory trades, there will be an additional eight this year, and that, of course, is subject to recommendation to the government. But that is the expectation, eight.

Ms. Friesen: Could the minister tell us which eight are going to be dealt with; that is, curriculums created for? I think we are talking about the same thing. But there are new apprenticeship designations, and there will be new curriculum for them. That is the eight the minister is referring to. There are 50-odd others

that the minister talked about. Are there going to be any revisions to any of those?

Mr. McCrae: Going into the fiscal year, we are coming into it with 51 apprenticeships, and we do not expect that to increase in this coming year. But on an ongoing basis the trade advisory committees review the curricula and update them. I guess, then they make recommendations to the board, and that is how curriculum is updated.

Ms. Friesen: Mr. Chairman, could the minister tell me which eight are going to be dealt with this year? He mentioned a little while ago that eight were going to be done. Those are the new ones.

Mr. McCrae: I think I may be going down the wrong road with the honourable member. There are three compulsory, and they are going to make eight more of them compulsory, for a total of 11. That is, I think, something I said earlier may have left the wrong impression.

Ms. Friesen: Mr. Chair, could the minister then tell us which eight are going to be compulsory?

Mr. McCrae: I cannot now, but I expect to once we go through the process. There is a regulatory review process that we need to go through first, and then, once that is done, I will be able to report it. By that time, our Estimates should be maybe over, maybe not, but if we could make a note, though, I would like, at that point, to be able to advise the honourable member so that we eventually have answered this question.

Ms. Friesen: So that by the end of the next year, Mr. Chairman, the minister, not by the time we end the Estimates, but by next year, the minister will have 11 compulsory trades that will have new curriculums, but we do not know which ones yet. Is that the case?

Mr. McCrae: The growth does not simply happen by adding new trades. It happens by making the curricula relevant to the requirements out there and attracting more and more people to those apprenticeships, so that is how that system works.

Ms. Friesen: Mr. Chairman, in the last two years what the government has done is to essentially divide, to put it in layman's terms, but to divide some apprenticeable trades into different skill sets with lower wages, in some cases, and with a more narrow range of skills. I am thinking particularly in the trucking industry. Can the minister tell us whether he has curriculums for those new apprenticeship trades?

Mr. McCrae: For example, Mr. Chairman, heavy duty mechanics have been redefined or categorized in three categories: truck mechanics, farm implement mechanics, and trailer mechanics. Now, one of the good reasons for getting these definitions right is that in these industries, especially the truck one, there is a Canadian and even an international dimension to it, so you want some compatibility across the country. Otherwise, you are going to have significant problems for people working in that industry. That is the purpose for having a redefinition of these things. Wage rates are nothing to do with us. That is set by the market.

An Honourable Member: Apprenticeship wages.

Mr. McCrae: Apprenticeship wages. You are right to this extent, but it is not this department. The Employment Standards branch of the Department of Labour has a role in that, so the member is right in that, just the wrong department.

Ms. Friesen: If the intent of these is to deal with international and national compatibility, is it the intent of the government to make these Red Seal national standards then? Is there any movement on the part of other provinces and this province to do that? I am, again, speaking in this case of the trucking industry.

Mr. McCrae: I think we want to have as many standards that are national in scope as possible. There is an internal agreement on trade in this country, and in keeping with the social agreement between the provinces, you want to do that. Especially with the way things are moving in our country and everywhere, we want people to be able to have some freedom of mobility not only to move from one place to the other but to move into Manitoba, too. So it is in our interests to be

part of any agreement that sets national standards as much as possible.

Ms. Friesen: That is a very nicely put motherhood statement, but what is the intention of the government and what actions has the government taken, in the trucking industry specifically, to make these new classifications, to begin a process with other provinces to develop the national standards in this area?

Mr. McCrae: In the spirit of motherhood referred to by the honourable member, I would think that we would all hope that the national—there is a national council that is involved in this—that they would also be encouraging industries, governments and everybody to move in this direction. That is clearly in our interest as Manitobans, because so many of the big trucking companies are headquartered here, so much trucking activity, but I am sure that extends to other fields as well.

* (1610)

Ms. Friesen: Could the minister tell me which national council he is referring to, and could he tell me what steps his government and department have taken to approach that national council with proposals for national standards?

Mr. McCrae: For a number of years there has been the existence of the Canadian Council of Directors of Apprenticeship, and that council is made up of directors of apprenticeship from the various provinces. The way it works is that members of that council can bring forward trades to be candidates for the development of national standards. From that point, I guess, that council makes a decision on whether a certain trade will be the subject of that sort of treatment, and then standards are developed from that point forward. The three trades we mentioned—heavy-duty truck mechanics, farm equipment mechanics and trailer mechanics—have that national designation.

Ms. Friesen: Can I just clarify that national designation? Is the minister saying that each of those three is a Red Seal Program?

Mr. McCrae: Yes, Mr. Chairman.

Ms. Friesen: Could the minister table, not now but at a later date, the information that he has on the Red Seal designation of each of those trades? I mean, there is usually a pamphlet on it with a list of criteria and that sort of thing, public information.

Mr. McCrae: We will look at what we have and what we can obtain for the honourable member and make that available. It may be that we may have to put something together in order to satisfy this query, but we will see what we can do with what the honourable member has said and bring something back.

Ms. Friesen: I wanted to move back to the K to 12 area, and I would not be going back to post-secondary today, if that is any help. Thank you.

We had talked about the agreement with Morris-MacDonald last time and the Anokiiwin one. What had stuck in my mind was the last paragraph of the government's press release, which says that provincial approval was needed to allow the project to proceed. I had perhaps wrongly inferred issues of regulation or of changes in policy. I wonder if the minister could just simply elaborate upon that and what was intended or meant and what has happened as a result of that.

* (1620)

Mr. McCrae: I remember your telling me that before, too, and I am glad the honourable member raised this again because it was left rather unclear the other day. No regulation per se is required here. As the honourable member knows, the department funds school divisions on a per pupil basis, and these partners, both Anokiiwin as well as the school division involved, needed to know that, in light of the arrangement they arrived at, the province was not going to just pull the funding that it makes available for students who register in the school divisions. For that reason, the parties needed to have approval of the department, in other words, an undertaking by the department that these students would be counted as students for the purposes of the funding formula. In so doing, though, we want to be sure as a department that the school division is not involved in the charging of any tuition fees.

These are high school students, are they not? Grade 12, adults completing high school courses. We wanted to ensure that the teachers are properly certified. This is something the department does in all the other cases and that the curriculum that is being taught at Anokiiwin is the one that is approved by the department. Because these students are students technically of the Morris-MacDonald School Division under the funding formula, the department is entitled to be assured that the school division is carrying out its responsibilities under any agreement whereby they get money from the government.

So that is what that means on the last paragraph of the press release. It is not that there is a regulatory requirement, but it had been a few weeks since it had happened and I needed to refresh my recollection as to what those requirements were, but now I think I have set them out.

Ms. Friesen: I am mindful in this of an issue that happened before the minister became minister, but I am sure the deputy minister is aware of it. That is, the Transcona-Springfield School Division was offering training courses, not Grade 12 courses, but I believe there were some academic components of those courses. I wonder, and again I am looking from the general policy perspective here, what the difference is from the policy perspective of the department. Morris-MacDonald is going to assure the minister of the trained teachers and the completion of curriculum. Students will have a Morris-MacDonald and a Manitoba graduation or certification. How is it different from the kinds of programs which were and perhaps still are being offered by Transcona-Springfield School Division? Is it the same principles involved?

Mr. McCrae: Mr. Carlyle advises that he is going to review that situation and prepare a note for me for tomorrow or for the next day on that. What is happening with Anokiiwin and Morris-MacDonald is not something that bestows on either of the parties any sort of preferential treatment that others in like circumstances could not have as well. It does lead to a high school graduation situation at Anokiiwin, but it needs to be clear that here we do not have too many programs whereby you have got a school

division, which is essentially a nonprofit organization, doing business with a profit making private school. So it is a fairly unique arrangement. I think we need to keep our minds open, because Anokiiwin is going to be doing, from what I can tell, some very, very important work, especially with aboriginal students.

One young fellow said to me the day that we announced that program, he walked up to me, he was a student there, or a teacher. I cannot remember. I met teachers and students there. I think he was a student. He came to me and he said: What is happening here today is historic.

Sometimes you tend to lose sight of the importance of some of the things you are doing in this business. It sure is nice to have somebody around to remind you. This was a student who is going to achieve a much better life as a result of his Anokiiwin experience. He said that to me. It really made me think pretty hard that I am really involved in some things that are important.

I think it is a credit to organizations like Anokiiwin who, yes, have teachers to pay and profits to make. On the other hand, it is a partnership which I think is very defensible in a public sense because they are fulfilling a needed public objective, which is to see more and more aboriginal students find their way through high school graduation. Anokiiwin provides other training too and that provides a transition for them.

So I am pretty impressed with what is going on there at Anokiiwin and by the people involved there. I am also impressed with the school division for having the vision and the foresight to try to find ways to make these things work. Because of the nature of our economy and our social situation in our country and in our province, more and more of these types of arrangements simply have to be found because, if we simply rely on the old rule books and take too narrow an approach, we are going to fall behind, other jurisdictions are going to get ahead of us, and we are going to be left in their dust. It is not just aboriginal people in this particular case who would be the losers. We all would. But it was a very pleasant experience to meet

and be in a classroom at Anokiiwin where some pretty wonderful things are happening.

But I will get further information for the honourable member about the Transcona-Springfield experience. I would just undertake to review the other situation and come forward with a more complete response to the honourable member. I think we need to have some kind of public objective in these things. So, therefore, that is why I say I do not see any preferential thing going on here. We will return with more to say about that.

Ms. Friesen: No, the issue is not a question of preferential policy. I am looking for an overall departmental policy on this. There is obviously a devolution of responsibility here. The only other one I am familiar with is the Transcona-Springfield one. It was not an issue of high school graduation. This one in that sense is much more clear-cut. It was an issue of using facilities that exist in the Transcona-Springfield School Division, well, a variety of facilities.

One can see it also in terms of the regional secondary schools, which will have the kinds of facilities for not necessarily high school graduation, but specific technical training programs that may not end up as high school graduation but may end up with a kind of certificate from somebody.

What I am looking for is a general policy on devolution. I wondered if the minister can table the agreement he has with the Morris-MacDonald School Division. Is there a written agreement? Is there anything more than there is in the press release? Or is there a policy statement on behalf of the government which says Morris-MacDonald is responsible for curriculum, certification of teachers, and that it leads to a high school certification, as the minister indicated in his press release?

* (1630)

Mr. McCrae: As I said before, I think the policy is as the honourable member stated kind of set out in my previous answer about no tuition being charged by the division, and the teachers have to be certified, the curriculum has to be authorized, and on this off-site location there

needs to be Morris-MacDonald supervision. There is no agreement with the government. The agreement is between the parties, but there is assent by the government under certain conditions as I have laid out here. I will review this to see if I can make that document, it is a letter, basically. If I can make that available to the honourable member, I will.

Ms. Friesen: Yes, pilot project. This is a pilot project, at least, that is how it is referred to in the minister's press release. He says it is a pilot project for the 1999-2000 school year. Could he tell me how many individuals will be involved in this? Does he have a sense of the enrollment yet?

