

Third Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS
Official Report
(Hansard)

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	P.C.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garry	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 21, 2005

The House met at 1:30 p.m.

ROUTINE PROCEEDINGS

PETITIONS

Riverdale Health Centre

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for the petition:

The Riverdale Health Centre services a population of approximately 2000, including the Town of Rivers and the R.M. of Daly, as well as the Sioux Valley First Nation and local Hutterite colonies.

The need for renovation or repair of the Riverdale Health Centre was identified in 1999 by the Marquette Regional Health Authority (RHA) and was the No. 1 priority listed in the RHA's 2002-2003 Operational Plan.

To date, the community has raised over \$460,000 towards the renovation or repair of the health centre.

On June 1, 2003, the Premier (Mr. Doer) made a commitment to the community of Rivers that he would not close or downgrade the services available at Riverdale Health Centre.

Due to physician shortages, the Riverdale Health Centre has been closed to acute care and emergency services for long periods since December 2003, forcing community members to travel to Brandon or elsewhere for health care services.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier to consider ensuring that acute care and emergency services are available to the residents of Rivers and surrounding areas in their local hospital and to live up to his promise to not close the Rivers Hospital.

To request that the Minister of Health (Mr. Sale) consider developing a long-term solution to the chronic shortages of front line health care professionals in rural Manitoba.

This petition has been signed by R. Vassart, Brenda Eisler, Margaret Burt and others.

Mr. Speaker: In accordance with our Rule 132(6), when petitions are read they are deemed to be received by the House.

Ambulance Service

Mr. Ron Schuler (Springfield): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

In May 2004, 46-year-old Peter Krahn suffered a heart attack while exercising in East St. Paul and was pronounced dead just under an hour later after being transported to the Concordia Hospital in Winnipeg. Reports show that it took nearly 18 minutes for an ambulance to arrive for Mr. Krahn.

The Interlake Regional Health Authority claims that 21 minutes is an acceptable emergency response time, whereas the City of Winnipeg uses a benchmark of 4 minutes.

Ambulance coverage for East St. Paul is provided from Selkirk, which is almost 25 kilometres away.

The municipalities of East St. Paul and West St. Paul combined have over 12 000 residents.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider providing East St. Paul with local ambulance service which would service both East and West St. Paul.

To request the provincial government to consider improving the way that ambulance service is supplied to all Manitobans by utilizing technologies such as GPS in conjunction with a

Medical Transportation Co-ordination Centre (MTCC) which will ensure that patients receive the nearest ambulance in the least amount of time.

To request the provincial government to consider ensuring that appropriate funding is provided to maintain superior response times and sustainable services.

Signed by Brenda Hebert, Elizabeth Hebert, Katharine Hebert and many others.

* (13:35)

Generally Accepted Accounting Principles

Mr. Kevin Lamoureux (Inkster): I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

Manitoba's provincial auditor has stated that Manitoba's 2003-2004 budget deficit was the second highest on record at \$604 million.

The provincial government is misleading the public by saying they had a surplus of \$13 million in the 2003-2004 budget.

The provincial auditor has indicated that the \$13-million surplus the government says it had cannot be justified.

The provincial auditor has also indicated that the Province is using its own made up accounting rules in order to show a surplus instead of using generally accepted accounting principles.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider adopting generally accepted accounting principles in reporting Manitoba's budgetary numbers.

Signed by V. Modha, D. B. Sud and H. Sud.

Closure of Victoria General Hospital Maternity Ward

Hon. Jon Gerrard (River Heights): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

It has been decided that the birthing ward at the Victoria General Hospital in Winnipeg, Manitoba, will be closed.

Some say the birthing ward is being closed due to safety issues. It has been proven time and time again that outcomes for normal pregnancies in normal women are better in a community hospital like the Victoria General Hospital than in a tertiary care centre like the Health Sciences Centre and with a general practitioner or midwife rather than an obstetrician. Not a single study has ever shown the contrary.

Obstetrics services at community hospitals can work if the political will is there to make them work.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Mr. Sale) to allow women options when they give birth and to consider stopping the planned closure of the Victoria General Hospital maternity ward.

Signed by Jennifer Forsyth, R. Curtis and Cathy Ward.

TABLING OF REPORTS

Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade): Mr. Speaker, I would like to table the Supplementary Information for Legislative Review of 2005-2006, Departmental Expenditure Estimates for Intergovernmental Affairs and Trade.

Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines): Mr. Speaker, I would like to table the 2005-2006 Supplementary Estimates Expenditures for the Department of Industry, Economic Development and Mines.

INTRODUCTION OF BILLS

Bill 31—The Condominium Amendment Act

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Health (Mr. Sale), that Bill 31, The Condominium Amendment Act; Loi modifiant la Loi sur les condominiums, be now read a first time.

Mr. Speaker: It has been moved by the honourable Minister of Finance, seconded by the honourable Minister of Health, that Bill 31, The Condominium Amendment Act, be now read a first time.

Mr. Selinger: Mr. Speaker, The Condominium Amendment Act makes a number of changes to increase protection for condominium owners. The changes pertain to the cooling-off period, information to be provided to prospective purchasers, construction documents and reserve fund accounts.

Mr. Speaker: Is it the pleasure of the House to adopt the motion? *[Agreed]*

* (13:40)

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from Dalhousie School 21 Grade 4 students under the direction of Mrs. Marla Armstrong. This school is located in the constituency of the honourable Member for St. Norbert (Ms. Brick).

Also in the public gallery we have from Gimli High School 18 Grade 9 students under the direction of Mr. Randy Semenek. This school is located in the constituency of the honourable Minister of Education, Citizenship and Youth (Mr. Bjornson).

On behalf of all honourable members, I welcome you here today.

ORAL QUESTIONS

Hip and Knee Replacement Surgery Wait Lists

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, the number of Manitobans living in excruciating pain, because they are forced to wait years for hip and knee replacements, is growing under this NDP government.

My office was recently contacted by a concerned Manitoban whose sister was told that a year ago, she had an eight to ten-month wait for hip replacement surgery. When that deadline came last fall, she was suddenly told that her orthopedic surgeon had moved to B.C. Even though she was assured that she did not

lose her spot on the wait list, she did. Then she was told this past February that she would have at least another six months to wait. Once again, this NDP's so-called six-month average wait for hip replacement has turned into years.

Mr. Speaker, I am going to ask this Premier, as this Manitoban asked me to ask this Premier: If a person who allows an animal to suffer is charged with animal cruelty, why is this NDP government allowed to let humans suffer?

Hon. Gary Doer (Premier): Mr. Speaker, I think you will recall, and others will recall when we presented to the health reform meetings in Ottawa, we stated clearly that we have made progress on the life and death situations. The cancer treatment has gone from eight weeks to one week. The cardiac surgery list has gone down over 50 percent in terms of waiting. The neurosurgery is the best in the country.

We also acknowledge that hips, knees and cataracts require work, effort and investment. We have, just in the last two months, announced a co-ordinated waiting list strategy for patients. The member is absolutely right you should not have a situation where a person is on one waiting list based on only a doctor, and then the doctor leaves, and with another doctor, then you have to start all over. So we want, and we have actually announced a co-ordinated waiting list. We have to get that waiting list down. People are waiting too long.

We have more orthopedic surgeons today than we had a few years ago. We have more students in training in orthopedic surgeries. We have more surgical theatres than we had a couple of years ago, including Concordia Hospital and other theatres. We have more orthopedic students graduating from our program.

Mr. Speaker, we also need more anesthetists in the system to have more operations and the Minister of Health (Mr. Sale) is working on that as well.

Mr. Murray: Mr. Speaker, despite the political spin from the Premier, Manitobans are suffering under this Premier. While this Premier continues to ignore our health solutions, there are many solutions that are supported by other Manitobans, like the one that I spoke to, to ensure there is timely access to care for patients in Manitoba. Like us, this Manitoban

believes the NDP government should cut out frivolous costs, slash skyrocketing administrative costs, divert money to front-line care and conduct a thorough review of regionalization. But this Premier will not do that, because we know, very much like he cannot manage Manitoba's fiscal responsibility, he cannot manage health care as well.

Mr. Speaker, another Manitoba patient who has been suffering for years on this Premier's growing hip replacement wait list is Lois Osudar from Brandon. According to an e-mail from one of the NDP government's health intake co-ordinators, and I quote, "I just spoke to Mrs. Lois Osudar who has been waiting for hip replacement—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Murray: Mr. Speaker, they might find it funny that Mrs. Osudar has to wait for hip replacement, we do not.

I would like to ensure, Mr. Speaker, that they listen carefully to this quote that came from a health intake co-ordinator. "I just spoke to Mrs. Lois Osudar, who has been waiting for a hip replacement for two years. She has been on the waiting lists in Brandon and Winkler. She just phoned Winkler to see where she was on their list and was informed that they have done their quota and will not be doing any more until May."

Mr. Speaker, in response to that, a long-time NDP political staffer said, and I quote, "This does not bode well for our waiting list plan. Between no pediatric dental at Mis and no ortho in Brandon or Boundary Trails, we are not really getting much in the way of service delivery."

Mr. Speaker, the NDP's own supporters and political staff can come clean, and under the NDP health care delayed is health care denied. Why will this Premier not come clean?

* (13:45)

Mr. Doer: The average wait time for hip replacement surgery is 35.7 weeks, but knee replacement is 46 weeks. Those times are both unacceptable. We have announced a thousand more surgeries in this province. We have more—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: There are more operational theatres now for both those procedures. There are more procedures being conducted in hospitals and in the clinics of Manitoba. There are more anesthetists needed in this system. I believe the statement out of the Boundary Trails hospital has been corrected.

Mr. Murray: As the e-mail indicated, Ms. Osudar was told she would not get timely surgery because of quotas, yet, the Health Minister says there is no quota. Mr. Speaker, this minister has misled Manitobans during Hydra House when he was Minister of Family Services, and is misleading them again now that he is Minister of Health. Manitobans do not trust that minister and they certainly do not trust that NDP government. As Mrs. Osudar told the *Brandon Sun* and I quote, "It is not the doctor's fault. It is the politicians. They treat animals better than they treat people."

Again I quote from their own political staffer who said, "This does not bode well for our waiting list plan. Between no pediatric dental at Mis and no ortho in Brandon or Boundary Trails, we are not getting much in the way of service delivery."

This Premier can spin and quote whatever he wants. The fact of life is he can deny quotas and he can deny their failures, but Manitobans know, Mr. Speaker, that under this NDP government, under this Premier, health care delayed is health care denied.

Why will he not come clean with Manitobans and do what he promised he would do to shorten waiting lists for hip and knee surgery instead of making our Manitobans suffer day after day, month after month? He should do better.

Mr. Doer: The member can yell as loud as he wants, Mr. Speaker, and that will not change the facts. People have a good read on where the Conservatives were when they were in office. They have a very good read of the progress we are making in health care.

Mr. Speaker, the Minister of Health (Mr. Sale) has consistently stated, and I have heard him state it—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: The Minister of Health has consistently stated, and we have all stated we have made progress on cancer care treatment, we have made progress on cardiac, we have made progress on neurosurgery. We have made progress in reversing the firing of nurses. We have made progress on getting more doctors, but we have also said there is more work to do. We need more doctors. We need more nurses, Mr. Speaker that is why we are training them. We need more procedures. We have increased a number of procedures by 20 percent. The thousand will be 46% more procedures.

We have been very, very clear with the public. Where we have made some inroads on waiting lists, we have stated it; where we have not been able to make the inroads, we have also said we have more work to do. I would say, further to the newspaper story in the Brandon media a week ago, we are certainly aware of the comments and we certainly acknowledge there is more work to do. We find the waiting times for hips and knees too long.

Brandon Regional Health Authority Administration Costs

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, this is a Premier of Manitoba who has stood before Manitobans and told them at that time that he would end hallway medicine in six months with \$15 million. He lied about that, he is lying now, and that is unfortunate.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The word "liar" or referring to another member as "lied" has never been accepted by any Speaker in this House. I ask the honourable member to withdraw that comment.

Mrs. Stefanson: I withdraw the comment, Mr. Speaker.