Mr. Chairperson in the Chair

Mr. McCrae: We will make a call to Anokiiwin about this to see what they expect. There is no precision on it at this point. We will not know until the end of September, but they may have some sense of how many students they might be able to have in place and look after for the school year sooner, and if that is the case, the honourable member might check with Anokiiwin herself. But as we are checking, I guess, we will find out as much as we can and share it with the honourable member. We think about as many as 50.

Ms. Friesen: The reason I ask the question was I wondered if, in fact, I know it says 1999-2000. I wondered if this was to be a continuous enrollment program as so many adult education programs are, where you work at your own pace and that essentially there is a continuous enrollment sometimes every month, or is this to be the more standard secondary school type of enrollment?

Mr. McCrae: It is our expectation and the understanding that this will operate on the basis of a school year.

Ms. Friesen: I wanted to ask about Sustainable Development Initiative of the department. We have two sort of topical areas in a way which report directly, I think, to the deputy minister. There are a number, but I am thinking of the Native Education branch and sustainable development, and the intent as I understood it

was to have them both be applicable across the department. Is there a place in Estimates to ask specifically about the sustainable development program? We have a Native Education line, but we do not have a sustainable development line.

Mr. McCrae: We are able to discuss the sustainable development part of the unit of the department at any time. We are able to do it now. This is not the right line, but it does not matter to me. It is 16.1 apparently. If you want, I can speak for a moment about sustainable development, if it answers some of the questions the honourable member might have had. It might save her some time, if that is the object here. Okay, go ahead, go ahead, whatever way you want to do it.

Ms. Friesen: If the minister has the material now, then maybe I will just ask the questions now and the minister can deal with it.

I am interested in the public hearings that were held on developing educational material in sustainable development. I wondered if the minister could tell me what the public record is of those hearings. Is there a summary, is there a list of the presenters, has there been a next step from those public hearings? I gather that some of them were quite lively, I would say.

Mr. McCrae: Yes, there might be some difficulty here because the lead in this regard is really the Minister of Natural Resources (Mr. Cummings) who is the chair of the Manitoba Round Table on Sustainable Development. I am not really clear on what record was made of the hearings. I know there was some kind of record made of it. This was an initiative of the Round Table on Sustainable Development. No report has yet been made public. That probably will be refined and brought to a conclusion at the round table level. At that point, I would think this report would become a public document. That is my recollection and experience as a member of the round table.

* (1640)

Ms. Friesen: Then, in the interim, I understand that there was a staffperson appointed to this last year, so there has been a year of preparation. Could the minister tell me what has been

accomplished in the past year in this area of sustainable development activities in the department?

Mr. McCrae: Mr. Chairman, sustainable development has been identified as one of the elements for integration into Manitoba curricula and related documents. Prior to education renewal, the department released Sustainable Development Grades 5 to 8: Caring for the World, 1993, and Sustainable Development Senior 1 to 4: Education for Sustainability, 1994, to support social studies and science curricula. A sustainable development project team has been established to address the integration of sustainable development. The project charter outlines the purpose and deliverables of the project. Those purpose and deliverables are as follows: to develop an action plan for training SPD and BEF staff responsible for the integration of sustainable development; also, design a process for integration of sustainable development concepts into SPD and BEF concepts, I should say documents; to develop a document to support integration of sustainable development into SPD and BEF documents similar to Technology As A Foundation Skill Area—A Journey Toward Information Technology Literacy. There is a project team and it comprises representatives from the School Programs Division, Program Development, Program Implementation, Assessment and Evaluation branches, the Bureau de l'éducation française program development and implementation. There is a project leader, coordinator for sustainable development.

The timelines and release of curricula and related documents for educational renewal has affected the extent to which the sustainable development could be integrated. The results of the sustainable development project will assist department staff in more extensive integration of sustainable development concepts. The current perception of sustainable development by the field is mixed. In particular, the perception that sustainable development focuses on the economy at the expense of environmental and health considerations is pervasive. That is obviously a problem. The round table used to be the Round Table on Environment and the Economy and then it became the Round Table on Sustainable Development. There are people

who, if they have not been involved in the discussions, tend to look at sustainable development as a winner-loser issue, that if there is any development at all then there is an unacceptable environmental impact, which is certainly not something that will work, if we want to have a growing economy. So it is important that people understand that sustainable development does not just mean stop everything, because I do not think that is what was ever envisioned by those pioneers of the concept and the reality of sustainable development.

So the overall work of the sustainable development co-ordinator is to work with the department on understanding the concepts of sustainable development. Our approaches to management in our department need to reflect the principles of sustainable development, and our curriculum documents need to integrate those principles. We need to integrate sustainable development concepts into all of our operations. We need to act sustainably. For example, costly and environmentally affecting travel could perhaps be given over to teleconferences, which is just one example of the kind of thing that should be looked at.

If you have not been following sustainable development issues, you could have, in recent years, fallen behind in terms of the whole international discussion of it. So we need people like the people in our unit to be at work on that, reminding our assistant deputy ministers, reminding all levels, of the importance of this.

As for 1998-99, there have been some fairly significant accomplishments. A departmental sustainable development action plan has been developed. Branches have submitted strategic plans identifying how the principles and guidelines of sustainable development will be taken into consideration in all activities, programs, curricula, policies, initiatives and strategies. Progress will be reported on annually, and revised sustainable development strategies will be developed annually.

Information sessions related to sustainable development background legislation and the departmental sustainable development action plan have been carried out in every branch within the department. Information sessions

related to sustainable development education have also been carried out at teacher education programs at the University of Manitoba. Professional development sessions for teachers related to sustainable development education have been conducted. Open public sessions and focus group testing related to the Round Table on Sustainable Development Education Strategy concept paper were conducted in eight regions throughout the province. An executive summary was prepared. Departmental staff were trained as recorders and facilitators for this strategy and other component sustainable development strategies. The work related to the integration of sustainable development concepts and principles into BEF and SPD curricula is continuing.

The Sustainable Development Initiative will co-ordinate the reporting of performance on all branch sustainable development strategies developed in 1998-99, and will co-ordinate the development of a revised departmental strategy for 1999-2000.

The unit will provide information sessions to all branches within Manitoba Education and Training. It will organize and conduct sustainable development workshops for university professors, K to S4 teachers and educators, as well as nonformal learning areas in order to increase public awareness, acceptance and commitment to the incorporation of sustainable development principles into everyday decision making.

Just as an aside, this is really the opportune time to be bringing these things into play because, in our schools, our children in recent years, I do not know how many when I say recent, but quite a few years now, have been fairly interested in issues related to the environment. Of course, then they grow up and get into the workplace, and they need to be concerned, in raising a family, about things like on the economic side, which, I am sure, must come sort of head on into some of the things they learned when they were in school about protecting the environment. So it is important that we bring these things into an appropriate balance.

* (1650)

At a recent meeting of the Council of Ministers of Education, Canada, CMEC, in my place the honourable member for Pembina (Mr. Dyck) and the head of the unit and others brought very effectively to the attention of ministers of Education across the country the importance of bringing the concepts and the reality of sustainable development into play in our education system.

I know this is important to my colleague the Minister of Environment (Mrs. McIntosh) and was very much part of my work when I had the pleasure of serving in that capacity. The unit maintains a database related to sustainable development education resources. It is developing a website for sustainable development education at the provincial, national, and international levels. Its role is to co-ordinate sustainable development education, Train the Trainer workshops in Manitoba with learning for a sustainable future, to develop a progress report of best practices concerning educating for sustainability in Manitoba.

With respect to the Manitoba Round Table Sustainable Development Education Strategy, the Sustainable Development Initiative, the Department of Education and Training will be responsible to manage, on behalf of the Manitoba round table the process related to the development of the education strategy. The process involves the preparation of draft policies and actions to be taken to meet the intent of the policies; secondly, public consultation conducted by the Manitoba round table and Manitoba Education and Training; thirdly, to develop a what-you-told-us document, and that would be the results of the public consultation process; the development of a policy applications report; and the development of an implementation plan. Depending on the Manitoba round table education subcommittee, all or some of the process I had just referred to would be conducted.

The Sustainable Development Initiative will co-ordinate and develop a progress report on the state of educating for sustainability in Canada in terms of curriculum and guidelines, teacher training, professional development, policies, innovations, materials, resources, and education models. The Sustainable Development Initiative

will represent the Department of Education and Training on external committees and working groups having to do with the implementation of The Sustainable Development Act. The Sustainable Development Initiative will co-ordinate and manage approved projects assigned by the Sustainable Development Committee Of Cabinet to the Department of Education and Training, including authorization of expenditures related to approved projects and co-ordination of the evaluation and assessments of prospective projects.

So this is a very busy unit. It reflects one of the foundations of the present administration in the sense that we have taken a leadership role in Canada with respect to sustainable development. We are not just doing it in the Environment department, not just doing it in the resource department, you know, not just doing it in the Agriculture department.

But where could it be more important? You can put this question to the Minister of Environment: where could it be more important than in the Ministry of Education and Training? Because obviously we are playing a role in the development of young Manitoba minds. It is certainly not anything but a good thing to bring forward the concept and the reality of sustainable development in our society and in our world. If we do not do that we are going to have some serious problems, if not the next generation then the generation after that, and if not that generation then the one after that. In fact, I think there is probably a good body of scientific knowledge out there, a majority that suggests we have already gone over, we have gone too far. Everyone will know I am talking about global warming in that there are experts out there who say we may already be witnessing deleterious effects on our environment as a result of the overuse or the inappropriate use of fossil fuels.

So that is a very important matter I left on my desk as I left the Environment department. Now the honourable member for Assiniboia (Mrs. McIntosh) is really grappling with that one. I am sorry to say I did not finish that job before I left. It would have been nice if I could. But I cannot do it by myself, obviously, when we have got every country, over 130 countries in

the world making commitments to do something about global warming. It is not something one lonely Environment minister from the province of Manitoba can fix all by him or herself. I know the honourable member for Assiniboia is going to make quite a significant difference in that pursuit on behalf of all Manitobans.

In wrapping up on this little response here, I have to make the observation that balanced budgets is one of the best forms of sustainable development. In fact, you know, the honourable member for Brandon East (Mr. L. Evans), we have a lot of fun with him in the House, as the honourable member for Wolseley knows, but this gentleman gets away with an awful lot, and he should not. He is out there on budget day telling everybody that the budget 1999 is unsustainable. He said: but it does not matter, because there is going to be an election and they are going to elect a New Democratic government, so you do not have to have that budget because the New Democrats are going to bring in a budget of their own. That is what happened on the one hand. The next thing you know, the honourable member for Brandon East is on his feet supporting this budget that he just finished calling unsustainable.

Well, that is a whole other topic which we ought not to get off on, too far off the track with, but I do say that balanced budgets are part of a sustainable existence. If you do not balance budgets you can get off the track, as we did rather badly a decade or more ago. It is going to take four decades from then to get it fixed. So that is not sustainable.

I am very pleased to be part of a government that supports balanced budgets and proves that support by putting it in legislative form and not only does it in legislation but does it in fact each and every year. It is something to be proud of. That does not mean we have finished the job, because we might be sustainable budget-wise, but as long as we have a legacy of debt we have not achieved sustainability in economic terms.

You know, if you think about it, over the last 11 years, when you add up all of the money that we have sent to the bankers that we borrowed to pay for services we long since finished enjoying the benefit of, it boggles your

mind. You are up over \$6 billion, billion with a B, in terms of dollars spent for fat, rich, wealthy bankers somewhere, and we cannot spend it on education and we cannot spend it on health. That is troubling to me, but I am pleased nonetheless in spite of all of these problems that we have to be here this year and have a budget supported by the opposition, which tells me that we must be doing something right if even the opposition supports it.

I wish it could be more for things like education, but I think all ministers are like that. The Minister of Environment probably wishes there was more for the environment, the Minister of Rural Development probably wishes there was more for rural development but, because I wish that, I would not make that my reason for supporting or not supporting a budget. I mean, if you do not support a budget, then you do not vote for it; if you do, then you vote for it. I am just pleased that my colleagues all joined the Minister of Finance and supported that budget. If that was not good enough, the New Democrats also did that, which is a real measure of confidence in the government of Manitoba. I must say I appreciate it very much. Thank you, Mr. Chairperson.

Mr. Chairperson: 16.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$663,800.

Ms. Friesen: Just for information, are we going until six or are we going until five? I think it is five, but I can continue if you like. I have one more question on this. I will leave the question with the minister. We will start with that next time.

The question I had to conclude the section dealing with sustainable development is the professional development days. The minister had said that there were Train the Trainer sessions and that professional development sessions had been conducted by this section of the department. I wondered if he had a list of where the professional development was done. I am interested particularly at which grade levels are taking the most interest in this area.

Mr. McCrae: We will bring back something for the honourable member on that tomorrow.

Mr. Chairperson: The hour being 5 p.m., time for private members' hour. Committee rise.

INDUSTRY, TRADE AND TOURISM

Mr. Chairperson (Ben Sveinson): Order, please. As was agreed by this House this afternoon, this section of the Committee of Supply will be dealing with the Estimates of the Department of Industry, Trade and Tourism. I believe when we last sat we were on line 10.3. Tourism and Small Business (a) Tourism Services and Special Projects (1) Salaries and Employee Benefits, on page 104 of the Estimates book.

Mr. Tim Sale (Crescentwood): Mr. Chairperson, I believe the minister has a new staffperson with him, and I think we had an agreement that we would go in a slightly different order, so perhaps the minister could inform the committee.

Hon. Mervin Tweed (Minister of Industry, Trade and Tourism): With us today we have Thomas Penner. He is with the Economic Innovation and Technology Council. I think as we wrapped up yesterday, we had agreed that we would do this segment of the budget first.

Mr. Chairperson: Which section was that, if I might just ask?

Mr. Tweed: Economic Innovation and Technology Council. Items 10.4.(b) and (c).

Mr. Chairperson: Very good.

* (1440)

Mr. Tweed: Also joining at the table is Ms. Loretta Clarke. She is the Assistant Deputy Minister of Tourism and Small Business.

Mr. Chairperson: Item 10.4.(b) then.

Mr. Sale: Mr. Chairperson, I would like to deal with these both together because I think they belong together. So I have questions specifically in regard to the Rescom contract.

Before I ask that, perhaps the minister could tell us what it is in the business plan that has

necessitated an increase in the grants from the \$10-million fund that was set aside some years ago, now rising this year to \$1.5 million from \$1 million last year.

Mr. Tweed: Mr. Chairman, I am pleased to advise the honourable member that last year the total allowance of a million dollars was requested and used in the budget, so we have asked for and received an increase of \$500,000 to deal with anticipated projects that we see coming forward.

Mr. Sale: Mr. Chairperson, my question was quite specific, and I do not think that answer is as specific as my question was. The note on page 61 of the Estimates supplement is: "Reflects increase for the Fund as per the 1999/2000 Economic Innovation and Technology Council Business Plan."

What is it that is new in the business plan that required an extra \$500,000 this year? I am not being critical; I am simply asking the question.

Mr. Tweed: Mr. Chairman, I do apologize for the incomplete or not complete answer. The increase of the \$500,000, bringing it to 1.5 represents Science and Technology Awareness \$300,000; State of Innovation \$100,000; SMART Park research and development activities \$500,000; IT sectoral committee \$100,000; and new projects \$500,000.

Mr. Sale: Mr. Chairperson, I wonder if the minister could just table that list, not necessarily—well, if he has it to table it, that would be helpful.

Let us move then to the issue that troubles us in regard to the Rescom Ventures bankruptcy and contract. I want to lay out for the minister the information that we have been given about this. I do not want to suggest to him that I do not know something about this. We did a lot of work, and the minister probably has a copy of our Freedom of Information request which was responded to on September 30 by the department, well, actually by EITC council quite fully, and we appreciate the fullness of that response.

Essentially, our understanding of this issue is that Rescom Ventures, which was founded in 1983, with a principal backer as Ed Prefontaine, evolved over time into a financial software company which made brokerage and individual investor software for people managing portfolios. It, I think, was reasonably successful. It apparently got to the point of having about 100 employees and annual sales of \$10 million. However, in 1997 or late 1996, Rescom had undertaken a major new project for RBC Dominion which is the brokerage arm of the Royal Bank of Canada. They had also in April 1997 bought a small company called Tri-Com from Stephan Segal, a Winnipeg businessman, for cash and shares. They renamed that company Rescom Interactive. It shared office space at 1150 Waverley in Lindenwoods with Rescom Ventures.

In 1996, the contract with the Royal Bank was begun and was being done largely with contract Rescom staff out of Calgary. By the fall of '97, the Royal Bank had advanced over \$2 million on this contract and was very uneasy about the apparent lack of progress. They ordered Rescom as its contractor to transfer some staff from Calgary to Toronto so that RBC, Royal, could supervise more directly what was happening.

When they got a look at the work in a direct way in Toronto under their supervision, they cancelled the contract within a month. It came to the conclusion the contract was basically going nowhere. By this time, Rescom had received in the fall of 1997 a fairly large grant from the Business Development Bank of Canada, \$1.236 million. Manitoba Capital Fund had put up \$2.741 million. The company essentially defaulted on the contract to the Royal Bank and so stopped being paid for any work in progress.

In November 1997, Rescom Interactive, the former company of Stephan Segal, was awarded a contract with EITC to produce the State of Innovation Report. My first question is was this contract tendered?

Mr. Tweed: Mr. Chairman, I am advised that it was.

* (1450)

Mr. Sale: How many companies responded to the tender?

Mr. Tweed: Without knowing the exact number, it has been suggested a half a dozen.

Mr. Sale: Mr. Chairman, how was the assessment done in terms of the awarding of the tender? What were the assessment procedures or criteria?

Mr. Tweed: I am advised that the committee was comprised of five people, three from the committee on staff and two from the committee of science and technology.

Mr. Sale: Mr. Chairperson, could we have the names of those people, please?

Mr. Tweed: Mr. Chairman, I would be happy to provide them to the member. I do not have them on hand at this particular time, but I will get them for you.

Mr. Sale: Did the committee provide to the department the names of the companies tendering for this work when the department was in the process of doing the tendering?

Mr. Tweed: I honestly cannot answer that. I would suggest it would probably be a decision of the council to have access to those names.

Mr. Sale: Mr. Chairperson, with all respect, the minister has to be able to answer that. It is his department. Was the information concerning the names of the companies tendering for this project supplied to the previous minister, to the department, through whatever channels, the deputy or however?

Mr. Tweed: I will attempt to get those names, but I am advised that the decision and the process stayed within the board itself.

Mr. Sale: In the assessment of the five tenders, was the ability of the company to actually complete the contract assessed?

Mr. Tweed: I would have to assume that, yes, it was.

Mr. Sale: Well, Mr. Chairperson, I do not want the minister to assume anything. I want him to ask whether the staff took reasonable steps, due diligence, to assess whether or not the companies tendering had the capacity to actually complete the tender.

Mr. Tweed: Mr. Chairman, again, I would be answering on behalf of the board, but I would say, yes, that they took all considerations when they looked at the tender.

Mr. Sale: Would such steps have included a credit check of the company in question?

Mr. Tweed: Again, Mr. Chairman, I would suspect so, but I would be happy to go back in the records and get that verified.

Mr. Sale: Mr. Chairperson, it is not adequate to say I would suspect so. The company in question had serious cash flow problems at the time that the contract was awarded. Within weeks of the awarding of the contract, the government's own Manitoba Capital Fund had displaced the president, Ed Prefontaine. He had been removed, and an interim manager, Mr. Graham, had been put in place, Mr. Bob Graham, January 7, two months after the awarding of the contract.

Any kind of due diligence, any search of the records of liens or claims, any contact with the government's own funding arm, the Manitoba Capital Fund, would have revealed that this company was in serious cash flow difficulty at the very moment that the EITC branch was contracting with it for \$270,000 worth of work.

Can the minister tell us what specific steps were taken to assess the ability of the company to undertake this contract?

Mr. Tweed: Mr. Chairman, I am advised that we can have access or we have access to the original contract that was written up at the time of the tender, and I would certainly be prepared to present the details of that to the honourable member.

Mr. Sale: I thank the minister for that. Could he please give me a date because I do not expect we are going to be in Estimates for a whole lot

longer in this, and I am afraid I have had promises of information from previous ministers, which has been a long time or never in coming. By what date would the minister expect to be able to supply that information?

Mr. Tweed: I would be able to provide the details of the tender to the honourable member within a week.

Mr. Sale: I thank the minister very much for that undertaking. In moving on through the time line on this, I want to say in regard to this section that I am told by people who were really in a very good position to know, including the ultimate purchasers of the assets of Rescom Ventures that it was very, very well known in the community that Rescom was in deep trouble in the fall of 1997 when this contract was awarded and that any reasonable questions would have uncovered that this company was in serious difficulty. At the very least, it would have been prudent to hold the resources in some kind of much more careful way, advancing them only against actual work delivered satisfactorily as opposed to any other form of advance.

Be that as it may, the money was certainly advanced. Now, on January 7, 1998, I believe the Manitoba Capital Fund put in an interim manager. It is possible that it was one of the other major creditors, but my sources suggest that it was MCF that put in Bob Graham. Mr. Graham then proceeded to sell, arguably illegally, but nevertheless he did proceed to sell the hard assets of Rescom Interactive, the very company that at that time was under contract to provide the State of Innovation Report for the ITC. He sold computer equipment which, in fact, was used as collateral for other loans, and the sum of this equipment was sold to a company named E.H. Price. Some of the staff that were then working for Interactive went over to E.H. Price. The staff of Interactive were laid off without notice with \$55,000 on unpaid wages, and there were other creditors left behind including a company called Ironstone Technologies who had been stiffed for the production of the CDs that were part of the State of Innovation Report.

My information is that Joel Remus, who is the manager, the information is that he has never

been paid. He still has an outstanding claim. I have a copy of the claim from last fall, but I cannot say that I know the claim is still unpaid. I believe the government refused to pay it, at least initially, and, of course, Rescom had no assets to pay it with, so Mr. Remus, along with many other Manitoba companies of very solid reputation like OnLine Business and others were left with a total—and the minister, I think, may already know this—a total of over \$5 million in claims and, after MCFs \$700,000 of security, no assets to pay any of those claims.

So this is January 7, 1998, equipment sold, staff are laid off. Was EITC aware in January that Rescom Interactive was effectively out of business?