Mr. Speaker: Thank you.

* (13:50)

Point of Order

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

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I believe it has become practice that a member in circumstances like this not only withdraw, but apologize to the House. We ask that the member please do that.

Mr. Speaker: Order. The honourable Official Opposition House Leader, on the same point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, on that same point of order, if the Minister of Health (Mr. Sale) would start telling the truth in this House—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would like to caution the honourable Official Opposition House Leader not to use a point of order to put unparliamentary language on record. I ask the honourable member to rephrase that. I ask the honourable member to withdraw that and to rephrase his wording.

Mr. Derkach: Mr. Speaker, I will.

Mr. Speaker, the reality is that the individuals who should be apologizing to Manitobans and to this House are the Minister of Health and the Premier (Mr. Doer). For too long, we have had statements made in this House that in no way resemble the reality or the facts as they are. It is time the Minister of Health and the Premier, not just for the sake of the media, but in terms of the sake of Manitobans, would come clean and not embellish the truth, at least parallel the truth.

Mr. Speaker: On the point of order raised by the honourable Government House Leader, he does not have a point of order. I am satisfied to the withdrawal of the honourable Member for Tuxedo.

Mr. Speaker: The honourable Member for Tuxedo, to continue.

Mrs. Stefanson: Thank you very much, Mr. Speaker. Over the last few months, we have raised concerns regarding the shortage of physicians in the Brandon Regional Health Authority in the Brandon area. Brandon continues to be short orthopedic surgeons, pediatricians, internal medicine specialists,

ophthalmologists, psychiatrists, dermatologists, anesthesiologists, rehab physicians, ER doctors, and as we mentioned last week, even the physician recruiter has been recruited elsewhere.

Yet this NDP government has allowed the Brandon Regional Health Authority to bloat its bureaucracy by employing more than 90 senior managers, directors, co-ordinators and vice presidents, increasing its administration costs by some 136 percent since this NDP government came to power.

Mr. Speaker, how can this NDP government justify such a bloated bureaucracy at a time when Brandon residents are being forced to leave the region to get health care services they need?

Hon. Tim Sale (Minister of Health): There were 160 more physicians practising in Manitoba at the end of 2004 than there were at the end of 1999. That is not embellishing, Mr. Speaker, that is simply the record from the College of Physicians and Surgeons. There were 713 more nurses graduating at the end of 2004 according to the College of the Manitoba Association of Registered Nurses. That is not embellishing, that is the college of nurses speaking.

The Brandon Regional Health Authority has committed itself to do an additional 120 hips and knees over the next two years. They are short one orthopedic surgeon at present, which they are recruiting actively. We have six more orthopedic surgeons in Manitoba doing their work today than there were in 1999, when we formed government. We have 20% more procedures than we inherited in 1999. Mr. Speaker, I will continue with my next answer.

Regional Health Authorities Review

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, the organizational chart for the Brandon Regional Health Authority is some seven pages long. That is longer than some of the wait lists in our province. This NDP government has allowed a 136% increase in administrative costs at the Brandon Regional Health Authority while at the same time it has failed to recruit and retain physicians there. It is a prime example of why we, on this side of the House, have been calling for a review of regionalization.

Will the Minister of Health now commit to undertaking a review of regionalization so that these bloated administrative costs can be redirected into patient care?

Hon. Tim Sale (Minister of Health): I know the member was frustrated in Estimates the other day when she had to accept the fact that CIHI had reported the consistent pattern of administration in the Brandon Regional Health Authority and, in fact, other regional health authorities, such as Assiniboine Regional Health Authority, has been a flat line or a decline in administrative costs. In fact, over the period from 2000-2004, five reporting periods, administrative costs have fallen from 5.9 percent to 5.8 percent of all costs, according to CIHI.

The member did not like that information from CIHI then; she apparently still does not like it, Mr. Speaker.

* (13:55)

Methamphetamine Production Control Strategy

Mr. Kelvin Goertzen (Steinbach): In December of 1998, a Justice conference was held in Winnipeg, sponsored by the former government that brought together officials from across western Canada and the United States. This conference was called the Erasing Borders conference.

One of the issues discussed in December of 1998 was the impact of the drug methamphetamine, and ways to prevent it from getting a hold of Manitoba's youth, with direction that was given to develop a strategy to ensure the drug would not come into Manitoba and take hold of our youth. Six months later, when the Minister of Justice came to office, these initiatives ground to a halt.

Why did the Minister of Justice put a stop to initiatives to prevent methamphetamine from taking over Manitoba youth, Mr. Speaker?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): I regret that the member, once again, is misinformed, Mr. Speaker. What happened is that there was some expertise brought into Manitoba in order to train the trainers, those who deal on the front lines with the production of meth. As a result of that, I can tell you that, as late as just

two weeks ago, the Office of the Fire Commissioner along with law enforcement officials, as one example, continued to ensure the law enforcement officials and other responders were well equipped to deal with the threats of methamphetamine, a most serious threat that has to be dealt with on many different levels. Work on that one is very much underway. I wish the member opposite would inform himself on the initiative that he talks of.

Mr. Goertzen: Mr. Speaker, the Minister of Justice says that initiatives are well underway. The initiative I was speaking about started in 1998 of December. He has had six long years to get strategies in place. Trying to uproot the drug out of Manitoba now will be much more difficult than if he just slammed the gate back then.

Last week, we heard of a mom in Brandon who came across used drug needles near an elementary school. We have heard American justice officials saying that crystal meth is being traded straight up for Manitoba marijuana across our borders. The police say that methamphetamines are being dropped into Manitoba's bars for free.

This Minister of Justice was alerted six years ago initiatives were underway and he shelved those initiatives. Why has he done nothing for six years? I know he is going to bring forward announcements pretty soon. He is going to blow up balloons and he is going to hand out cake, but he has had six years to do something. He has done nothing.

Mr. Mackintosh: Mr. Speaker, the member does not know what he is talking about. First of all, I do not want members opposite and this member to be reflecting on the work of law enforcement in dealing with the challenges of drug manufacturing.

Mr. Speaker, it was in September of 2003, that Operation Diversion unfolded in this province. As a result of that, there were 17 Canadians and 12 Americans who were busted. That is the kind of action we are seeing on the front lines to counter the threats of meth and the precursors like ephedrine. When it comes to action on meth, I want to remind the member opposite, two weeks ago he called for a drug port to be established, which by the way, has to be done by the federal government. We had, as one of twenty-one agencies, submitted an application to the federal government in January. We cannot wait for the member to come up with ideas to take action.

Behavioural Therapist Availability

Mrs. Mavis Taillieu (Morris): Mr. Speaker, last week I warned the Minister of Family Services about a very serious and precarious situation. Jackie, a vulnerable person who had attempted suicide on many occasions, is in desperate need of a behavioural therapist. I ask that the minister address this urgent problem. I asked her again yesterday in a hand-delivered letter. Jackie has still not seen a behavioural therapist.

Why is this minister ignoring Jackie and her family? Why does she not take this seriously?

Hon. Christine Melnick (Minister of Family Services and Housing): Mr. Speaker, I will confirm to the House today, as I did last week, that certainly we take these situations very seriously. There is, in fact, an appointment with a behaviour specialist today in the incident being discussed. The department has also been contacted and reminded that when someone presents in a suicidal situation they will get very quick action, which, by the way, in situations like this kind, happens anyway. The department does respond to this.

I think it is very important that we do respect these situations that are very serious, and that we respect the front-line caregivers, the community supports, the department and the families. I can assure the House the department works with all of the stakeholders in situations of this nature.

Minister of Family Services and Housing Meeting Request

Mrs. Mavis Taillieu (Morris): Mr. Speaker, this family has been asking for support for two months. Louise White, Jackie's sister, is in the gallery today. The minister will go on about what she is doing for vulnerable people. She will talk the talk, but will she walk the walk? Will she meet with Jackie today? Jackie is here and she wants to meet. Will the minister meet with Jackie today?

* (14:00)

Hon. Christine Melnick (Minister of Family Services and Housing): Mr. Speaker, it is unfortunate this case is being dealt with by the opposition in the manner that it is.

I can assure you that the department has been working again with all the stakeholders. I also remind members of the House that when they become aware of a situation where an individual may, in fact, be suicidal that they take initiative as well to report this to the Mobile Crisis unit, Mr. Speaker, so that any unfortunate incidents may be avoided.

Mrs. Taillieu: Mr. Speaker, I take that answer to be a no, that she will refuse to meet with this family. Louise White has been trying to deal with this situation. She is totally stressed. She has looked to us to help her because this government will not help. They are just stonewalling her. I am asking the minister, Louise is asking the minister. Please, I need some help here. Why are they ignoring her?

Ms. Melnick: I believe what is being ignored, Mr. Speaker, is the rational response of the department in the care of this individual as well as other individuals who may be in a delicate situation. Again, I would call on the members to respect the situation, to recognize that in a situation such as this there is a community of supports. There is a community of professionals, and the department is working with those individuals. Clinic Community Health Centre has a province-wide line. There is also the Kids Help Phone.

Funding for mental health supports has risen by 38 percent since 1999. That is an increase of close to \$20 million. We are not ignoring any situations of this nature, Mr. Speaker.

Hydra House Transfer of Care Agreement

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, now we know how it was that this government so easily ignored the problems at Hydra House. They can ignore a problem that is sitting on their doorstep. In a release today, we learn that St. Amant, and I would applaud St. Amant for taking over responsibilities in Hydra House, but I do not applaud this government when I realize that they are paying 2.27 million for the assets of an organization that skimmed 1.5 million at least off the top of the funds they were receiving that should have gone to vulnerable individuals.

This government knew early in 2000 there were problems. They would have us believe that nothing

was important until 2004, according to their fact sheets. What explanation has this minister got for paying that money for Hydra House?

Hon. Christine Melnick (Minister of Family Services and Housing): Well, of course, Mr. Speaker, any response must be prefaced with the fact that the department's ability to monitor the spending in these organizations was cancelled under the watch of the former government. It took 10 years to get into this mess. It has taken nine months for us to disentangle.

The announcement today is based largely on meetings I had with families and caregivers in October who made it very clear to me that due to the vulnerable nature of these persons it is imperative that they stay in their own homes. I will quote the member from Morris, the critic, who said just a few weeks ago in this House, "Can she, the minister, guarantee that no one will be moved from their present home?" Members opposite cannot have it both ways, Mr. Speaker.

Mr. Cummings: Mr. Speaker, you cannot blame us for being a little sceptical. This is the government that could have bought a sound stage for a dollar, I believe, and they insisted on paying three million.

Now we have the assets that have been paid for through the services of Hydra House, and now they are going to buy them again. Mr. Speaker, there was no logic to the minister's answers. I want her to put on the record how she can logically justify this month's expenditure given the events that have occurred in Hydra House that they have ignored since early 2000.

Ms. Melnick: To correct the record, we did not ignore the concerns, Mr. Speaker. We referred it to the AG, which is more than what happened under the previous administration who did not even know what was going on.

There were four realistic options, Mr. Speaker. The first was the negotiated settlement announced today. The second was the buying of new homes. The third was the building of new homes, and the fourth was a legal process. The buying or building of homes would have taken at least one to two years, and would have meant we would have had to continue to deal with Hydra House and would have inevitably cost more than the current settlement. The

legal process was uncertain at best. Hydra House would have been insolvent at the end of it, and we would have seen no cost recovery.

Mr. Cummings: Mr. Speaker, the real tragedy is that this government, in early 2000, knew there were questionable practices. They excused them, they ignored them, and now, five years later, they say that they are rushing to solve the problem they have known about for five years. That is why we have to have a practical explanation from this minister about how they arrived at this value knowing that there was \$1.5 million, probably of questionable expenditures, that could not be justified by the owners.

Ms. Melnick: We arrived at this decision, Mr. Speaker, by accepting the expert advice of lawyers, of housing appraisers, of architects and engineers. We have been through a long and rather rocky process, I admit, because it was a very difficult situation to understand that what happened under the current government is a mess we had to clean up. There were three main elements here. *[interjection]* The previous government.

The first element was care for the vulnerable people. The second element was to cut ties with Hydra House as expediently as possible, and the third element was to get the best deal for the taxpayers of Manitoba. This is what we did. It took nine months to get here, but we are now moving forward with an institution of high repute, an institution of proven quality of care for these individuals.

Crocus Fund Public Inquiry

Mr. John Loewen (Fort Whyte): Mr. Speaker, in reality, the mess at Hydra House is the result of the incompetence of the Minister of Health (Mr. Sale), just as the mess at Crocus is the result of the irresponsibility of the Minister of Industry, as well as the member from Brandon West. As a result of that, over \$60 million of taxpayers' and unit holders' money has disappeared. The question remains where did it go?

There are allegations floating around the community that companies funded by Crocus paid for trips to the Olympics, paid for trips to Cyprus, paid for trips to Las Vegas, were used by individuals to build houses in Florida, and to this date, the

government has set up no mechanism to help explain to taxpayers and unit holders where this \$60 million has gone and what it has eventually been used for. The Auditor General does not have the authority.

I would ask the Minister of Industry if there is another way besides a public inquiry to find out where the \$60 million that Crocus shareholders were fleeced out of has disappeared.

Hon. Jim Rondeau (Minister of Industry, Economic Development and Mines): Mr. Speaker, it was our government that expanded the powers of the Auditor General that enabled him to make sure he could go and do an investigation, an unfettered investigation, an independent investigation that he can look at all aspects of the management, the investment and the board governance, so he could do a proper job. It is our government that made sure that the Manitoba Securities Commission could do an unfettered investigation to make sure that all the trading, all the reporting that was appropriate was done. As you said, in government, as Mr. Filmon, as Mr. Stefanson and Mr. Manness said, it is important to allow the independent, non-political professionals the opportunity to do the job they are responsible to do.

Mr. Loewen: More information. The Auditor General always had the authority. He simply needed a letter from the Minister of Finance (Mr. Selinger) which, for some reason, he refused to give him until February.

Mr. Speaker, between September of 2002 and March of this year, Crocus has invested over \$15 million in companies than they had previously invested in. Taxpayers and unit holders have a right and this government has a responsibility to get to the bottom of where this money has gone. Has this money been given away simply to help prop up the value of Crocus shares? Has it been given to friends to use to pay for trips for Crocus management? Where has this money gone?

The only way we can find that out is through a public inquiry. The Auditor General does not have the authority to look into these companies. The Manitoba Securities Commission does not have the authority. This government has the authority. How else are taxpayers and unit holders expected to find out how they have been fleeced out of their money unless we have a public inquiry?

* (14:10)

Mr. Rondeau: Mr. Speaker, the Auditor General has the right, the responsibility and the power to do the investigation. In fact, in 2001, we made sure that the act was enlarged so that any organization and I repeat, any organization that receives financial assistance or tax credits, this act allows the Auditor General to go in and investigate. That is what we did. We had expanded the role of the Auditor General to do that.

Things like Wellington West, when the sale of the MTS took place and we cried for it, the Auditor General did not have the right or responsibility necessarily to go in and look at that transaction. Under our government, he has that right and obligation and in fact, we expanded the right, and it would not have been done under your government.

Marijuana Grow Operations Reduction Strategy

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, one of the fastest growing industries in the province since this government has taken office has been grow ops. Individual homes or homes that are housing numerous plants of marijuana is an industry that has grown by the millions over the last number of years.

Six months ago the Minister of Justice indicated that he was going to, maybe, look at legislation, he was going to try to do something. Six months ago he said that he would do something about grow ops. My question is when will the Minister of Justice table a plan that is going to deal with this problem that continues to grow, an industry that Manitobans really do not want to see grow?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Yes, I can advise the House and confirm that what I think the members know is that eight departments are working together to look at comprehensive ways to counter the threat of drug manufacturing in the province of Manitoba of illicit drugs. Mr. Speaker, I remind the member opposite as well that we have taken a position across this country as Justice ministers that the laws with respect to grow operations have to be enhanced. I would ask the member to join the chorus of the Attorneys General across this country in asking for action on that.

Mr. Lamoureux: Mr. Speaker, I will go further than that. Not only would I lobby the federal government to take responsibility, I am going to suggest that this Minister of Justice should also be taking responsibility. This Minister of Justice, more than any other Minister of Justice, knows how to talk. These are all press releases in the last couple of years from this minister talking about doing things. In reality, we have a huge growing industry that is getting worse because this minister chooses to sit on his hynie and do nothing.

Let me make a suggestion to the minister. Would the minister establish a fund? Be patient and listen, here is an idea for the minister. Would the minister establish a fund that would reward people who would assist in finding grow ops so that we can be supporting our police officers? Will he support an initiative of that nature?

Mr. Mackintosh: Mr. Speaker, if the member is suggesting that the police are not on this issue, I would be very disappointed because they have been doing a tremendous job. I also remind the member opposite that, as I understand it, this is the first government in Canada to bring in legislation, The Safer Communities Act, which has shut down, I understand actually, over 92 drug dens and prostitution houses that sometimes are at risk of ruining entire neighbourhoods. I also remind the member opposite that it is my understanding this government is the first one in Canada to have ushered in impaired driving laws that deal with drunk driving, yes, but also drug-impaired driving.

Mr. Lamoureux: Yes, Mr. Speaker, what we hear from the Minister of Justice is nothing more than babble. Yet the reality is quite different than what the Minister of Justice, day after day, tries to espouse. We can look at grow ops, as an example; car thefts, over 13 000 vehicles, and yet we have another press release out today, I understand, saying how they are taking action. Well, what balderdash. Their action does not even resemble closely what sorts of words they talk about.

My suggestion to the minister, and I ask the minister, would the minister establish a fund that would reward people who would assist in finding grow ops? This is an idea that could actually make a difference.

Why would the minister not choose to take action as opposed to this bafflegab? Manitobans are

getting tired of his failure, his inability to deal with crime in our province. We are asking this minister to take responsibility and start doing things that are going to see results.

Mr. Mackintosh: Mr. Speaker, I want to inform the member that, indeed, and I wish he had done this research, there is such a fund. It is in place in Winnipeg and beyond. I wish to announce to the honourable member that there is such a fund, and I am amazed and disappointed he does not know about it. It is called Crime Stoppers.

Mr. Speaker, I also ask the member would he now reconsider his opposition to this government's decision that there will be 54 new police officers on the streets of Manitoba over the next two years. Why is he opposed to that?

CAIS Program Deposits

Mr. Tom Nevakshonoff (Interlake): Mr. Speaker, I would like to preface my question by saying how disappointed I am with members opposite that, once again, we have gone through Question Period and not one question on agriculture to date so far. In fact, in the past week we have had one question on agriculture despite the fact that three-quarters of their caucus are from rural Manitoba.

Mr. Speaker, I have a question. I know Manitoba was the first Province to sign the agreement that would allow producers to withdraw their full deposits under the CAIS program.

Can the Minister of Agriculture, Food and Rural Initiatives inform the House how many other provinces have signed on to the agreement, how soon it will take effect, and what will be the process for producers to make their withdrawals?

Point of Order

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, on a point of order. I think it is fortunate there are no school children in here today and heard just what we heard from the other side. The din from the other side—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I have asked all honourable members in the past, if I am dealing with a point of

order or a motion, I need to be able to hear every word that is spoken. So, I ask the co-operation of all honourable members, please.

The honourable Government House Leader, on a point of order.

Mr. Mackintosh: Mr. Speaker, I only assume that it is because of the embarrassment of the opposition in not asking an agriculture question, not being able to prioritize it, that they yelled through the entirety of the question that was being posed. I wonder if you could call the House to order.

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

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Speaker, I do not dispute that perhaps the noises from both sides of the House were louder than they should be. The noises were louder than they should be, but when the House Leader says that the minister could not hear her question, well, she wrote the question.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

* (14:20)

Mr. Derkach: For the Member for Interlake, who says he is so conversant with agricultural issues, to have to read his question line by line, does not seem to me as though it was a genuine question, Mr. Speaker.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. On the point of order raised by the honourable Government House Leader, at this time I would like to ask the co-operation of all honourable members. When members are raising questions or asking or answering questions, everyone has a right to hear the question and the answer. Also the government backbenchers who are not ministers are entitled to raise questions.

* * *

Mr. Speaker: The honourable Member for Interlake has put his question. Now I call upon the honourable Minister of Agriculture and Food to answer.

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): For the part of the question that I could hear, Mr. Speaker, the Member for Interlake was asking a question about CAIS deposits, a very important issue for the producers of Manitoba.

I was very pleased that Manitoba was the first province to sign on to ensure that all deposits did go back to producers. I can inform the House that Manitoba, Saskatchewan and the federal government have signed on. I know that other provinces are in the process, but deposits cannot go to producers until we have nine provinces or 50 percent of the production in this country signed on.

I am hopeful that other provinces will sign very soon, and then producers will be able to get their money back by calling the CAIS office. CAIS will issue a withdrawal authorization notice and then money will be released.

Waverley West Subdivision Conflict of Interest

Mrs. Bonnie Mitchelson (River East): Today's NDP Minister of Intergovernmental Affairs was yesterday's NDP minister when the fiasco around the Crocus Fund happened, and his government sat by and did nothing to protect the shareholders or the taxpayers of Manitoba.

Once again, Mr. Speaker, this minister has thrown integrity out the window in his handling of Waverley West. How can this minister stand up with a straight face and say that he has no conflict or no bias? Will he today stand up and do the right thing and commit to selling the land to remove himself from the conflict of being landowner, developer and regulator?

Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade): Mr. Speaker, one thing about this side of the government is the integrity that we display in every issue we address. When we go back to the nineties and we start to talk about integrity or lack thereof, as has been identified in many cases, we can go back to MTS. We can go back to many issues that were dealt with through the nineties.

Mr. Speaker, this process has been followed to the letter by the department. Certainly, the integrity has been followed by my office. It has been followed by a level of government that we, quite frankly, have

a great deal of faith in, which is the City of Winnipeg. The City of Winnipeg had referred it to our office. I tend to trust the City of Winnipeg and the information that they displayed to me. The member opposite may not trust the integrity of the City of Winnipeg. This side respects them; we trust them. The information and process were followed to the letter.

Mr. Speaker: Time for Oral Questions has expired.

Speaker's Ruling

Mr. Speaker: I have a ruling for the House.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Following the calling of Orders of the Day and the announcement of House business by the honourable Government House Leader (Mr. Mackintosh), on April 13, 2005, the honourable Member for Inkster (Mr. Lamoureux) rose on an alleged matter of privilege regarding the calling of government business. The honourable Member for Inkster asserted that the fact that the Government House Leader had called bills for debate instead of the consideration of departmental Estimates was a breach of the privileges of the members of the House and impacted on the ability of members to do their jobs and to hold the government accountable. He concluded his remarks by moving "THAT this matter of privilege which concerns the unorthodox way of government be referred to the Standing Committee on Legislative Affairs." I took the matter under advisement in order to consult the procedural authorities.

There are two conditions that must be satisfied in order for the matter raised to be ruled in order as a prima facie case of privilege. First, was the issue raised at the earliest opportunity, and second, has sufficient evidence been provided to demonstrate that the privileges of the House have been breached, in order to warrant putting the matter to the House.

Regarding the first condition, the honourable Member for Inkster asserted that he was raising the matter at the earliest opportunity, and I accept the word of the honourable member.

Regarding the second condition, whether there is sufficient evidence that the privileges of the House

have been breached, it is important to determine whether parliamentary privilege has been breached in the actions complained of.

Joseph Maingot, in the second edition of the *Parliamentary Privilege in Canada*, states on pages 13 and 14, "while it will be seen that the member enjoys all immunity necessary to perform his parliamentary work, this privilege or right, such as freedom of speech, is nevertheless subject to the practices and procedures of the House. Thus, allegations of breach of privilege by a Member in the House of Commons that amount to complaints about procedures and practices in the House are by their very nature matters of order." He also states on page 223 of the same edition, "A breach of the Standing Orders or a failure to follow an established practice would invoke a point of order rather than a question of privilege."