* (1500)

Mr. Tweed: Mr. Chairman, in the correlation of dates I have here effective January 29, 1998, EITC cancelled the contract with Rescom for the completion of the multimedia State of Innovation Report. There were certain portions of the project that had been completed, and the balance of the work, a contract was entered into with another group to finish up the work.

Mr. Sale: Mr. Chairperson, who was EITC dealing with from Rescom at that point in regard to this contract?

Mr. Tweed: Mr. Chairman, just for factual information, I would ask that I could get that person's name and provide it to the member.

Mr. Sale: Thank you, Mr. Chairperson. To whom was the cancellation-of-contract letter written? Presumably, EITC cancelled pursuant to a clause in the agreement. To whom would that letter have gone?

Mr. Tweed: Again, Mr. Chairman, for correctness, I would be happy to provide that name to the honourable member, as quick as I can.

Mr. Sale: At any time during the period of December-January prior to the cancellation, did the president or then president, Mr. Prefontaine, have meetings with members of the department

staff or minister to discuss this or other matters in regard to his company?

Mr. Tweed: I am advised from the people at the table that no one was aware of any conversations that had taken place during that period.

Mr. Sale: Mr. Chairperson, sometime during the spring, I cannot give a specific date, but Venture stopped making payroll and effectively shut its doors sometime in the late-April, early-May period, was petitioned into bankruptcy in June, total payroll and benefits unpaid to staff exceeded \$250,000. By September, the intellectual property of Venture's good will, et cetera, had been purchased from the Receiver by SLM Software in Toronto, and they have essentially engaged in a rescue operation to try and maintain the little good will that was left.

There were a lot of very angry customers for Venture's because of failure to support software that had been installed or purchased. The last contact I had was that they were working hard to try and rescue what was good from that company and keep significant presence in Winnipeg. I want to commend SLM for that and its vice-president, Mel Anderson, formerly of Credit Union Central for his attempts to make the best out of what was a very bad situation.

So, Mr. Chairperson, what we had was a cancellation of a contract by the end of January and yet the final product contained in the booklet—which is the first thing anybody would look at—promotion for Rescom Ventures, a picture of its president, who had not been operating effectively as president since early January, of a bankrupt company in a little red tool kit which whatever you think of the marketing technique, essentially rendered the entire report useless, because it promoted a bankrupt company as an example of Manitoba entrepreneurial spirit, which I do not think the minister would want to do. It also referenced on the same page the minister I think is looking at, for further information see the CD and the video.

Well, the video is edited reasonably professionally, and there is no gap. The CD is interesting. There is an empty frame there on the page where Mr. Prefontaine used to appear. It is pretty obvious that the CD has been edited

to remove something. I cannot imagine how the staff of EITC and the minister could possibly allow this to be produced at government expense promoting a bankrupt company.

Can the minister shed some light on what in the world went wrong in regard to this issue?

Mr. Tweed: I appreciate the member's attention to detail. I would like to just I guess refer him to page 5 of the report in the booklet. I think the intention of producing something like this, there is certainly—again, it is entirely up to the member's opinion—question as to what the motive was behind the toolbox idea. I think it is actually a fairly unique marketing tool in the sense that we are talking about innovation and technology. I think the way I interpret it is that the toolbox is the past and what we are moving into is in the future, into the technology side of it, but never forgetting where we came from and that it still is a very valuable part of our economic position and climate in the province.

About the report, page 5 goes on to note that the report is produced annually as part of the council's mission to promote and enhance a climate of innovation, entrepreneurship and technological development that spurs responsible economic development for the benefit of all Manitobans. The book, the disk, all information contained in the toolbox—as it is referred to—was not to highlight one specific company over another, was not to downplay the success or not success of certain companies. The idea was to highlight that if you are interested in a climate of innovation, Manitoba was the place to be.

It would certainly be easy, and I almost hesitate to bring this forward, but whenever we are preparing information packages on a timely basis, some information, even by the time it is produced is incorrect. That is just simply because of the changing numbers. But I think the idea we were trying to present to the people who were picking up and reading this report or listening to the report or zeroing in on their computers, was that Manitoba is open for the technology that is available.

*(1510)

Manitoba was really trying to focus on two important sectors, the information and telecommunications of which Rescom was a player. I have been in business long enough that I have learned that I should not ever judge another business because I do know that some experience difficult times, and some pull through it and others do not. I have had that experience in the people I have dealt with in the past, so I think what I salute and what I acknowledge is their willingness and eagerness to try.

When we developed—I should not say we—when the EITC council developed this package, I am told that the paper content of it was produced first. It was one of the first parts of the package that was put together. I understand that it was completed sometime toward mid or end of November—pardon me, December—and that the disk and the other parts of the package were developed after the new year.

I guess you can look at it from two ways. I do not see it as anything other than an information package that when we present it to people, what we are telling them is that Manitoba is a great place to come and do business. If you are interested in the technology or the transportation side, which this particularly applies to, come and see us.

I think it is unfortunate that the situation has happened, but, as I mentioned to the member the other day, when you are into risk capital, into venture capital, I think as we move more into the technology side of it, we are going to see higher risk because it is definitely a higher risk. Where we used to secure bricks and mortar as part of the investment side that we were making, now we are taking intellectual properties. If we are not prepared to do that, or if we are not prepared to consider it when we are looking at investment and creating opportunities in our province, unfortunately there are other provinces that are, and we have to be prepared to compete in that same market.

Again, I do not make any apologies for winners and losers because in my mind when you are looking at high risk which creates faster wealth, faster employment, usually higher paying jobs in the province, there are chances and risks that you have to be prepared to take. If

you are not as a province in today's world as we move into the next century, we are probably going to fall behind very quickly.

Mr. Sale: Mr. Chairperson, I am disappointed in that answer. It would have been a whole lot better if the minister simply said we screwed up; we made a mistake. We were smart enough to edit it out of the video tape and smart enough to edit it out of the CD, but we did not spend the money or take our scissors and remove the offending pages from the booklet or reprint the last few pages of the booklet and have it rebound.

Essentially what the minister is saying is he has no problem with featuring as one of four companies a bankrupt company that left a string of creditors, including stiffing the people of Manitoba for \$2 million in our assorted pension funds. This tool kit, whatever you think of it, I can only imagine trade representatives boxing up a couple hundred of them and traipsing off to somewhere with this enormous carton of little red tool boxes. I was trying to imagine myself at a trade fair wandering around carrying one of these things, trying to be interested in the hundreds of other displays.

So he can debate the merits of the approach, but I hope he is not suggesting that in this year's report we will feature another bankrupt company, perhaps Shamray, as an example of Manitoba entrepreneurial talent of young Manitobans who managed to stiff our province for \$45 million. Rescom was only five. Maybe Shamray would be a good choice for this year's kit, so that we can have some balance, which seems to be the minister's point. We will have some winners and some losers in this year's package. In fact, if the minister were being completely forthright with the committee, he would say we screwed up; we wasted \$260,000, because, surely to goodness, the minister is not going to tell me that these tool kits were distributed after the fact when Rescom was bankrupt.

Is the minister telling us that is, in fact, what you did? You distributed these tool kits after the company was bankrupt, and anybody checking on the web or checking anywhere would have found, in fact, that this leading Manitoba

company was not only bankrupt but it left government owing 40 percent of the money that was owed at the end of the bankruptcy chain. Is that what the minister is telling us? This is still a great tool, and he is distributing these little red tool kits wherever he can.

Mr. Tweed: I, again, would just like to emphasize to the honourable member that the package was designed to promote the technology, the willingness of the province of Manitoba to seek technology, recognizing the risks involved with it. I might suggest to the honourable member that had we gone to greater expense to satisfy what he would suggest as the wrong thing to do, we might be having a continued argument over the additional expenses that it would take. I think that the council probably made the decision, recognizing again that it is a high-risk industry, and from the time something is imprinted in January, the whole picture, the whole landscape of the projects that are out there, could be changed as early as the next month or within the next 10 or 12 months.

I am advised that the tool boxes actually drew great attention wherever they displayed them, and they were picked up. I think that when you present something to people in a different way than what they are used to it tends to draw the attention that we wanted.

Mr. Chairman, I hate to provoke argument but I guess I referred to yesterday, and I will refer to it again today, that when the former administration were running risk capital ventures, the record shows that nearly 75 percent of the loans that they put out were nonrepaid. They were write-offs to the government of the day. I would suggest, as I did yesterday, that our record is far greater than that. Because we are entering again into a higher-risk industry, we have to be prepared.

I do not think losing is something that we will ever accept, but I think it is something that we have to be aware of constantly, that this can happen in this type of industry, and I would suggest it will continue to happen. I read in the papers daily about technology companies struggling. Do I feel I should criticize them? No. I, personally, and I think this government, feel that those are the companies that have

stepped out. They have probably put most of their own personal capital on the line to make this investment. They were definitely in need of risk capital, and that is why it is called risk capital.

If we are going to continue as a province to draw that type of industry to the province of Manitoba, I would only have to think of the film industry in the province as to where it has come from in the last 10 or 11 years. If the province was not willing to offer certain types of things to the investors in these types of companies that are coming to our province, that are here in our province, it probably would not happen.

I certainly do not apologize for the council's decision to go with it. They had made some changes in the electronic side, which they could do, and they could do quite, I would suggest, sensibly and reasonably, with the printed material, which was done up prior to the problems that Rescom had run into. I suggest that it would have just been an additional expense, when really what we are trying to tell people is that Manitoba is willing and looking for people who are willing to come to our province, invest, create jobs in the high-tech industries.

* (1520)

Mr. Sale: Mr. Chairperson, how many of the tool kits remain in inventory and how many have been distributed?

Mr. Tweed: Just before I get into the exact detail, again, I do not want to seem combative, but I look at a company like Broadband Networks. We took the risk with them and they have turned—the success on the other side is, you know, something that we always have to be aware.

The member asked about the packages. There were approximately 1,500 that have been delivered. There are about 100 more in English still available and, because again we are looking throughout the world with these types of information packages, we have approximately 500 left in the Portuguese, Spanish and French languages.

Mr. Sale: Did the EITC staff take any efforts to provide any information in regard to what happened to Rescom's central products, any attempt to deal with the situation of having a bankrupt company being promoted by the department? Was there any attempt to deal with this, or just hope that nobody noticed?

Mr. Tweed: As I had mentioned earlier, a decision was made on the electronic side because the technology portion of it had not been completed at the time. So I would suggest that would indicate that they made some considerations, but because the printed material had been developed and was completed, they also made that decision to continue with it.

Mr. Sale: Has EITC done anything to change its approach to the production of this report to avoid this embarrassment in the future? Has it changed its tendering processes in terms of oversight or assessment of the ability of the contractor? Has it reserved the right to approve the final product? Has it done anything differently than it did in regard to this one?

Mr. Tweed: I think we are all aware that whenever we get into a tendering process, we learn from previous past experiences. Although I am advised that the council has not tendered anything new as of this date, I will certainly pass on the honourable member's concerns, and I am sure that they will be addressed.

Mr. Sale: This report of which we are speaking was issued last April or May. Who is doing the report for this year?

Mr. Tweed: I am advised that the report has not been tendered for yet for 1999, but I am led to believe that it will be out later this year, just as we noted that this project I believe was started in '97 but brought on to market actually last spring.