In addition, Speaker Rocan ruled on March 12, 1993, that a matter concerning the methods by which the House proceeds in the conduct of business is a matter of order, not privilege.

On this basis, I would therefore respectfully rule that the matter raised does not fulfil the criteria for a prima facie case of privilege.

Point of Order

Mr. Speaker: The honourable Member for Springfield, on a point of order?

Mr. Ron Schuler (Springfield): Mr. Speaker, on a point of order.

Bill 10 was debated, moved through second reading, moved through committee, moved through third reading and given royal assent in a very short period of time. This Premier (Mr. Doer) said the opposition was stalling Bill 10. Now, we see that Bill 10 is stalled in proclamation, as regulations are not done.

This Premier misled Manitobans on his radio show. He owes all Manitobans an apology. He owes the opposition an apology because the bill is stalled because of regulations.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Points of order are to be used to point out to the Speaker a breach of a rule or a procedure of the House, not to be used for debate.

The honourable member does not have a point of order. I will leave it at that.

Point of Order

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

Mr. Leonard Derkach (Official Opposition House Leader): Well, Mr. Speaker, then, on a new point of order. The member from Springfield raised the issue as a point of order because the Premier of our province misled, not only the province, but misled this House in his remarks that he made on public radio.

That is the point of order, Mr. Speaker. The point of order is not that Bill 10 has not been proclaimed. It is the effect as a result of the Premier's misleading Manitobans and misleading this House. That is the point of order.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

On a point of order raised by the honourable Official Opposition House Leader, I have dealt with that point already under my previous ruling so he does not have a point of order.

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

Mr. Derkach: No, Mr. Speaker. With the greatest of respect, I have to challenge your ruling.

*(14:30)

Voice Vote

Mr. Speaker: Order. The ruling of the Chair has been challenged. All those in favour of the ruling, say yea.

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

Formal Vote

Mr. Derkach: A recorded vote, Mr. Speaker.

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

* (15:00)

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

All those in favour of sustaining the ruling of the Chair, please rise.

Division

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

Yeas

Aglugub, Allan, Altemeyer, Ashton, Bjornson, Brick, Caldwell, Chomiak, Dewar, Doer, Irvin-Ross, Jennissen, Jha, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Melnick, Nevakshonoff, Oswald, Reid, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith, Struthers, Swan, Wowchuk.

Nays

Cullen, Cummings, Derkach, Driedger, Dyck, Eichler, Gerrard, Goertzen, Hawranik, Lamoureux, Loewen, Mitchelson, Murray, Reimer, Rocan, Rowat, Schuler, Stefanson, Taillieu.

Madam Clerk (Patricia Chaychuk): Yeas 33, Nays 19.

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

MEMBERS' STATEMENTS

Volunteer Service Awards

Ms. Kerri Irvin-Ross (Fort Garry): Mr. Speaker, last night I attended the Volunteer Centre of Winnipeg's annual Volunteer Week Awards Dinner where outstanding Manitoban's were recognized for their dedication to community service. Volunteers were recognized with the Premier's Volunteer

Service Award, the Lieutenant-Governor's Make a Difference Community Award, the Mayor's Volunteer Service Award and various other honours.

Mr. Speaker, I am pleased to say that Mr. Bob Thompson, a resident of Fort Garry, was awarded a Premier's Volunteer Service Award for 2005. At dinner I was thrilled to learn about Mr. Thompson and about his volunteer work with many local community groups.

Bob Thompson was nominated for his award by the Manitoba association for multicultural education. As president of this group, Mr. Thompson has played a key role in organizing Inspiring Minds, a youth symposium on the education profession, in February 2004. With the support of the Black History Month committee, the symposium highlighted teaching as a viable career for Manitoba's black youth. This symposium was a large success. Hoping to duplicate this success, organizers will focus on integrating youth from different ethnic backgrounds in the future.

Mr. Speaker, the Premier's Volunteer Service Awards recognize how volunteers touch many difference aspects of our lives. The award is broken down into three categories. These include awards for individual volunteers, youth and community groups. This year there were 10 recipients for this award. Recipients include a range of people and groups from both rural and urban communities in Manitoba.

I want to congratulate Mr. Bob Thompson for receiving the Premier's Volunteer Service Award for 2005. Since this week is National Volunteer Week, I also want to congratulate all other award recipients and volunteers for their dedication. They are an inspiration for us all.

Canadian Oncology Nursing Week

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, I rise today to recognize and celebrate the second annual Canadian Oncology Nursing Week. Events throughout this week have focussed on the theme, Speak-up! Be an Advocate, which signifies the strong influential voices of patients, families and oncology nurses.

The Canadian Association of Nurses in Oncology was established in 1984 to support the

efforts of Canadian nurses in promoting and developing excellence in oncology nursing practice, education and research.

CANO is a dynamic organization recognized locally, provincially, nationally and internationally as a voice for Canadian oncology nurses. Events and promotions throughout this week provide a prime opportunity to raise public awareness of the work of oncology nurses, to recognize the accomplishments of those on the front lines and to speak up about cancer care in Canada and Manitoba.

On behalf of the Legislative Assembly of Manitoba, I would like to extend my sincere thanks and admiration to those oncology nurses on the front lines in Manitoba as well as to all health care workers and Manitobans involved in the fight against cancer. It is because of your determination and hard work that, every day, we come one step closer to a cure. Thank you, Mr. Speaker.

* (15:10)

Brandon Wheat Kings

Mr. Drew Caldwell (Brandon East): Mr. Speaker, along with my colleague from Brandon West it gives me great pleasure to rise in the House today to bring attention to and applaud the Brandon Wheat Kings who yesterday evening advanced to the Western Hockey League's Eastern Conference final with a 3 to 1 victory over the Calgary Hitmen. The victory completed a miraculous comeback in which the Wheat Kings rallied from a three-games-to-one deficit to win a hard-fought seven game series.

The Wheat Kings faced a lot of turmoil in this series. They lost 10 to 1 in the opening game and dropped back-to-back games in Calgary. The Wheat Kings were forced to rally again last night, scoring all three of their goals in the third period. The comeback is a testament to the character and determination of the Wheat Kings.

I, along with all citizens of Brandon, am very proud of the Wheat Kings effort. Throughout the playoffs the city of Brandon stood behind their team and supported them admirably. Last night the Keystone Centre was packed by over 5950 boisterous fans, which set a franchise record for attendance at the Keystone Centre.

Mr. Speaker, I would like to take this opportunity to congratulate all the Wheat Kings players and coaches on their accomplishment. I would also like to wish them the best of luck when they face the Prince Albert Raiders in game one of the conference championship final Friday night at the Keystone Centre. Thank you, Mr. Speaker.

Volunteer Service Awards

Mr. Ralph Eichler (Lakeside): Mr. Speaker, volunteers are a vital part of our community. They spend countless unpaid hours aiding a variety of worthy causes. Last night it was my pleasure to attend the Lieutenant-Governor's Make a Difference Community Awards which honoured many volunteers from Manitoba.

I would like to sincerely thank those individuals, but also the volunteers who are too numerous to mention. From the Lakeside constituency Gayleen and Alan Nixon of Stonewall were recognized for a combined 60 years of volunteer experience. Between them was 22 years individually spent assisting the Stonewall Christmas Cheer Board.

In the youth category, Rachel Borkowsky of Teulon was acknowledged for her leadership in beginning the Teulon Breakfast Club and additional volunteer contributions to Teulon Collegiate in her community.

Mr. Speaker, I cannot emphasize enough the importance of volunteers and non-profit organizations. They touch every aspect of our lives. Volunteers provide priceless services for schools, youth organizations, hospitals, foundations that fund disease research, the environment, animal welfare, the arts and a broad range of other deserving causes.

Once again, I commend these selfless people. I urge my fellow colleagues and Manitobans to take time to volunteer throughout the year. We may not find answers to all the problems in life, but think of the positive impact that even a few hours of volunteering can make. Thank you, Mr. Speaker.

Earth Day

Mr. Rob Altemeyer (Wolseley): Mr. Speaker, tomorrow is April 22, and I will be 1 of over 6 million Canadians and 500 million people worldwide celebrating Earth Day. I am pleased to share today

just a few of the green highlights from my riding that demonstrate how our government and local citizens are working together to ensure that every day is Earth Day.

In the neighbourhoods of Wolseley, West Broadway and Spence, citizens are keenly anticipating the annual community cleanups and the beginning of garden season. With support from our government's Neighbourhoods Alive! Program, more community garden plots and parks are now available and local organic food is being provided to low-income inner city residents.

Residents of Wolseley have also voted to allocate money provided by our government's Building Communities initiative into several environmental projects. These include improved riverbank stabilization, enhanced river access and the elimination of dangerous mosquito breeding habitat through better drainage in public areas.

Mr. Speaker, the environmental concerns of Manitoba's citizens were also reflected in our most recent provincial budget. Public transit in Winnipeg, Brandon, Thompson and Flin Flon received a 15% funding increase, and our budget also established new crop insurance protection for organic farmers along with a parallel commitment to develop a new organic food strategy for our province.

In conclusion, environmental leadership by our citizens and our government is easy to find. Working together, Canada's largest wind farm is now under construction in Manitoba, and we are also leaders in the country for geothermal installations and energy efficiency.

Mr. Speaker, I am very proud to be part of a community and of a government which is working so hard to ensure the health of our communities and of our home, planet Earth. Thank you very much.

GRIEVANCES

Mr. Speaker: The honourable Member for Springfield, on a grievance?

Mr. Ron Schuler (Springfield): Yes, Mr. Speaker.

Mr. Speaker, I stand on a grievance today on an issue that is very important to tens of thousands of

Manitobans. It relates back to the Premier (Mr. Doer) misleading the public on a radio show. I am deeply saddened by what we have seen, and I would like to lay out the case for this House and for all Manitobans which shows how much this Premier has let down not just the seniors in this province, how much he has let down not just the people of Manitoba, but he has also let down this Chamber. I choose my words carefully although I would probably lean more toward what the member from Tuxedo, her language that she used earlier on, but I understand that that is not the kind of language that we are allowed to use in this House. So I will use the word "mislead."

I would like to go back to a radio show of April 12, 2005, that the Premier had, and I would like to actually read the offending part of that radio show. We have got the Premier saying, "I have got Jean on the line," and then Jean says, "I am calling on behalf of seniors. I would like to know if you got a chance to look into and come back with what the locked-in private pension plan is like. You were going to let us know on the next show."

The Premier answers, "Yes, we did bring in a law in December in the Legislature. It has not been passed by the opposition parties." What this Premier (Mr. Doer) did not tell Manitobans, what this Premier did not tell Jean, what this Premier has neglected to tell people, Mr. Speaker, is that it was introduced about December 8. The minister spoke on it December 9, and the House recessed on December 10.

We then came back in for a spring session, and the budget was introduced, and during that budget period we actually do not have an opportunity to speak to legislation. So, at the point in time when this Premier had his radio show, we did not have an opportunity to even speak to the legislation. For the Premier to say, and I quote again, "It has not been passed by the opposition parties," that, Mr. Speaker, is the first one, the first mistruth, and, for that, if I would point people in Manitoba, if I would point to members of this House, if they would look at the Standing Committee on Human Resources where John Klassen gets up, and he says categorically, from that radio show, that the Premier should apologize to those individuals who had called in for what he said on that radio show.

I cannot use the language that the member from Tuxedo used, and I am controlling myself that I do

not use that kind of language because it is unparliamentary, but I think that is so bad, that he would go on a radio show and try to convince these people that somehow they are sitting waiting for their pensions to be unlocked, for them to get some pension freedom, and that it is the opposition that is holding it back, which was not true and he knew it. That is point No. 1.

I would like to move on to point No. 2, and, by the way, I suggest to members in this House they get the transcript from the radio station and read through more of what the Premier has to say. But there is no reason why this legislation would not be passed in the next six weeks, no reason at all.

* (15:20)

Well, Mr. Speaker, there is a reason, and we found out today what the reason is. We found out, and I point members, again, to a document that was presented in this House. It is called standing committee—sorry, debates and procedures, official Hansard report, Wednesday, April 20, 2005. I would point individuals to, please, page 1651. Oh, my goodness, Mr. Speaker, Royal Assent was given to Bill 10.

The Conservative opposition, members of the Liberal Party, got together. We debated it. We debated it through second reading, passed it on to committee. We sat at committee, heard presentations, passed it from committee on to third reading, debated it at third reading, passed it on to Royal Assent. Now it has got Royal Assent, and let us hear what the Premier (Mr. Doer) had to say on the radio, "It has not been passed by the opposition parties."

Now we find out, after Royal Assent, it is going to sit on the Order Paper because it is not going to get proclamation.

An Honourable Member: Why?

Mr. Schuler: Why? Because, Mr. Speaker, the regulations are not done, regulations written by the government, written by this Premier's ministers and his departments.

Mr. Speaker, this Premier knew at that point in time that the bill could not go any further because the regulations would not be done till the end of June. That is the kind of thing that brings out a lot of

passion in members. That is why members in this Chamber get up and afterward have to apologize because they showed so much passion. We are sick and tired of the Premier going out in public and saying whatever he wants, as if he has immunity, whether it is true, whether it is not true.

I say to you, Mr. Speaker, by and large, it is not true. That makes us so terribly upset that he will not tell the truth to Manitobans of what actually was going on. To somehow indicate that this member, I, representing Springfield, that I would hold back a piece of legislation that I have fought for, for three years, when this government would not even look at it, would not even open up the door to the seniors, would not open the door to anybody. I stood in this House and fought for it, along with the Leader of the Opposition (Mr. Murray) and members from the Conservative Party. We stood here and we fought and we fought and we fought, and then the Premier gets up and says that somehow we are stalling the bill when he does not even have the regulations done. Shame on him.

If we show passion on this issue, and if we show that we are upset about this, Mr. Speaker, it is rightfully so. Rightfully so. I have gone through the hallways and spoken to various media members, and I have said, "Enough is enough is enough." We have put up with that for six years. Six years we have had to tolerate that.

We have had to tolerate where the Premier goes on a radio station and says, "Oh, it is not us holding up," knowing full well that the regulations were not done, knowing full well that it was introduced at the dying end of a session in December, knowing full well that it could not be debated during the budget debate, knowing full well that we wanted to get up and debate it, and it was his incompetent government that did not get it in sooner.

He knew all of that, and then goes on a radio station and misleads hardworking Manitobans who, in their retirement years, would like to have a little bit of their pension money. What is wrong with that? Why would you then, on top of that, mislead them to somehow believe something that is not true?

Mr. Speaker, I have worked very, very hard on this issue, along with the six heroes, and I will never give a speech without mentioning their names. Once again: Chuck Cruden, Brian Peto, John Klassen,

Peter and Sabina Long, and Audri Wilkinson. They worked hard. I can remember how many times we sat in my little office downstairs on the main floor. It was hot, stuffy in summer, and we decided what our next strategy was going to be, what we were going to do next, to try to further the issues of seniors, because this is a big issue. It is a big issue.

You know what, Mr. Speaker? I have learned something over the years, being an employer. There are a lot of things that you can joke about with your employees. There are a lot of things you can joke about with people, but you never, ever joke about a person's paycheque. When people retire, they do not appreciate this government reaching out a little bit of something in the legislation and quickly pulling it back, and stretching it out again and quickly pulling it back, and then saying it is the opposition that is doing it. They, the seniors, will not look kindly upon this.

I hope members opposite will be ready someday in two to three years, when we go door to door. We will take this issue to their door and say, "Do you remember how the NDP, the Premier himself, played you for a fool?" Remember that, remember that.

Then it gets Royal Assent, and then you figure it out. Then, oh, my goodness, we did not get the regulations done. How did that escape the Premier and his seven dwarfs? How did that happen? Mr. Speaker, I withdraw that.

Mr. Speaker, the Premier and his members opposite should have known the regulations need to be done before the bill could even go anywhere. That is so uncalled for. Will we go into Rossmere and point that out to seniors? Absolutely, and all the other members, we will go out and point out the fact that it took three years and then this government still—

An Honourable Member: Do not forget Fort Garry and St. Norbert.

Mr. Schuler: Fort Garry, St. Norbert, St. Vital, Seine River, on and on and on, Gimli and all the rest of them. We will, with credibility, say to Manitobans, say to seniors how this government consistently betrays them and play them for the fool. That is what is unfortunate.

You know, we have heard it time and time again. It is the Conservative Party that stands up for the

little man and woman. It is the Conservative Party that stands up for the middle class. This is important for the middle class. This was important for the Manitoba Society of Seniors. This was important for the credit unions. This was important for the co-ops.

Everybody who has a defined contribution plan is very interested. Whether they wanted to withdraw it or not, whether they wanted to do it today or tomorrow, they want that opportunity. They want the opportunity to access those funds. Maybe in the future, maybe next week, but at least they know they are able to access it.

I know for a fact, Mr. Speaker, that there are men and women right now who are waiting for this to be proclaimed. They are waiting for it to be proclaimed because they would like to access their money, and not because of the frivolous arguments that the Member for Elmwood (Mr. Maloway) put on the record that they are going to buy a cottage. Not for those reasons because some of them are having a tough time paying for the medication. Some of them are having a tough time making ends meet. Some of them are having difficult times in other areas.

We have seen time and time again the Minister of Family Services does not have the courtesy to meet people that sit in the gallery. For two hours the woman had to sit up there and cry because the minister did not have the shame, the forewithal, to go and at least comfort that individual, at least go and speak to that individual.

Well, we did. We went to seniors. We listened to them. We heard what they had to say. We trust them. We believe in the individual. We know those men and women who worked for 20, 25, up to 30 years, worked hard, put aside their pension, they can be trusted. Just because they are retired does not mean that somehow, all of a sudden they lose all their common sense. Far from it, they are just as good the day before they retire as they are the day after they retire.

I would point out to members opposite, they have tried this frivolous argument about women and 80 percent of the women that were asking for this were women. Women want this government to know they do not need Big Brother looking over their shoulder telling them how they should or should not deal with their money. They do not need a socialist government with its big fist on them.

Mr. Speaker, I grieve today because the Premier misled me, this Chamber, Manitobans and, in particular, all those seniors on two points. He went on the radio and said the Tories were holding up this bill, and the bill is now sitting because there are no regulations. Both counts, the Premier is down and he should do the right thing. He should be a man. Stand up and apologize to everybody for what he did.

* (15:30)

Mr. Speaker: The honourable Member for Southdale, on a grievance?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Jack Reimer (Southdale): Thank you, Mr. Speaker. I think it has been pointed out a few times by you that a grievance is a very serious matter. It is not taken lightly by not only you but the members in the House. I have never had the opportunity to stand up on a grievance. It is something I felt, you know, at no time there were a lot of things that happened that deserved comment, but this is something that I think has meant so much to so many people here in Manitoba, especially the seniors.

The reason I stood up on the grievance, Mr. Speaker, is the fact that I have had the opportunity to be involved with the seniors community for quite a few years, as not only the minister responsible for seniors when we were in government but also as the critic under the previous government in response to seniors. So have I had the opportunity to meet with a lot of seniors over the years. I have had the opportunity to attend a lot of functions with a lot of seniors, participate in a lot of groups and discussions, comments and things like that in regards to seniors.

So it is something I feel that I should comment on in regard to this bill because it sort of puts a light on the government in the sense that they can make statements, they can make accusations, they can point fingers, and then when the so-called chickens come home to roost, they are shown to be of a different nature.

I talk about, in particular, the town hall or the open-line radio that the First Minister was on with the radio station, CJOB, here in Winnipeg. Mr. Speaker, the Premier (Mr. Doer) is the Premier for

all of Manitoba. He is elected. He is the Premier representing Manitoba. He represents Manitoba in various national fronts and in the province of Manitoba. There is a fair amount of respect and dignity that goes with that position. He is held accountable, which he should be. He has mentioned, himself, that the buck stops at his desk. He has also said that the truth shall hear you out. He has a lot of platitudes that he surrounds himself with when he is talking, not only on the radio but in his speeches, of his positions.

He made it very clear when he was on the radio show that day, on April 12. There was a phone-in about Bill 10 as to why it had not passed and everything. He blatantly said that it was being held up, it was not being passed by the opposition party. Mr. Speaker, that was totally misrepresenting the facts.

The bill, as was mentioned by my colleague from Springfield, was introduced December 8. The House rose on December 9. It is up to the House leader to call the bills when we are in session. It is the government that controls the agenda. It is the Government House Leader that calls the bills. The bill had not been called, so we were not in a position to debate it. We were not in a position to pass it until the bill was called.

The Premier then goes on the radio and says that we will pass it as soon as the opposition parties bring it forth. It had not been brought forth. The lady was asking questions and she said, "When will it come into effect?" The Premier says, "Well, as soon as it passes, it will come into effect."

Well, Mr. Speaker, you saw that there was a willingness of the House to bring forth the bill the other day. It went through the various stages. It went through the report stage. It went through the first, second, third readings. Everything was accomplished in a very short time because there was a willingness of the House to make it happen. We recognized that this was very, very important to a lot of people, a lot of people that have their earnings locked in a defined contribution plan and want to have access to this money. We recognized that, and we had a lot of people pressuring us in regards to delegations and meetings. We met with a lot of groups. As I mentioned, we met with the MSOS group. We met with the co-op movement, a lot of people involved with that sector, and they are very, very concerned about moving some sort of legislation on.

We had wanted more in the sense of latitude in the bill. The Member for Springfield (Mr. Schuler) actually introduced another bill, a bill called 212. I believe it was 212. It was very similar to what they passed in Saskatchewan, where Saskatchewan gave access to the people with a defined contribution plan that they could access 100 percent of their plan.

There was a concern expressed by the government that they were concerned that maybe this was opening it up too much, and the fact that the seniors were accessing this money might take it all and add a further burden onto the taxpayer in the sense that they may have to look for some sort of social assistance because they had taken all their money.

Mr. Speaker, it has not come about, the promises have gone down this route. They have not found problems. They have not seen any kind of difficulties with this. It was something we felt that maybe Manitoba and this government should pursue. They instead brought in their own bill, which is Bill 10. It was a half measure in a sense, but it is like anything, you take half a loaf and you go on. You hope that maybe there will be a change somewhere down the line where it will be of more benefit. We were satisfied with what Bill 10 represented. We were in agreement that we would pass it and it did pass. We were very, very satisfied with that.

In fact, Mr. Speaker, as you recall, we had Royal Assent. The Lieutenant-Governor came in and we had Royal Assent on the bill. We thought, well, there it is. It is ready for the people to access their plans and their monies. Now, we find out that the regulations have not even been looked at, or they have not even been brought forth. The bill is going to sit on the shelf in a sense, not being of any effect until possibly the end of June. This is what we have heard. Now if the regulations are not in place by the end of June, it may go into a different sector of the counter. It may be longer, we do not know. We only know now that the bill, as we passed it, is not in effect in a sense that it becomes available for the people to access their retirement monies.

So, this is of great disappointment, not only to us, but I think to thousands of people that were waiting for this to come into effect. I am sure there were some that were quite pleased and quite happy that they could do some definitive planning of some of their monies. I am sure some of them looked at

what they could do for possibly paying off some bills, or maybe some medical problems that they have to go out of province for because they cannot access here because the waiting lists are too long. These are some of the things that a lot of the seniors look at very, very seriously. Unfortunately, they may have to use some of this money if they are talking about getting their money so they can access proper health care.

This is one of the reasons why we were very, very disappointed. This is why the opposition are upset. The opposition is upset because they feel they should be given the opportunity to speak. I am sure that some of my colleagues in the backbench for the government will be speaking because I can hear them chirping in the background that they want to speak soon. I am not too sure whether they have a grievance on this too, but I am certain there are some of the backbenchers there as they grieve on the back and behind me. They want to get up and speak too, because they are concerned about it.