Mr. Sale: That does not make a lot of sense given that page 60 of the Supplementary Information says EITC produces a State of Innovation Report, and the minister's listing of what the funds were for included the production of the State of Innovation Report. So, the last report the little red tool box was contracted for in November of '97, one would have expected that sometime in the fall of '98 a similar contract

might have been let for this year. So, I am asking to whom that contract was let; what is the state of that report?

Mr. Tweed: I am advised that we have not let out any tenders at this point. I am advised that the council is still conceptualizing the final details of the report.

Mr. Sale: So then, Mr. Chairperson, the statement on page 60 is factually incorrect. There is no report under way for the year just past. We are still in some state of limbo. It looks like it will be a two-year State of Innovation Report instead of a one-year. If the members are looking for the statement, it is on page 60 of the Supplementary Estimates: "Annually EITC produces a State of Innovation Report for the Province." The last annual report was produced by a contract to Rescom Interactive November '97, completed by two subcontractors, Digital Trilogy and Fusion Technologies in the spring of 1998, April 1998. We are now in May of 1999, it sounds to me like we have missed a year.

Mr. Tweed: I am advised that the annual report does indeed come out late June-July. The State of Innovation Report for the province will be available or be out sometime later in the fall.

Mr. Sale: If I heard the minister correctly, you are saying that the annual report of EITC which is a regular late spring, early, well, June, will be out on time but the State of Innovation Report will not be out until the late fall? Is that the information?

Mr. Tweed: That is my understanding.

Mr. Sale: Whatever face the minister wants to put on this, I think he needs to sit down with Mr. Silver and the EITC board and lay out some very clear expectations which maybe he has done and maybe he has not, I do not know.

It seems to me in the first place, when you award a contract, especially to somebody like Mr. Prefontaine who has been a major donor to the party, some \$6,000 over the last few years to the Conservative Party, a company that had an association with a spouse of a sitting member in the form of a share warrant, worthless now, but

potentially it might have been worth quite a lot, and sat on that board for a long time as a director, it seems to me that when you are contracting for a service, especially when you are contracting for a service with a company that has such close ties to the governing party in power, you ought to at least exact some very clear due diligence, so that this kind of thing does not come back to haunt you. That should include a credit check of the company in question, a careful credit check, a check of the ability of the company to actually undertake the work.

* (1530)

Mr. Edward Helwer, Acting Chairperson, in the Chair

I think that Stephan Segal's company was a very good little company, but it was bought for a very high price, and that probably was the beginning of the problem, that Rescom Interactive had capital structure it just could not support. Secondly, it seems to me that what is required is that the board of EITC have some clearer oversight of anything it contracts for.

I simply cannot believe that somebody of Mr. Silver's business acumen, which I respect greatly, would be happy to have a product being shipped around the world promoting a bankrupt company—featuring a bankrupt company. I should not say promoting. The minister has made it clear that just because the company was featured, it does not mean that the report was promoting it.

I think to a reader it would be hard to make that distinction, but, yes, I agree, the report says we are not promoting any of these companies. They are just examples. I cannot imagine any jurisdiction saying: well, gee, shucks, yes, the company is bankrupt but hopefully nobody will notice, and it is a good story anyway.

So I think that the minister should have a conversation with the EITC board about this. I am simply astounded that they would continue to feel that these were useful products. Broadband is a very interesting company. I hope that it continues to thrive under Nortel's ownership.

Frankly, there are some problems there which the minister may or may not be aware of, but he might want to become aware of.

I am just astounded that the minister would say: this is a good product. We think it is useful and we are going to continue to hand it out, more than a year after one of the four companies featured in it, in the print version, is long gone. Not just long gone and lamented, but long gone with creditors who were very angry about how they were treated, and customers who were very angry about how they were treated. This was not a success story.

There may have been some technological success in Rescom, in its early products, but if the minister would take the trouble to speak to those who had to deal with the fallout of the company's decline, I think he will find that this was not a company that even by January 1998 anybody wanted to be associated with promoting as a model, because its customers were very, very, very unhappy. If you doubt that, speak to the current vice-president responsible for trying to still service the product suite that was purchased out of bankruptcy. You will find that this was not a happy story, and this was not something that just started after the company went belly up in June.

So the minister can put whatever face he wants on it. I have never suggested the risk capital was risk free. I know something about risk capital funds. I have had some involvement with risk capital funds, and I know that you lose money and you make money and you have successes and you have failures. I have no problem with that. That is not the issue here.

The issue here was the letting of a contract and the production of a report which the minister continues to say, in his view, is something that he would proudly hand out as something that would well represent his province. I think he would be much better served simply to say: it was unfortunate. We should have changed the print section, but we did not. We will not make that mistake again, and, no, I do not think this should be distributed and handed out as an example of the state of innovation in Manitoba, because it will not serve us very well.

Though I think he made an error in trying to defend really an indefensible situation, and I emphasize again, it is not indefensible to go bankrupt. Lots of very good managers and very good technologies wind up unfortunately in bankruptcy. In some ways good things can come out of that, because assets that were overvalued can become recapitalized and become effective. So I am not suggesting risk capital does not have a very big place in the development of a modern economy, it does.

But this process reeked of incompetence and it reeks of the kind of insensitivity to what message was being given out on behalf of all of us here in Manitoba in terms of the state of innovation in our province. So I hope that the minister will reconsider how he is dealing with this issue and will not be distributing any more of these regardless of what language they are in. Pass.

Mr. Chairperson in the Chair

Mr. Chairperson: 10.4.(b) Grant Assistance - Economic Innovation and Technology Council \$1,023,900—pass; 10.4.(c) Economic Innovation and Technology Fund \$1,500,000—pass.

10.3.(a)(1) Salaries and Employee Benefits \$708,100.

Mr. Sale: I think that what we could do in this one would be to treat this appropriation all as one unit. I have a very few questions, and then we will just deal with the whole section as one unit, if that is all right with the minister and the staff.

Mr. Chairperson: Is it agreed? The honourable minister?

Mr. Tweed: Agreed.

Mr. Sale: Mr. Chairperson, could the minister first indicate whether there are any expenditures in this area—I think in the \$10,149,500? Are there any expenditures for the Pan Am Games in this area?

Mr. Tweed: Yes, Mr. Chairman, there is. It is \$400,000 for marketing and promotion.

Mr. Sale: Mr. Chairperson, is that amount part of the overall government budget in support of the Pan Am or is it an additional appropriation for this particular activity?

Mr. Tweed: I am advised that it is above and beyond, and part of the thinking is the legacy factor that the benefits far outweigh the costs over time.

Mr. Sale: Mr. Chairperson, I am sorry I have had trouble. The minister has a very soft voice and it is a big Chamber. I did not hear his answer.

Mr. Tweed: I just commented that it is considered legacy funding in the sense that the benefits far outweigh the immediate cost spread over a period of time in the areas of trade and tourism.

Mr. Sale: Which line is the \$400,000 contained in?

Mr. Tweed: It is under line 10.3.(b).

Mr. Chairperson: 10.3.(b).

Mr. Tweed: Yes. Tourism Marketing and Promotions.

Mr. Sale: Other Expenditures, I presume?

Mr. Tweed: That is correct.

* (1540)

Mr. Sale: Are there any other lines in the minister's Estimates that contain expenditures related to the Pan Am process?

An Honourable Member: No.

Mr. Chairperson: I believe the answer was no, but I do not think it was on the record.

Mr. Sale: Who represents the department on the Pan Am process?

Mr. Tweed: When I am asking my staff for advice, I am finding that my mike is on, and I would prefer it not be on when I am seeking advice.

Mr. Chairperson: The mike is not to be on when the minister is consulting but, at the same time, when I acknowledge anybody in the Assembly, the mike goes on.

Mr. Tweed: That person's name would be Hubert Mesman.

Mr. Sale: Will Mr. Mesman be returning to the department when he finishes his assignment at the Pan Am?

Mr. Tweed: I understand that he has been seconded to this position and his staff here remains.

Mr. Sale: The Pan Am process we all hope goes very well and that the minister can somehow intervene and get the weather sorted out so that we are not flooded out in the middle of this hosting of all the Pan American countries that are coming here. I certainly, on behalf of our caucus, will hope and pray that the Pan Am Games go well and positively. What is Mr. Mesman's particular role in regard to the Pan Am?

Mr. Tweed: I am advised that his role is to serve as a liaison between government and government departments with the ongoing activities of the Pan Am Games.

Mr. Sale: We have had a number of concerns about regional tourism. My colleague, the member for Dauphin (Mr. Struthers), has raised questions about the tourism board in his region which is concerned about the deterrent effect of fees on tourists in his area, the parks fees in particular. I know the Minister of Natural Resources (Mr. Cummings) is responsible for the actual operation of the parks, but has the minister received other concerns from regional tourism organizations of a similar nature in regard to the costs that are facing tourists?

Mr. Tweed: I am advised that we do not have any complaints as such in writing. There is certainly lots of dialogue between the regional directors and the department over certain issues that they face from time to time. I think just in response to the letter that I think the member might be referring to, it actually came from a working group or a group of people within the

region. It was not actually the region itself. That is my understanding of it.

Mr. Sale: I am glad to know that he has not got numbers of other concerns being raised. I am not certain of the actual identity. The minister may well be correct that it is a subgroup.

I have met with some regional tourist people. I am thinking particularly of the very capable person who is in charge of the Brandon area. She indicates the continued struggle that regional groups have to be able to package a kind of destination package for American tourists, in particular, in a region of Manitoba. We tend to think of Churchill or of Winnipeg, perhaps Hecla, specific destinations that are a high visibility—Elkhorn in Riding Mountain, to name another one.

The regional groups that I have talked to are trying hard to put together packages that would make their region a destination for people that might have a particular theme. Whether it is farming and agricultural interests or whether it is historic, small museums, cultural festivals, so that the area, for example, of southwestern Manitoba—Brandon, Virden, Wawanesa, Souris, Melita—areas like that could work together to market an integrated package that would give a family or an individual tourist, but, in particular, a family, a three- or four-day or even a week of a kind of integrated experience of that part of our province. They were having difficulty getting support to do that kind of marketing either through the Internet or through publications that people could write for and not simply be promoting the province as a whole, drawing attention to the unique aspects of the many regions but in a way that pulled it together for people so that tourists who are increasingly looking for education, interaction, cultural immersion or involvement in their tourist activities will have a sense that they can go to a region and actually really get into that region and experience it with—particularly, I am talking about tourist families who want to in their vacation not simply have a passive kind of tourism but have a much more active kind of tourism.

I know that the assistant deputy minister is aware of that development, but I was still hearing as late as this past fall that regions were

not getting the kind of support that they were hoping they might get to move down this particular road. Can the minister comment?

Mr. Tweed: I think coming from a rural background I can certainly attest to the issues that are facing a lot of rural and northern communities. I am sure that although the problems may vary somewhat, in the end they are very similar. My particular area has worked diligently the last few years to develop working plans. One of the issues that we have in that particular area is the lack of a destination point. It is something that the communities are working together to try and develop a plan but, as you know, when that happens the argument tends to break down to who should get what and who should get the most benefit.

What we have tried to do with our regionalization plan, the idea was to try and get each region to sit down together and discuss a strategy where they can identify and prioritize the needs of each region. We have some new initiatives that are currently out there, and we are hoping that this will encourage that development. Certainly when you come to tourism, I think each region has a uniqueness about it, and then each community within that region has another uniqueness. It is often difficult with budgets that are limited to some degree to do it and meet the needs and concerns of the regions and the communities within that region with that type of funding.