You have representatives that have a lot of seniors in their area like the Member for Rossmere (Mr. Schellenberg). He has a lot of seniors. I know he is very concerned about this, very upset. I hear him in the background saying that he is mad about this. So I feel his grievance will be coming up soon too, maybe some other members because it is something that they worked very hard for.

Mr. Speaker, you must remember this was a unanimous bill. I would think that if it was a unanimous bill, you have other people in the Chamber that are very, very concerned it has not been passed. It is something that I think the seniors are looking at in a very serious manner. I am surprised that some of the backbenchers on the government side are not getting up and reprimanding the minister for not having the bill in order because it was debated, it was brought forth. The people in the House here were ready for it. The Premier (Mr. Doer) had said that it would come into effect as soon as it was passed.

*(15:40)

I would think that is the message that a lot of the backbenchers in the NDP now have to go back into their constituencies and say, "Well, our Premier may not have been totally within the realm of saying the truth." The old adage that I used one time that the

Premier may have "pretzelized" the situation. There is a way to bend the truth, I bet you know, Mr. Speaker. I know that I am treading on very delicate words there, and I appreciate your patience on that, but I just point it out because I think it is very important that the people of Manitoba, the seniors of Manitoba, are aware that all efforts were made in this House, all members, a unanimous vote was made on this bill.

It is not just the opposition that is concerned about this, everyone is. So I speak for the government too, because I am sure that they are concerned and they believe in it. Some of their members may not be able to stand up, because they knew that. I am positive that it was a unanimous motion, so that I feel that our side that is getting up to speak on it, the Member for Springfield (Mr. Schuler), myself, do convey a lot of the feelings that are expressed by a lot of the members in the House here that they are concerned.

The regulations should have been looked at. The Premier knew that the bill was going to be passed. He had advocated it. He was out main-streeting for it, if you want to call it, on the radio, telling the people that we are holding it up. We took up the challenge. We took him to task. We passed it in a very speedy motion and now it is sitting, because the minister, and I do not blame the minister, I think it is the Premier who got ahead of the cart, and all of a sudden now, the bill is sitting there.

It is very ironic that we have to stand here and remind the First Minister that a lot of the things that he can go forth with and just talk about in a sort of a flippant manner come back to haunt you. I know that there are a lot of, possibly, other members here that are waiting to grieve, but it is a very serious matter, in the sense that the monies that are available through the defined-contribution plan are something that a lot of the seniors lobbied for.

I know that I mentioned some of the groups. I just have to mention the MSOS, Mr. Chuck Cruden, who approached me not only this year or last year about it. I believe he talked to me quite a bit about this in other areas when we were part of government and I was the minister, where there was various correspondence and conversations regarding the pension.

I realize, and I repeat myself by saying, that a grievance is a very serious matter. It is something

that, I must say, this is my first grievance in a sense, but it is a very important one, because I feel that it is something that should be put on the record in regard to what the Premier says and what he does and what the end product is. It is something that I think the people of Manitoba, especially the seniors, are being short-changed on, something that is very significant and very important affair for their way of life.

With that, Mr. Speaker, I thank you very much for your time and your indulgence.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Steve Ashton (Deputy Government House Leader): Mr. Speaker, I would like to, first of all, announce that the Standing Committee on Legislative Affairs will be meeting on Monday, April 25, at 6:30 p.m., to deal with the following bills: Bill 12, The Liquor Control Amendment Act; Bill 13, The Milk Prices Review Amendment Act; and Bill 23, The Workplace Safety and Health Amendment Act (Needles in Medical Workplaces).

Would you also please see if there is agreement from the House for the three sections of the Committee of Supply to sit in Estimates this afternoon but not tomorrow morning?

Would you also see if there is agreement that for Wednesday, April 27, and Wednesday, May 4, two sections of the Committee of Supply will meet in the committee rooms while the House considers bills, with the understanding that there are to be no quorum calls?

My understanding is that this has been discussed by the House leaders.

Mr. Speaker: It has been announced that the Standing Committee of Legislative Affairs will meet on Monday, April 25, at 6:30 p.m., to deal with the following bills: Bill 12, The Liquor Control Amendment Act; Bill 13, The Milk Prices Review Amendment Act; Bill 23, The Workplace Safety and Health Amendment Act (Needles in Medical Workplaces).

Also, is there agreement from the House for the three sections of the Committee of Supply to sit in

Estimates this afternoon but not tomorrow morning?
[Agreed]

Is there agreement for Wednesday, April 27, and Wednesday, May 4, that two sections of the Committee of Supply will meet in the committee rooms while the House considers bills, with the understanding that there are to be no quorum calls?
[Agreed]

Mr. Ashton: By agreement, Mr. Speaker, could you please call Supply motion?

Mr. Speaker: The House will now resolve into Committee of Supply.

COMMITTEE OF SUPPLY (Concurrent Sections)

HEALTH

* (15:50)

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

I have a ruling for the committee.

During global questions in the Department of Health on April 18, 2005, the honourable Member for Tuxedo (Mrs. Stefanson) stated that the honourable Minister of Health knowingly provided false numbers to this House and to the committee in last year's Estimates.

The honourable Minister of Health (Mr. Sale) raised a point of order suggesting that this language was unparliamentary. The honourable Member for Tuxedo also spoke to the point of order. I took the matter under advisement to review Hansard before providing a ruling for the committee.

The words "false information" have been the subject of interventions by Supply Chairpersons a number of times in the last 15 years. Cautions were given by Supply Chairpersons regarding the words "false information" on April 27, 1992, and September 10, 2003, while Supply Chairpersons ruled the same words unparliamentary on May 5, 1992, and June 13, 1994.

Additionally—

An Honourable Member: Mr. Chairman, ask the member to sit during the ruling.

An Honourable Member: Oh, sorry.

Mr. Chairperson: Additionally, in the House, on March 14, 1990, Speaker Rocan ruled the phrase, "deliberately putting false information on the record" as unparliamentary. As ruled on page 526 of the *House of Commons Procedure and Practice*, "When considering questions of language, the context of remarks in committee and the effects on proceedings must be taken into account."

In reviewing these and other rulings, I note the words and phrases which imply the House or committee has been deliberately misled or deliberately provided with inaccurate or incorrect information have consistently been ruled unparliamentary. In consideration of all these factors, I rule that the words "knowingly provided false numbers" are unparliamentary. I would ask that the honourable Member for Tuxedo please withdraw them.

Mrs. Heather Stefanson (Tuxedo): That is fine. I withdraw them.

Mr. Chairperson: I thank the member.

* * *

Mr. Chairperson: This section of the Committee of Supply, meeting in Room 254, will now resume consideration of the Estimates for the Department of Health. As had been previously agreed, questioning for this department will follow in a global manner. The floor is now open for questions.

Hon. Tim Sale (Minister of Health): The member asked certain questions in the previous sitting, and I have some information for her. She asked about Marj Watts and her previous work and her current role.

Marj Watts is currently the executive director of the Policy and Planning branch. She has been with the department for 20 years and has held numerous managerial positions, including executive director of mental health, provincial health reform co-ordinator, director, inter- and intra-departmental management, and director of corporate services. Prior to Health, she worked for Family Services and held the position of provincial program co-ordinator, regional program co-ordinator for community services.

Her current portfolio within Health includes responsibility for community acute and long-term

care planning, strategic planning and emerging issues, Protection for Persons in Care office, Web services, residential charges and the correspondence unit. That is that piece.

The member also asked for where prior staff members that had been in the Department of Health, the minister's office, are now. The answer is that Jean-Guy Bougeois works in the Central Policy Branch of government, as does Alissa Brandt. Jeff Sulymka is a special assistant to the Minister of Energy, Science and Technology (Mr. Chomiak). Chad Samain is no longer working in government. Larissa Ashdown is the special assistant to Conservation Minister Stan Struthers.

The member also asked for a list of board members of the various RHAs and where they lived. I think, rather than read this into the record, I will just give the member from Turtle Mountain the list. I believe it was he who asked for that list, and there is a copy for the Clerk.

*(16:00)

Additionally, the members asked for medical officers of health positions and the number vacant. I am glad to see this is of such interest to the members. The name of the medical officer of health in Assiniboine and Brandon is Doctor Weiss, Doctor Clearsky in Burntwood, Doctor Buchan in Central, Doctor Gessell at NOR-MAN in Churchill, Doctor Hilderman in Interlake—the North Eastman position is currently vacant and being recruited for—Doctor Johnston in Parkland and Doctor Roberts in South Eastman.

In Winnipeg, there are five, some part-time: Doctors Fast, Harlos, Plourde, Cook and Kurbis. Doctor Routledge is a general assignment to Water as a medical officer of health responsible for water quality; Doctor Cleary for emergency preparedness, Doctor Kettner is the chief of the program, and Doctor Roberecki. I have those names and their assignments for the Clerk and for the critic.

In addition, the members asked for a list of secondments, and there are two. They asked for secondments to and secondments from, and I would like to just in providing this information, Mr. Chairman, tell the members that secondments inside government and between government related authorities are common and have been common for as long as there have been secondments. They

were certainly common when I worked in government in the eighties and, in fact, in the seventies when I was with the Social Planning Council. We had government staff seconded to the Planning Council for various amounts of work. *[interjection]*

Well, the member has got a lot of comments to make. She asked for information. I am giving her the information. If she does not want information, she should not ask for it.

The secondments to the Department of Health from a variety of places, there are a total of 13, a variety of positions as the member will see, mostly from WRHA, but some from Seven Oaks, Holy Family, Addictions Foundation and Manitoba Labour and Immigration. Then there are secondments from the Department of Health to places, four of them to WRHA, to the health reform working committee, to Community Economic Development Committee, to Health Canada, a couple to the floodway expansion, and three to Manitoba Family Services and Housing. I have copies of these for the members and for the Clerk.

I am always pleased to provide information, Mr. Chairman. Thank you.

Mr. Chairperson: I thank the minister for that. The floor is open for questions.

Mrs. Stefanson: I have some questions for the Minister of Health concerning the Selkirk Mental Health Centre. Back on September 20 of 2001, the Minister of Health at the time had indicated how poor the conditions were at Selkirk Mental Health Centre. He said, and I quote, "I think I have always felt that the facilities are terrible." He goes on to say, "Well, as I have said, I consider myself, I could not spend a day in those dorms, and I cannot see how someone who has difficulty and requires to be healed can spend time in those dorms and possibly be healed." He goes on to say, "I mean, there is excellent staff there, but the facilities are terrible."

The minister goes on to say in the same interview that, and I quote again, "Selkirk is going to be redeveloped, and there is money in this year's budget."

Can I ask the Minister of Health, that was back on September 20 of 2001, was there actually money in the budget for this project back then?

Mr. Sale: If the critic would be interested, I could certainly, if she has not done so, arrange for her to tour the centre. I am not sure whether she has or not. Could I just ask whether she has?

Mrs. Stefanson: I have not, as of yet, had the opportunity to tour the facilities, but I do have a constituent whose mother is there, who is extremely concerned. We have expressed this to the minister in the past. So I would like if the minister could please answer the question.

Mr. Sale: I was simply offering the opportunity for the member, if she would like, to have our staff arrange for her to have a full visit to the centre and see the facilities. It is, to say the least, for the most part, an antiquated facility. The only one that is really up to modern standards is the forensic unit that is relatively newly renovated to a pretty high standard. The member is absolutely right that the staff is extremely dedicated and very creative in their use of outmoded space. I think that the member would have the same feeling that I have about Selkirk, and that is that it absolutely must be in process of redevelopment.

When I was there in, was it January that we were there, or was it February? I cannot remember which, January or February. We looked at the functional plan for the redevelopment, and the most recent action that I can tell you is that on June 25 of 2004 there was a commitment of \$22 million to the redevelopment of the initial piece of Selkirk which will be a new structure built on, essentially, an open part of the campus.

If the member has not been there, it is a very large, almost like a university-type of campus with a very large green space, a lot of outbuildings. It used to have a full farm. It used to be actually self-sufficient for food. So there is lots of open space to allow for the development of this new facility, and I was able to see the work that has been done. Our Assistant Deputy Minister Marcia Thompson, who is with us here, it is her area of responsibility in terms of facilitating the planning. We hope to get this year to the stage of working drawings so that we can get this project into the ground and out of the ground.

I completely concur with my former colleagues, the former minister, my colleagues' comments about the inadequacy of the facility, and that is why we are redeveloping it.

Mrs. Stefanson: Well, I would suggest to the minister that actions speak louder than words, and when they promised back in 2001 in September, on a radio show, he said, "Selkirk is going to be redeveloped and there is money in this year's budget," clearly there was not and, again, a false statement out there.

Then again in September of '03, the Minister of Health said at the time he should be ready in the next couple of months—

Mr. Chairperson: Order, please. I would like to take a moment to caution all honourable members on their language here, including today. While I recognize at times that discussions in committee can become heated, I ask members to keep their remarks tempered and worthy of this Assembly and the office that we all hold. Thank you.

Mrs. Stefanson: Well, I guess the truth hurts, Mr. Chair.

In any event we will go on and, again, in a *Winnipeg Free Press* article dated Saturday, September 20 of '03, the minister said at the time he should be ready in the next couple of months to announce a major renovation of the Selkirk Mental Health Centre.

Again, that was back in September 20 of '03, and a couple of months came and went and nothing took place. I would ask the minister, I would suggest quite frankly that we have brought this issue forward several times before, and, clearly, the Minister of Health is not taking this situation very seriously, despite what his words are and what he says.

As I said before, actions speak much louder than words, and I think Manitobans recognize that and certainly my constituent recognizes that. While her mother is sitting there in these horrible broken down facilities, she wants some answers from this government as to when they can expect this to take place. Empty announcements and empty news releases are not action, Mr. Chair, and I would suggest that the minister, if he is so serious about this issue, I would ask him when he is going to take action. I will ask him when he is going to take action.

* (16:10)

Mr. Sale: Mr. Chairman, I just observed to the member that I did not raise the point of order. The

Chair raised the rules of the House, and so I do not think that the remarks were appropriate, but I did not make any comment about that. She is obviously very sensitive on this issue. *[interjection]*

In terms of how the—

Point of Order

Mr. Chairperson: Point of order, the Member for Tuxedo.

Mrs. Stefanson: On a point of order, Mr. Speaker, I am very sensitive about this issue because this is a constituent of mine whose mother is sitting in the facilities in the Selkirk Mental Health Centre, and while this minister wants to be petty about language used and this kind of thing, every second that goes by, she is sitting in a dilapidated building. So I would suggest, Mr. Chair, that this minister take this matter more seriously.

Mr. Chairperson: I thank the member. This is not a point of order. It is a dispute of the facts.

* * *

Mr. Sale: Maybe, Mr. Chairman, I could help the member understand how budgeting works. When there is a major capital project to the redevelopment of a centre like Selkirk, it is a multi-million-dollar process, and before government launches on that scale of a project, there has to be money committed in the capital budget for that. I would just want her to know that was not always the way things were done in previous governments, specifically the one that preceded ours. Commitments were made without budgets being allocated to fulfil those commitments, which is one reason why when we formed government, we had to make some very substantial allocations to projects which had been committed but for which no resources had been provided.

So, when we make a commitment to renew something, we immediately earmark money in our capital budget so that people know, the staff knows and Manitobans know that this is a firm commitment for which resources have been allocated. So that is what happened in 2001.

The redevelopment of a centre of this size and complexity is not something that one goes out with a shovel and starts on, on Monday morning. I can tell you that the working drawings for the tendering of

the first phase, which will be in the \$20-million-plus range, will be completed in the fall of this year, of '05. I would expect to go to tender very shortly after that, probably in the same time period.

This is a major project. I would expect construction would be about an 18-month process. So I hope that we would see completion in the early part of '07 of this first phase of redevelopment, which I am sure the residents of Selkirk will be very happy about and the staff will be very happy about, because when the member, I hope, will visit, she will meet some incredibly skilled, competent and dedicated people who have worked with difficult physical circumstances and with people whose behaviours are often difficult. It was remarkable to me in visiting there, in fact, how humane and calm and interactive the residents and staff were. It was a very positive environment in spite of the inadequate physical setting. So I hope the member will take the time to visit the centre and see what is planned, and I will look forward very much to receiving the working drawings this fall.

Mrs. Stefanson: Well, perhaps I could explain to this minister how budgeting works. Normally, when a minister of the Crown says that there is money in this year's budget, it normally means that there is money in the budget, and that is typically how budgeting works. Perhaps the minister is unaware, really, of how budgeting works and perhaps should not be out trying to give other people lessons when he does not really know how it works himself.

Again, I think actions speak louder than words, and certainly, my constituent, her mother would like to see action take place. I know announcement after announcement has been stated, and again the minister says, "Oh, it is not just about going out and putting a shovel in the ground." Well, quite frankly, if this had started some four years ago when the minister first said this would take place, we would be through some of the phases already. We should have been much further ahead than we are right now, particularly when it is promised, when they said it is in the budget. I would expect when the minister of the Crown says that, that it actually is; obviously, it was not. I will leave the public to decide whether or not that was maybe providing a little bit of false hope by the minister at the time.

Clearly, there are some serious issues surrounding Selkirk Mental Health. Again, I would ask the minister, he talks about in the fall of '05 and

in '07 and so on. Back when the minister made his announcement, the \$20 million slated for extended treatment and so on, he promised a 25-bed in-patient facility for patients with severe acquired brain injuries and a separate 5-bed facility for patients with less severe rehabilitation needs. When exactly will that stage take place? Is that what you are talking about for the fall of '05?

Mr. Sale: Staff tell me that—*[interjection]* I will wait until the member is finished talking.

Mr. Chairperson: Honourable Minister.

Mr. Sale: I am just waiting so that you would be able to hear the answer.

The first phase of the reconstruction which we were speaking of will include the acquired brain injury program, as well as the geriatric program. I have kind of refrained up until now from just pointing out, I guess, the obvious, and that is the previous government was in power from 1988 till 1999. There was no action, no plans, no announcements, no work for the redevelopment of the Selkirk Mental Health Centre. So I absolutely agree that it is an inadequate facility and it has long time expired. I am very glad that in the fall we will have working drawings. I expect to be in the ground in '06 and occupying the new portion of the centre that is being redeveloped in '07, Mr. Chairman.

Mrs. Stefanson: Well, again, I would suggest, Mr. Chair, that actions speak louder than words. It was promised back in '03—*[interjection]*

No, in '03 actually. The announcement was made by the Minister of Health at the time that we would be ready in the next couple of months to announce a major renovation of Selkirk Mental Health Centre. Clearly, that did not take place, and it is unfortunate.

I think time and time again, what we see from this minister, from other ministers of this NDP government is that they send out empty press releases, make empty promises to Manitobans, provide false hope to Manitobans. They have time and time again, provided false hope to my constituent's mother who is in the Selkirk Mental Health Centre now, and I think it is unfortunate. Now again, it is going to be '06, '07. You know what? Those are empty promises.

What they do is they send out press releases saying 20 million for this, 20 million for that. Well,

is that not nice? Now we are going to wait till '06, and we will probably see at the time that, we will have the minister sitting before us again saying, "Well, you know, Heather, it does not happen overnight. It does not happen overnight. It is not just about putting a shovel in the ground."

Well, four years ago this could have started under this government. Four years ago and nothing has taken place. This is absolutely unacceptable. Now we see that we are not going to see anything else taking place until potentially '06, and I think that is absolutely unacceptable. Yet they continue to send out press release upon press release upon press release providing false hope to Manitobans and to people in that community. I would say, Mr. Chair, this is absolutely unacceptable.

I guess I would ask the minister this: Does he honestly believe that it is unacceptable when announcements are made back in '01 saying that there is money in this year's budget, again in '03 that, "Oh, we are going to be in the ground in a couple of months and we are going to be doing something," and again in '04, "Oh, yeah, we will have something in '06"? Does he honestly believe that is an acceptable way to manage his projects?

* (16:20)

Mr. Sale: Well, Mr. Chairperson, at least the process is going forward. When there is a major redevelopment of any site, what you need to do is to work with the staff, with the patient's families where you can where they are in a position to do so, with the wider community and to plan carefully something that will meet the requirements of not just today, but tomorrow.

That process of consultation is critical to any capital project. So when my colleague, the current Minister of Energy, Science and Technology (Mr. Chomiak), made a commitment in his capital budget that money had been allocated to allow this project to get started, he was absolutely sincere and correct, and the money was allocated in the capital budget, unlike, as I have said earlier, a previous government where projects were announced but no money was ever put in the budget for them, which created an interesting program problem.

Now, I would just also say that, in addition, Mr. Chairman, our government over five years has provided somewhat over \$800 million in capital for

the improvement of health facilities, including Selkirk Mental Health Centre, Brandon, The Pas, Swan River, Thompson, Gimli, Steinbach, nursing homes, commitments that add up to \$800 million-plus. So those are in the budget and those are committed. There has been more capital improvement, including the biggest capital project in Manitoba's history at Health Sciences Centre under this government than there was under 11, as the head of the Manitoba Medical Association said, "lean Tory years."

Mr. Leonard Derkach (Russell): Unfortunately, the minister is being very silly in his responses. I think he should get a little more serious about the issues of Estimates and what he is supposed to be answering.

Mr. Chairperson, to the minister through you, not only do we have announcements made and then those announcements are not followed up, but people's expectations are raised to a level where they then begin to anticipate that they can be treated for certain ailments because government makes announcements on it. In the community of Russell, a hemodialysis unit was promised back in 2000, I believe, or 2001, and was supposed to be delivered by September of 2003. That was a clear indication in the announcement. To date, that unit does not exist. That expenditure has not been made. Yet, when I spoke with the former minister, he indicated very clearly that that was still a priority and still was to be delivered to that area.

I would just like to ask the minister if he could provide the status of that since we are now some two years later.

Mr. Sale: The project has been approved to go to schematic design, but the problem in Russell, as the member, given where he comes from, would know, is that we have to have physicians and nurses who are capable of administering and maintaining a dialysis unit. We, the Assiniboine region, and the town of Russell have had some challenges in regard to finding a physician who would be willing to do the training and be able to provide the clinical oversight to that program. The money is earmarked in the capital budget, has been. The authority to move to the construction through the schematic stage, et cetera, is there. The question is the ability of that hospital to be able to actually operate the program safely and in a continuous way, because, once you take patients on for dialysis, it is not easy,

nor very humane, to have to ask them then to transfer again to Brandon or to Winnipeg because you cannot sustain the service.

So we have to make sure, through the provincial renal dialysis program, which is run as a provincial-wide program, that we have the staff and the clinical supports to make the program a success. I would absolutely commit to the member that it is our intention to have dialysis expansion into Russell as soon as we can practically do so. We need to solve, not just the space problem, which is actually the easier problem to solve, it is the capacity of the medical facility to sustain and oversee the program that is providing us with a challenge to the Assiniboine Regional Health Authority currently.

Mr. Derkach: Mr. Chair, again, through you to the minister. As a matter of fact, I have spoken with the physicians. The reality is I have spoken to the physicians there and to the medical staff in the hospital and they are prepared to take the training, but there is no commitment from the ARHA, nor from the department to move ahead with the construction and with the, I guess, establishment of the program and the unit.

I live in an area where we have First Nations' communities surrounding the Russell hospital and there is a significant amount of concern that this commitment that was made is just going to evaporate. Very recently, I spoke with the doctors who are still there, and they have no problem in taking the training that is required if the commitment is made.

The unfortunate thing, of course, is that whole region has had just a disastrous track record of keeping doctors. That is something else that I have broached the ministers about. We have had the northern doctors study, I think, that was done for that area. The region was challenged to give recommendations as to how this could be resolved. This is the second year into it, and we have doctors leaving that region by the droves. I think out of 40 or 50 doctors that have been recruited, some 37 or 38 or perhaps even more now, have left. So there has got to be a problem in how those doctors leave and why those doctors leave.

They will never tell you, no professional will ever tell you when they are leaving that this particular issue is one that they are leaving because

of a problem they are experiencing with either the administration or with the hospitals or with how the region is run. I am not here to point fingers at anyone. I am just suggesting to the minister that every time we turn around, we see services being eroded and less and less services are provided in that entire region. The hemodialysis is just another example.