*(1550)

Currently on the table is a support package that we offer for new development or modernization of tourism facilities. I think that a lot of communities are at a point where they develop their tourism and, because of different circumstances, they are in need now of upgrading. What we have done is, we have offered support to these types of projects for 30 percent of the project up to a maximum of \$30,000. We have allowed for them to do it with the idea that they could leverage some private sector funding or funding from other agencies.

We have tried to make it as convenient as possible in the sense of spreading the funding

over a two-year period. A lot of times some of the problems that may occur may not happen until midseason in the tourism industry side. I am speaking specifically of summer right now. They start the development or they start the plan and because of the conditions they are unable to complete them. We have tried to accommodate them in that area. Again, we do that through supporting partnerships that they can find within the region.

We have offered support on new tourism market development initiatives. Individual tourism operators or regional groups or consortiums of tourism operators can have access up to 30 percent of their projected costs up to a maximum of \$10,000 to support these new market development initiatives. That is something that we are really finding there is a need for in the regions to do that. I think it is probably relevant to small business. I think it is probably relevant to any of the activities that go on in rural and northern Manitoba. They have the idea, they have the access to entice people, and what they really need is the support in how to market themselves and how to get themselves to the marketplace.

Another project, a program that we are working with is support on projects for the development of communities strategic tourism plans which also include the implementation strategies and the costs surrounding that and the commitments to the implementation. It is a 50 percent funded project up to a maximum of \$15,000, and again trying to support the regions and the communities within the regions by offering them these types of assistance in consultation and discussing with the tourism people. I know in my particular community or market in the southwest, we have certain things that we know we have access to, we know that they are good for people to come, but how do we get them to that position where we can market it, where we can bring them in and support it?

I think the member for Crescentwood (Mr. Sale) is correct. I think one of the ways and one of the ways we have identified or has been identified to our department is in the area of the family. I am hearing constantly from travellers, not only Manitoba travellers but from around North America, from people who are telling us

we are looking for outdoor activity, we are looking for some adventure, we want to do it with our children. I think the operators in rural and northern Manitoba, in particular, have identified this and are developing those plans. I think that these types of programs will encourage and help in that development.

Mr. Sale: I want to just wrap this up with some positive comments. I want to commend the department in reaching an agreement with the Prairie Dog Central people, the Vintage Locomotive Society. The deputy and the assistant deputy for the area will know that we have been very involved in trying to be supportive of that initiative over the last three or four years. I have raised it every year in Estimates, and I am very glad I do not have to raise it again this year. I am looking forward to, hopefully, an invitation to go on the first run. I do not know whether the minister would like to extend that or not. I was on the first run that the train took, I think it was '71 that it started, '70 or '71, out of the elevators east of Winnipeg. There was a grain elevator there and we used to run out that line. Prior to that I used to take my cubs down to Shoal Lake when the train was still going down there on the City of Winnipeg waterline. I had a lot of good fishing trips with the kids down to Shoal Lake, and we actually even caught some fish sometimes which is always great excitement for eight-year-olds who probably had not been out of the city at that point very much. So I am very pleased with that, and I think all of us wanted to support that. I am glad the department finds ways of making that work.

The other thing I think that should be said in a positive vein is that the publications this year I think showed a marked improvement over previous years. I think the advertising strategy and the quality of that work is stronger than in the past, and I think that is really positive. I think that also the department, along with others, I am not claiming any particular wisdom here—but I think the department is recognizing destination tourism and niche tourism is increasingly the way families and individuals want to travel. It is no longer simply to go some place and go to the bar. It is a much different kind of tourism today.

I just wanted to end with a suggestion. I have not done much travel in southern countries. I have done some travel in Europe and been in some of the northern countries of the world but not much in southern countries. It struck me this winter when I was able to go to Costa Rica for a couple of weeks which was just wonderful, it is a fabulous country to visit, the thing that made it worthwhile was that we had superb guides. I thought at first, you know, this is because of the language, but it really is not because of the language. It seems to me that the guide was not just interpreting and translating. Anybody could have done that. The guide was linking us to the culture, the wildlife, the botany, the biology, the ecosystems, the history, linked us into the crafts community. They were astoundingly knowledgeable people. These are people mostly with graduate degrees in biology, Masters of Science, some Ph.D.s, some of them completing their dissertation and working as guides.

* (1600)

It struck me that this would be very relevant for ordinary families and ordinary tourism. We somehow expect that because we all speak English, most of our visitors at least that drive here from the United States which is the bulk of our visitors, that because they speak English, they do not need a guide. I may be a slow learner but it dawned on me this winter that I probably need a guide in lots of other places that I visit where I do not have a language barrier, but I do not have a way to hook into the cultural biological or any other community there. I simply do not have any way of actually knowing what it is I am seeing or driving by.

I just wondered whether we should not be thinking about summer programs to use our university and college students not just to be guides and interpreters for people who have to have language support or have language barrier but for a much broader cross section of people who could hook up with a couple of families and take them around the Brandon, Killarney, Souris, you know, it is a lovely region of the province, Turtle Mountain, great place, and help them actually get hooked into that and go home with an experience where they have made some friends, made some contacts and will say, boy, did we ever have a unique experience in Manitoba.

So I wonder if the staff or the minister have ever given any thought to not just thinking about guides where we are hosting Japanese or German or Central American visitors who have a language issue, but thinking about the potential of our young people, in particular, to act as in-depth interpreters of our culture and our ecosystems and provide people with the kind of linkage that will stay with them always. As, certainly, my partner and my trip to Costa Rica will stay with us always not just because of the pretty country we saw, but because we got hooked into the real people who live there and will go back there at some point with some phone numbers and some people that we will want to visit.

Mr. Tweed: Mr. Chairman, I would like to be able to offer the member the invitation on the Prairie Dog Central. I do not know if I have been invited yet, but I do know, when it first opened in 1971, I would have been but a mere child attending school.

I appreciate your comments. I think that they are relevant. I have often said the publications have had more comments this year. Maybe because I am new and the department people are recognizing it, but I have had a tremendous amount of compliments about the publication, the presentation. I will certainly pass that on.

When he talks about the province, I always lament to my children and to their friends that as eager as they are to move from Manitoba to experience the world, to travel, one of the greatest opportunities I have had being an MLA is to get to see the province of Manitoba. We have a wonderful province. As much as we invest through government, through private, through many other sources, we probably do not do enough because there are so many wonderful things here to see.

I think probably what we have just discovered, and again when we talk about diversity and opportunity, is that what we used to see as a section of land that produced grain, it also produces a wonderful variety of wildlife, and in some cases, fishing. I think of a friend of mine who is offering some rides down the Souris River. Again, 10 years ago probably anybody

who thought of that thought, well, who the heck would come and ride down the river, in the Souris River. At that particular time, there was only about four inches of water in it because of a drought situation, but he has developed it into a small business. He has brought foreign travellers, and again, family visitors who want to see this, willing to pay for it. I think the awareness that is happening in Manitoba right now about what we have and what we can offer is really just starting to surface, and I think the future looks very bright for those types of opportunities.

Recently, I had the opportunity to visit with some of our lodge operators in northern Manitoba. Unfortunately, I suggest that I have not had an opportunity in my lifetime to travel the North. I will make that time available because these people are doing wonderful jobs. They are attracting new visitors to our province. It is a business, but it is also exposing the country and our part of the country to the rest of the world.

I recently travelled to Minneapolis to partake in our Angler Program that we developed a few years ago. I could not believe the number of American people who came up to me and complimented the province of Manitoba on their northern lodges. I think there was 20 lodge representations there, and I met about 15 or 16 of them. I will be very honest with you, a year ago I did not even know they existed. I am guilty of not knowing enough about my province, but I have made a commitment and will continue to promote the benefits of what we have and what we are doing, the good things that we are doing.

The member for Crescentwood (Mr. Sale) mentioned guides and staff; again, just another opportunity for our young people. Again, it is a culture that we may have to develop a little bit to get people used to the idea that they are going to pay for this service, and then if they are going to pay it has to be top-rated service, something that they will go home and tell their families and friends about who will come back and take part in it.

One of the things that we have done at the tourism information booth at the Customs

entrances along the border between the United States and Canada is last year as the MLA for the Peace Gardens, I had probably a half a dozen people compliment me on the knowledge of the staff, the willingness of them to take the extra step to help the person entering our country, our province, to understand where they might want to go to find the things that they are looking for. It made me feel good, and I would again suggest that 10 or 15 years ago that may have not happened. They may have received a brochure and a direction to the next town.

But these young people—I met with about 40 of them, the new students that are going to run these tourism information booths. They are fired up. They are young people. They are just full of energy, and I encouraged them to find out as much about the province as they could to help anybody, because these are the first people in a lot of cases that tourists to our communities meet, and it has to be positive. I agree with the member opposite that developing that to a further state is something that we have to do.

I thank the member for his compliments. I want to thank my staff, because they certainly have provided me with a lot of knowledge in a very short period of time. I think not only do they work for me as the Minister of Industry, Trade and Tourism but they work for all Manitobans. They work for all members in the House, and we are all trying to do the right things for the right reasons to promote the province.

So with that, I will close.

Mr. Chairperson: Item 10.3. Tourism and Small Business (a) Tourism Services and Special Projects (1) Salaries and Employee Benefits \$708,100—pass; (2) Other Expenditures \$1,150,600—pass.

Item 10.3.(b) Tourism Marketing and Promotions (1) Salaries and Employee Benefits \$660,900—pass; (2) Other Expenditures \$4,184,100—pass; (3) Grants \$75,000—pass.

Item 10.3.(c) Tourism Development (1) Salaries and Employee Benefits \$331,300—pass; (2) Other Expenditures \$254,500—pass; (3) Grants \$688,600—pass; (4) Less: Recoverable

from Rural and Urban Economic Development Initiatives, nil-pass.

Item 10.3.(d) Capital Grants - Canada-Manitoba Partnership Agreement in Tourism, nil-pass.

Item 10.3 (e) Small Business and Entrepreneurial Development (1) Salaries and Employee Benefits \$1,274,500-pass; (2) Other Expenditures \$791,900-pass; (3) Grants \$30,000-pass.

Resolution 10.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,149,500 for Industry, Trade and Tourism, Tourism and Small Business, for the fiscal year ending the 31st day of March, 2000.

*(1610)

Item 10.4. Economic Development (a) Economic Development Board Secretariat (1) Salaries and Employee Benefits \$568,100-pass; (2) Other Expenditures \$377,300-pass.

Resolution 10.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,469,300 for Industry, Trade and Tourism, Economic Development, for the fiscal year ending the 31st day of March, 2000.

Item 10.5. Amortization of Capital Assets \$357,100-pass.

Resolution 10.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$357,100 for Industry, Trade and Tourism, Amortization of Capital Assets, for the fiscal year ending the 31st day of March, 2000.

We now come back to 10.1. Administration and Finance (a) Minister's Salary. Would the staff now please leave the Chamber.

Item 10.1. Administration and Finance (a) Minister's Salary \$27,000-pass.

Resolution 10.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,781,300 for Industry, Trade and Tourism, Administration and Finance, for the fiscal year ending the 31st day of March, 2000.

This completes the Estimates for the Department of Industry, Trade and Tourism. Thank you. Attention, please. I am suspending the Committee of Supply. Call in the Speaker.

IN SESSION

House Business

Hon. Darren Praznik (Government House Leader): Madam Speaker, I would like to seek approval of the House to have the Department of Housing for the remainder of the day be able to begin their Estimates in the Chamber rather than the committee room as indicated on the sequence of Estimates.

I would also ask if there is leave of the House to allow the Standing Committee on Law Amendments to sit beyond the hour of five o'clock to no later than 6 p.m. should it be required to complete their business today.

Madam Speaker: Is there unanimous consent of the House to move the section of Department of Housing into the Chamber to continue now till private members' hour? [agreed]

Is there unanimous consent of the House to have the Standing Committee on Law Amendments continue past five but no later than 6 p.m. if the business has not been completed. [agreed]

Mr. Praznik: I would ask, Madam Speaker, that we continue to resolve ourselves into the Committee of Supply to consider of the Supply to be granted to Her Most Gracious Majesty.

COMMITTEE OF SUPPLY

HOUSING

Mr. Chairperson (Ben Sveinson): Order, please. Will the Committee of Supply please come to order.

This section of the Committee of Supply will be considering the Estimates of the Department of Housing. Does the honourable Minister of Housing have an opening statement?

Hon. Jack Reimer (Minister of Housing): Yes, I do, Mr. Chairperson.

I am pleased to present the 1999-2000 spending Estimates for Manitoba Housing. The Department of Housing is committed to ensuring that Manitobans in need have access to suitable and adequate housing at affordable rates; maintaining and improving the quality of government-subsidized housing assets and programs as an integral part of our service to Manitobans; promoting the development of suitable housing and the maintenance and improvement of existing housing stock; providing relevant housing programs and services to Manitobans in an efficient and effective cost-saving manner.

The department's current program activities can be divided into various areas of responsibility: operating the direct-managed publicly subsidized housing portfolio for elderly, family and special needs households with low or limited incomes; administering the operating and the property management agreements for the Department of Housing portfolio, which includes the sponsor-managed private, nonprofit, co-operative and rural and native housing programs; ensuring access to emergency home repair for low income homeowners.

* (1620)

In 1998, the Department of Housing assumed additional responsibilities with respect of government-subsidized housing programs when the province of Manitoba signed a new housing agreement with Canada Mortgage and Housing Corporation, or CMHC. With the exception of on-reserve housing and two nonprofit projects operated by First Nation organizations, this agreement transferred administrative responsibility for all subsidized housing in Manitoba from the federal government to the province. CMHC will continue to provide annual lump-sum payments to the province which are equivalent to the federal subsidy responsibilities for both the transferred federal housing portfolio and the provincial housing programs operating under cost-sharing agreements with the federal government which have been capped at the 1995-96 level by the federal government.

The funding commitments provided under operating agreements extend over a period of

some 40 years and expire on a staggered basis during the first half of the next century. The new agreement has not altered that arrangement. Subsidies were intended to offset the cost of financing housing projects. The programs intended that once the mortgages were paid and financing costs disappeared, the subsidies would no longer be needed.

The new agreement allows the province to work with the project management groups towards achieving the goal of self-sufficiency. If the projects are well managed and the replacement reserves are fully funded, no subsidies should be needed to maintain their operation as low income housing providers once their mortgages are paid. At the same time, this new housing agreement has fundamentally changed the policy environment for housing assistance programs in Manitoba.

In addition to effectively doubling the size of the housing portfolio under the provincial administration, the agreement offers Manitoba considerable flexibility to reformulate programs and develop new methods to provide housing assistance. This provides the province with the opportunity to maximize the use of available funds to meet the housing needs of Manitobans as effectively and efficiently as possible.

Given the new challenges and the opportunities offered by this agreement, Manitoba Housing is in the process of developing a long-term strategy for providing adequate and affordable housing to Manitobans. The strategy will include an assessment of the need for housing assistance both now and in the future and it will identify effective ways for the province to meet that need.

In the coming year we anticipate major changes in our operation and in our approach to the management of our Housing portfolio. Through the development of a long-term strategy for Housing the department is planning for a period of change and opportunity that is unprecedented in comparison to its recent history.

We are looking forward to the challenges that our new environment presents to the Department of Housing. We intend to continue

to evolve into an organization capable of delivering housing programs and assistance to Manitobans in the most efficient and effective means possible.

Mr. Chairperson, this concludes my opening remarks, I look forward to discussion on the 1999-2000 Estimates for Housing. Thank you.

Mr. Doug Martindale (Burrows): Mr. Chairperson, I wonder if the minister could table a copy of his introductory remarks so I can pass it on to our critic.

Mr. Reimer: Certainly.

Mr. Martindale: I have questions for the minister on Flora Place public housing, which is in the Burrows constituency.

Mr. Chairperson: I apologize. I just wanted to thank the minister for his opening statement and offer the same opportunity to the opposition critic, the honourable member for Burrows, for an opening statement.

Mr. Martindale: Since I am filling in for our critic, I wonder if, by leave of the committee, our critic could make an opening statement when these Estimates resume tomorrow.

Mr. Chairperson: Is this agreed? [agreed] I would remind members of the committee that debate on the Minister's Salary Item 1.(a) is deferred until all other items in the Estimates of this department are passed.

At this time we would invite the minister's staff to take their places in the Chamber. At this time we would give the honourable minister the opportunity to introduce his staff present.

Mr. Reimer: With me here at the table is Linda McFadyen, who is my senior policy analyst; Mr. Henry Bos, who is my senior financial analyst; and Mr. Ron Fallis, who is the fellow who runs things at Manitoba Housing.

Mr. Chairperson: The item before the committee is 30.1. Housing Executive (b) Executive Support (1) Salaries and Employee Benefits \$391,100.

Mr. Martindale: Mr. Chairperson, I think the minister is aware that although I am going to stay on this line, I will not actually be asking any questions about it. Rather, I have actually given the minister notice with some questions, mostly about public housing.

Beginning with Flora Place in the Burrows constituency, I would like to ask the minister if he can reaffirm that the existing tenants will be allowed to stay on in Flora Place or Flora Place South somewhere.

Mr. Reimer: Mr. Chairperson, in working with the member for Burrows, I think that he and I both share the same common aspirations and that is in trying work in the best manner we can with the residents of Flora Place. Flora Place is truly a unique area with its make-up and its composition. We have had some meetings there. I have had meetings with the tenants, and I know that the member for Burrows has also had meetings with the tenants.

It is our intention through Manitoba Housing that we have no intention of moving the people who are in there. If the people who are in those units right now intend on staying, we will honour their wishes to stay in that area called Flora Place. It is not our intent to be moving the people out.

* (1630)

Mr. Martindale: Mr. Chairperson, will some of the tenants have to move when homes are repaired or not?

Mr. Reimer: I think, as the member knows, the buildings that we are talking about or the homes that we are talking about are quite old. These were homes that were built in the 1940s after the Second World War. They were meant to be temporary shelter for returning veterans. Originally there was just over a hundred units in there. They have slowly come to a point where some of them are very, very—well, in poor shape, in bad shape some of them, just because of the fact of the aging of them and the construction materials and the ability of them to withstand the test of time. So they have undergone a metamorphosis, in a sense, of going from fairly

decent housing to a time where right now they need a fair amount of repair.

What we have suggested to the tenants there is—and we have done a bit of an audit, I guess it is, of all the units in there as to the livability of the units. I believe that the City of Winnipeg has even done an inspection on them. I have not seen the final report as to their recommendations as to what they consider is livable, but our intent is to try to work with the tenants in Flora Place. If homes are livable and reparable to an extent where they still apply without harm or danger to the tenants, we will try to accommodate them in any way we can.

Mr. Martindale: Mr. Chairperson, how many homes will be repaired or are reparable?

Mr. Reimer: I am informed that we do not have the final report on it yet as to how many.

Mr. Martindale: Mr. Chairperson, when the final report is out, would the minister be able to give me a copy of it?

Mr. Reimer: Yes.

Mr. Martindale: Mr. Chairperson, are there occupied homes that cannot be repaired?

Mr. Reimer: Again, we have not had a final report as to what has been recommended. But there again, I think as I have done in the past I would share this information with the member for Burrows as it becomes available.

Mr. Martindale: I have another question that probably falls into the same category then and that is how much money will be spent on minor repairs or homes requiring minor repairs, and how much money will be spent on homes requiring major repairs? Either what is the total or what is the amount per house?

Mr. Reimer: I guess what would preclude the numbers would be a final knowledge of exactly what is reparable and to what extent it is reparable. That is when dollar figures could be assigned to it, but at this time we have not had a final number yet.

Mr. Martindale: How long will these repairs extend the useful life of these homes approximately?

Mr. Reimer: Here again I guess it would depend on the amount of repairs that have to go in there to keep them livable. I think that what we would try to do is, if they are reparable, we would try to make them up to a position where the tenant or the person living in it, it would not be disruptive to that person. We would try to accommodate them to stay there as long as they feel.

I think I shared one of the concerns that we did have in the original construction of the homes that I think I pointed out to the member, that asbestos has been used in some of those homes in the flooring and in the siding. I guess there is a bit of a concern that once there is a disturbance of that type of material then a whole new health hazard comes into play. It is not trying to shirk our responsibility. I guess if the home is livable under the present conditions, disturbing it may mean that it means that we have to literally move that person because of the health concerns or something like that. So those are some of the things that we have to take into consideration in looking at how many repairs and what type of repairs and what type of structural changes may have to come into being.

Mr. Martindale: Can the minister tell me how the repairs will affect the proposed plan to move people to two clusters, one at the west end and one at the east end of Flora Place? I think this plan is something that the minister has agreed to. Maybe he would clarify that, as well.

Mr. Reimer: It is still our aim to work towards that, to try to accommodate them, as the member mentioned, into clusters. Here again, looking at the liveability and the homes that are available is going to determine exactly where these people would go. But our intent is if the people do want to cluster, we will try to accommodate them in that type of arrangement too.

Mr. Martindale: Does the minister still support the idea of Habitat for Humanity building on Flora Place?

Mr. Reimer: Yes, we certainly do. I think there is an opportunity there if Habitat for Humanity was wanting to show an interest or a willingness to be involved with the redevelopment of that portion of Flora Place or along Flora Place. We would certainly try to accommodate them in any way we can for making it available for them.

I understand that their biggest concern is the supply of the infrastructure, and here is where the City of Winnipeg has to come to the table with some major infrastructure supply of sewer and water from what I understand.

I understand the original sewer and water that is in that area has been quite severely damaged over the years. There is an uncertainty as to whether it is still properly functioning and Habitat has indicated, from what I have been told, that their biggest concern is the infrastructure. If there is a willingness by the city to look at possibly extending their infrastructure program down the street in some way or reconfiguring the street, there has been various suggestions made of trenchings possibly down the middle and using the back lanes as the entrance way. There is talk along that, so I think those are some of the things that we are willing to work with and try to accommodate in that particular area. Here, again, the city has to be part of that decision making.

Mr. Martindale: Is it the minister's view that the City of Winnipeg should pay for infrastructure improvements before Habitat begins construction since this would be the normal course of events for the city to pay for infrastructure?

Mr. Reimer: Yes. I believe that the city, if they are looking to redevelop that program and if they are willing to also court Habitat for Humanity to move in there, I think that is one of the things that has to be looked at very, very seriously, for the city to be, like I say, at the table and supply that type of infrastructure in that particular area.

*(1640)

Mr. Martindale: I have a couple more questions which I did not give advance notice for, but I am sure the minister can handle. As

the minister knows, as recently as February, the residents of Flora Place were up in arms because they found out about a demolition order that the city was apparently proceeding with. They were prepared to stand in front of the bulldozers, practise civil disobedience or do whatever it took to stop the demolition, which was a good strategy and one that I agreed with, because it was the only leverage that they had in order to get the government to agree to a future plan. They wanted a future plan in place before any demolitions took place.

Now, subsequently, we have heard concerns and I heard these concerns as recently as last week about the danger of fires in vacant homes. Apparently, there was a recent attempt to set one vacant home on fire. I have not had a chance to talk to the tenants association or to the CIDA worker or anyone about this, so I am thinking out loud here and not necessarily committed to this idea, but I think it should be discussed because if we do not and there is a fire and the property is damaged or anything untoward happens, the community is probably going to be up in arms again looking to blame somebody, and they probably will blame Manitoba Housing.

I am wondering if the minister is willing to discuss with the tenants association the possibility only with their agreement that houses that are boarded up and vacant and unreparable may be torn down if the tenants association agreed to that, so that the possibility of fire is reduced. These tiny houses are fairly close together. One of their concerns is that a house that is empty might be next door to a house that is occupied and that the fire may spread. My guess is that these houses are probably 99 percent wood and very dry. If they go up, they are going to go up fast. I am wondering if the minister would entertain this idea or what he thinks of it.

Mr. Reimer: I think that we are willing to work with the tenants association there quite openly. If a meeting can be arranged and they come up with suggestions and we can work in co-operation with our Housing department with them in identifying, by themselves, with us, as to units that they feel are inappropriate, that we should have torn down or removed, we certainly would be willing to do that.

I think we share the same concerns regarding safety and security in that area. We have increased our security patrol in that area to try to have more of a presence in that particular area, and hopefully maybe, if anything, this is a meeting that should be sooner than later, you know, with the tenants association. Maybe I will look to the member if he feels that he wants to take the lead on arranging that, and I will work it in my schedule and we can meet with them. We can certainly work towards trying to look at some of the homes that they feel should be out of there.

Mr. Martindale: What I will do is, I will provide the tenants association with Hansard tomorrow, or as soon as it is available, and let them follow up as they feel appropriate.

Going back to the infrastructure and the Habitat for Humanity idea, I would like to congratulate whoever it was that proposed this innovative idea of perhaps not rebuilding the street but only having the services run down the centre of the former street and using back lanes for vehicles. This would be similar to Wildwood Park and other areas of Winnipeg. It is already a parklike setting. It would certainly add to the parklike setting, and presumably it would greatly reduce the cost of rebuilding the infrastructure. If you do not rebuild the street or the curb and you only have one sidewalk down the middle instead of two, then presumably you are only looking at the cost of the water and sewer. It might be much cheaper to redevelop and may be able to develop bigger lots, as well. So I am happy to hear that idea from the minister.

I would like to move on and ask the minister some questions about tenant associations in public housing, particularly beginning with some general questions about policies, the first being: are there guidelines for how tenants associations should be, or must be, set up and run and if so, I wonder if I could have a copy of those guidelines?

Mr. Reimer: Maybe just to give a few comments in regard to tenants association. I am a very strong advocate for tenants associations in public housing because in working with tenants associations, I have seen a lot of very positive results that can come about because of the involvement of the tenants and how they take

responsibility. They become part of the decision making for their own groups and their neighbours in particular complexes.

The tenants association is something that we encourage, we fund. There is a fund of \$24 per unit that goes towards a tenants association, that they use as their source of funding in the administration of their association. They become a very valuable voice in dealing with Manitoba Housing because it gives Manitoba Housing a sounding board, and also a place for them to look at changes or to look at innovative approaches to Manitoba Housing. I think that it is utilized not only by the tenants association but it is utilized by the department in trying to work with the various tenants in the buildings.

A lot of times tenants associations, in their dealings with the tenants themselves, are actually sometimes even harder on the tenants than the so-called Manitoba Housing because they take a responsibility for their association and their surroundings, so I encourage them. We support them. I try to go to meetings. If I am invited, I will make a point of going to them. There are general guidelines. There is a brochure that we can make available to the member as to how they are structured in the guideline book.

But like I say, I think that there is a real value in trying to work even more with tenants associations and the delegation of authority and decision making down to them. As we are trying to do in at least one of our tenants associations is even delegating spending authorities and the ability to make decisions regarding budgeting. It is a slow process, but I think that it is a process that the tenants association of this particular complex are taking very seriously. They have worked at it very, very diligently. They have elected people that have responsible decision-making capabilities, and we are trying to work with them very, very closely in setting up their own programming at this particular complex.

It is Gilbert Park that I am talking about. What it has spawned, it has spawned very, very strong interest in other tenants associations, but to give them their due credit no one is rushing into it headlong. They are all approaching it very cautiously and working very closely with our department as to what is the best way to

handle the so-called responsibilities that we are trying to carry down to them. So I am, like I say, a very strong proponent of tenants associations.

I think that any public housing complex that does not have a tenants association is missing out on something that is available for not only an improvement for themselves, but an ability to get improvements for their areas, because a lot of the tenants associations have to take a lot of initiatives on their own for improvement in their own complex.

* (1650)

I know the Triplex complex in Transcona has gone out, and they have raised funding for parklike structures in the area. They went out, and they have trees planted in their area. This was all done on their own initiative in a sense because they wanted something better for their complex. So we feel that they are a very, very valuable part of public housing here in Manitoba.

Mr. Martindale: Mr. Chairperson, I look forward to getting a copy of the guidelines for tenants associations.

I would like to ask the minister if tenant board meetings are open meetings to which residents can attend and observe.

Mr. Reimer: The tenants association meetings, I am told, are open to all members of that particular complex. The outside individual, from what I am told, if they are invited to the tenants association meeting they can come, but I do not believe they are open just for the general public to walk in.

Mr. Martindale: Is there a requirement or is it permissive for tenant association boards to post a copy of their minutes in a publicly accessible place?

Mr. Reimer: I have been told that because there is sometimes a confidentiality concern in the minutes of the meeting that the minutes are available to all tenants in the complex. Even with that, if there is a reference to an individual tenant where there has been concerns expressed, that tenant's name or unit is deleted in the minutes that are circulated. Also, they are not

posted in a public place, but they are available to all tenants. A record is kept and the tenant can see those minutes on a request basis to the association.

Mr. Martindale: Could the minister tell us what kind of arrangements are in place at Gilbert Park for tenant management? The minister referenced this earlier. I wonder if you could maybe just spell out briefly some of the responsibilities that the tenants association has.

Mr. Reimer: I alluded earlier to the Gilbert Park Tenants Association. I will even go on record here on Hansard and say: I am very, very pleased with working with the tenants association. Everybody that I have dealt with at Gilbert Park has been very enthusiastic and very excited about the fact that we are trying to evolve the management of the Gilbert Park complex to the tenants association. Our date that we are trying to shoot for is April 1, 2000.

Just recently they have had an election there at Gilbert Park, so there are a few new people on the tenants association, but the core and the idea is still there for self-management. We have delegated some budget authorities to these people for decision making in handling the budget for some of the maintenance programs, some of the yard programs and some of the office programs, garbage collection, snow removal. I believe also we do some application processing through there. We have had some excellent results with that.

I think what has also been a strong indicator of Gilbert Park too is the residents. The vacancy rate has actually gone down there. There are not that many vacancies in Gilbert Park anymore. I am not too sure what the percentage would be. There are very few vacancies. I think that is a sign of stability in the area. I think there is a better ownership, if you want to call it, of the community by the tenants association.

The idea is to turn over this Manitoba Housing unit to the tenants association. Naturally the accountability and the guidelines and the transparency of decision making has to be in mind with Manitoba Housing, but we are certainly not trying to put impediments or obstacles in the eventual turnover to Gilbert Park. I think that they have shown initiative and, if anything, we will work even more

aggressively with trying to accommodate their goals.

Mr. Martindale: As the minister knows, the purpose of rent geared to income is to make housing affordable. I think generally speaking it does that. But the minister is probably also aware that one of the problems in public housing is that if people are on social assistance or employment assistance or have very low incomes, because of the rent geared to income their rent is low. However, if they get a job, especially if they get a decent paying job, their rent goes way up.

One of the effects that this has in public housing is that it encourages people to move out because, as soon as their rent is higher than the private market, there is an economic incentive for them to move. This has a detrimental effect, I believe, on public housing because, first of all, there is a concentration of people who are on social assistance, not that that is a problem in itself, but it tends to make almost all the tenants identical in terms of the socioeconomic circumstances; and, secondly, it means that there is a high turnover or that there is a turnover when people get a job and move out. That has its own problems because someone has to select new tenants to go in.

Normally, in housing, your repair costs are highest when someone moves out because that is when management moves in with painters and people to repair the drywall or windows or whatever is required, so there is an expense every time someone moves out to rehabilitate the unit for the next tenant, if expenses are incurred.

Now, I was told that there may be a rent ceiling in place in Gilbert Park to counteract this effect of people moving out when they get a decent paying job. I am wondering if that is the case, if the minister can explain it to me.

Mr. Reimer: Mr. Chairperson, the member is right. There is what we call a rent ceiling in Gilbert Park. One of the reasons that we did that was exactly what the member had outlined in regard to trying to put a sense of stability and permanency for some of the tenants that were in Gilbert Park. The member is right. It seemed that we were penalizing people that were going out and improving and getting themselves a job and moving up the income ladder, if you want to call it, because of their own initiatives.

So one of the things we did to try to put some sort of stability into Gilbert Park, and we did it also for Lord Selkirk Park I should point out, is put in rent ceilings. Just as a matter of record, at Gilbert Park, the rent ceilings on the two-bedroom units are \$450; for the three bedrooms, they are \$550; for a four-bedroom, it is \$575—did I say three-bedroom \$550? I think I said that, I am sorry. A four-bedroom is \$575 and five-bedroom is \$600. We find that that is another incentive for people to stay in the area and it gives stability, too, because the people are able to know that this is their rent even if they earn more money.

Mr. Chairperson: Order, please. The time being five o'clock, it is time for private members' hour. Committee rise. Call in the Speaker.

* (1700)

IN SESSION

Madam Speaker: The hour being 5 p.m., time for Private Members' Business.

Hon. Darren Praznik (Government House Leader): Madam Speaker, given the circumstance today of us sitting at committee on a very important and urgent matter of great public importance, I have spoken with my colleagues opposite in House management, and they are just at this moment consulting with their party leadership as to whether or not there is a willingness to call the hour 6 p.m.

If Madam Speaker would allow us a few brief moments, we may have agreement that there is a willingness of the House to call it six o'clock.

Madam Speaker: Madam Speaker is more than willing to wait for the directive from the House.

Mr. Praznik: Thank you.

Madam Speaker, if you would canvass the House, you would find a willingness to call it six o'clock.

Madam Speaker: Is there unanimous consent of the House to call it six o'clock? [agreed]

The hour being 6 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 19, 1999

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