We are in a situation now where the chemotherapy program is in jeopardy in Russell, once again, because of doctor shortages. When I asked, there are doctors who will come into the area. They have been identified by the communities, but it seems to be a problem with the Assiniboine Regional Health Authority who either tell you that we are not recruiting for doctors in this particular town or this particular community, because we have other priorities. We just keep going around in circles. What happens is, people then start to drift away from the community, pass it by and have to find family physicians elsewhere which causes another problem, because then we have overloading in larger centres. So it is just an ongoing situation.

If, in fact, we were to move ahead with the hemodialysis, I am told by the professionals in the community that they are willing to take the step forward to get training and to be able to deliver that service. I think we saw that with Telehealth. There was a concern for a while that we cannot put the Telehealth unit in because there is nobody there to take the training; but once the commitment was finally made to put the Telehealth unit in, before that Telehealth unit was installed, we had people who had been identified to take the training, and to this day that program is running very well.

I think this is an approach we have to take with hemodialysis. I think we have to indicate that it will be in place by a certain date and then challenge the area to identify the clinical staff and the physicians who have to be trained in order to be able to deliver the service. Otherwise, I think it is an empty promise and one that will never be fulfilled.

* (16:30)

Mr. Sale: Well, first of all, I would like to thank the member for that contribution because I think it is very constructive. The most recent information that I had was probably a month ago and it was that, to date, they had not been able to identify a physician in

the area willing to provide the necessary local medical backup. So I am delighted that appears not to be the case, and I ask the member to work with us to make sure that we can in fact move forward on that.

The training for both nurses and the physician is not enormous, but it is not nothing. So people have to be willing to—I believe it is a nine-week program in Winnipeg, is that correct, for nurses? No, longer than that. So the willingness is much appreciated, and perhaps the member and I can make sure that we are clear on that. I would absolutely assure the member that if his information is correct, as I trust it is, I take his information as correct, that we will move forward with that project as quickly as we possibly can. So I thank him for that.

Mr. Derkach: One more question, Mr. Chair, of the minister. Again, this is a local question for the area. I know that the personal care home in Russell had been identified back in 1996, I believe, as one that was in need of replacement because of the conditions of that personal care home and because it had outlived sort of, I do not know what you would call it, the current standards. There has not been any identification, I believe, to this point in time, that this unit is a priority for replacement.

I only say this because I was a member of a government where this had been identified even prior to regionalization. Then regionalization came in, and I think some other projects, because of their urgent-need nature, were moved ahead of this project. But it appears that this project has now been moved again and is actually not even on the radar screen. Yet, when you visit the facility and compare it to what is being offered in other areas, this has become a substandard facility by today's standards, in my view. It is not one that has to be replaced tomorrow, but I do believe there is a need for some planning for that unit to be replaced, and as a matter of fact, perhaps even enlarged.

So I wondered whether the minister has a current update on where the project might be at or when it will be slated for reconstruction or new construction in the future.

Ms. Kerri Irvin-Ross, Acting Chairperson, in the Chair

Mr. Sale: The member raises an important question about an older facility. Manitoba has a challenge in

regard to its personal care home facilities, in that in the western region of the province we have the highest ratio of beds to citizens of any part of the province, as he would know. So part of what we need the Assiniboine region to do is to come forward with an overall plan of where new beds are needed, because often beds are in the wrong place, and what facilities should be prioritized for either a reworking or a complete rebuild.

The member probably knows that the highest priority facility in the region was Neepawa, and we will very shortly be moving forward on that nursing home. The problem with that one, as I am sure he knows, I am not sure whether the member from Turtle Mountain would know, but it was really built more as a hostel-type facility than as a nursing home, so we have got level 3 and level 4 patients who are completely immobile in a facility with only one elevator. From a safety perspective, as well as from the point of view of getting residents down to meals, it is a really, really difficult situation for Neepawa. So the priority in the ARHA for nursing homes was Neepawa.

I cannot tell the member now, although I will get the information and respond, where the Russell home is in terms of the prioritization from ARHA. I would be glad to do that. I have not visited that home, and in fact, I have not visited the Russell hospital, so that is on my list of places I would like to visit. Perhaps, when I am there, we will have a chance to talk together about what is going on there.

I appreciate him raising this one, and I will get back to him with a report as to where that home is on the RHA's capital priority list.

Mr. Derkach: Madam Chair, not to debate this or prolong the debate, but I do want to indicate that I agree that over the years the demographics have changed in the entire area. We have some situations that I think present themselves in a way which is different from an urban centre. It does not matter if I am in the southeast part of the city or the southwest part of the city, in a personal care home, my family can still visit me. In the area that I live in, if there is no room, for example, in a personal care home in my community, often times seniors are transferred as far as Brandon to a seniors home, a personal care home. My grandmother went through that, where that person in an elderly age is dislocated from their families. The quality of life deteriorates, and I think the result is rather tragic.

I do understand that we cannot be overbuilding facilities in every community. As the size of communities shrinks, so is the rationalization of these facilities needed. I believe that with the size of the community which is not large, it is a small community, but because it is the sort of business centre in the area, there is a tendency for people to migrate to that area. As long as the services in health can be sustained and provided, it will continue to be a place where people look at retirement as being possible and desirable.

To that extent, I do believe there is some need to look at the facility because it is outdated. But more importantly, to look at the need for providing adequate space in that area, so that in fact, the quality of life, if you like, for people in their senior years can be maintained. So it is to that extent I ask the question. I would hope that over the course of the next year or two, we can raise the level of the importance of that facility to, at least, appear on the radar screen for perhaps future consideration.

Mr. Sale: I thank the member for that summary. One of the other things that we need to work on and this is something that small towns are really good at—by the way, my own mother went through the same issue at my small town in Ontario where there was not room for her in Goderich, and she wound up a fair distance away. That was not an easy thing at the end of her life, so I certainly understand what the member is saying.

We are still admitting, somewhere in the order of 30 to 35 percent of our admissions are level-2-need citizens. Most of those are level 2 without a need for supervision. That is they do not have mental deterioration. They are not wandering, they are not in a stage where they need daily supervision, but there is a gap in our system between independent living and personal care homes.

Across the western region of Manitoba including Central, Assiniboine, even Brandon, we are still admitting people to nursing homes who should be able to be supported to live in the community. We have asked Manitoba Housing and the health regions to work very hard in the next year to rebuild what was actually there in the 1970s, which were hostel beds, or to provide more supportive living because then, we would not have the shortage the member is talking about. I know the previous government worked hard to do that, as well, to try and provide

the kind of home care that would keep people out of facilities as long as possible and living as independently as they can.

Unfortunately, for whatever reason, when we did an audit of who was in our nursing homes three or four years ago, it became clear to us that we were still in a situation where we did not have enough flexibility in our supportive living arrangements, as opposed to a nursing home arrangement.

*(16:40)

So another way of dealing with this problem in smaller communities is to provide a more flexible kind of assisted living support. That is another key component. It is not just building or rebuilding the same number of nursing home beds, but moving into more supportive housing, assisted housing, so that we do not have people in institutions that do not need to be there, because no one wants to be in a nursing home if they do not have to be.

Mr. Derkach: Just one last point. The minister would not know this, but in the nineties, when we were looking at the facility in Russell and the construction of a new one, the question did come. What do we do with the existing facility? I think there was some interest at that time to convert it into a residence that could house people who needed limited supervision and with the proximity of the Banner County home, which is a senior citizens home next door.

There was even some thought about providing an ability to have the facility open for meals for people who were living independently, but just needed that assistance for meals once or twice a day which would also limit the need for constant home care. There was some thought given to it, but I do not know how far that went, and whether that was even feasible, but that is something there was interest in, in the community, to see how they could perhaps become involved and assist in the delivery of services that are really required at a cost that is effective and efficient.

Mr. Sale: I have made a commitment that I will get back to the member with information about the status of that home, and we will do that either informally or through the committee.

Mr. Cliff Cullen (Turtle Mountain): I would like to, at this point further to our discussion in regard to

capital funding, have the minister refer to page 125 of the Estimates.

The first thing I noticed in terms of our capital expenditure proposed for this year is a \$19-million decrease in capital expenditures. I know there is a breakdown there in terms of acute care and long term and our equipment purchases. Clearly, each RHA would have submitted its list of priorities for the upcoming year. We are quite concerned or interested in the Province's ideas and where they are going to be spending this capital. If the minister could provide us an update as to where exactly these facilities and this capital investment will be made for this upcoming year.

Mr. Sale: This is a very good question, and I commend the member for picking up this little point.

This all comes from the movement from the current accounting standards to the summary budget accounting which the Auditor has required us to move to. The adjustment is a very technical one and does not reflect any difference in spending levels. It is essentially a GAAP standard.

I am going to have to ask the member to be patient for a minute, and I will see if I can help him understand as I understand the technicalities of why this money is now flowing through a different pot. I can assure him that in overall terms, the capital program is not just the same, but it is larger in total dollars. What we are talking about here is the method of accounting for the principal repayment component of the debt. It gets treated differently under summary budget which we are moving to over the next year and a half or so. I am going to ask my chartered accountant friend here to explain it to me, but that is the explanation.

Mr. Cullen: I understand there are some accounting changes, but, further to that, is there a list of priorities in terms of building construction and also equipment purchases?

Mr. Sale: Madam Chair, maybe we could give you a written explanation on Monday which would be more of a technical accounting explanation, and it is really a result of the auditor's direction as to how a whole bunch of issues, it involves housing by the way, it involves us, it involves schools. It is all part of the GAAP requirements that have been agreed to by us, but it results in a bunch of accounting changes

that do not actually reflect cash but reflect accounting changes. So we will give you a written explanation of this when next we meet, which, I assume, will be Monday.

Mr. Cullen: Well, that certainly would be of interest, and I guess we are interested in the cash flow and how it is going to play out for this year. I guess that is really the essence of the question. Where are we headed for capital investment this year? Do you as a government have a list of where this money is going to be spent?

Mr. Sale: If the member would bear with me, I will try to explain how we have moved in our capital funding program in government so that he understands how it is done.

What we started to do in the budget year of 2000-2001, which was our first budget, because we inherited the 1999-2000 budget, we moved to put a capital cap on health expenditures so that we would be able to say to the Health Department, you can plan for capital projects up to a cap each year that says, "Here is what you have to live within." Now, it is a much larger cap than was spent during the nineties, but we needed to put some control, in the first place, and a framework for planning.

So the current cap is about \$160 million a year. What that means is that we can commit in any given year to become responsible for up to \$160 million of capital expenditures, which means that, in that subsequent period, we are going to have to service that debt and repay the principal over the period of amortization. So, in order to give ourselves more clarity as a Treasury Board and as a Cabinet about where our commitments were, we have done this with our whole capital framework. The Finance Minister may have talked about this in his Estimates or not, I do not know whether you asked him these questions. But the purpose is to give some certainty to departments. They know they can allocate up to this amount so they can plan multi-year programs. It is to give some certainty to Treasury Board and Cabinet that we know we are not going over this, that our exposure is limited to this fund.

So in any given year as we roll, your predecessors in Cabinet will tell you that capital budget is a rolling budget, each year some things move along more quickly and need to be brought forward. Other things move along more slowly for whatever reason. They can be pushed out. But you

know that you can commit up to the cap in any given year. You cannot go over it. The Treasury Board will wring your neck, but you can go up to it. So, in our five years, we have committed a little over \$800 million in capital expenditures.

Now, some of them are still underway. The Swan River hospital, for example, will open this year. So it has not been rolled into the debt yet because it does not get rolled in until it is finalized, that the construction budget is written off, all the development costs are not written off, but it is finalized, all the development costs have been rolled in, all the equipment costs. Okay, bang, you have got a number. That, then, becomes something that we can roll out into a debenture and then subsequently fund, and we become responsible for both the principal and the interest.

So that is how the capital program now works and so, for example, the critic previously was asking about Selkirk. When the minister said in 2000-2001, we are committing to this redevelopment, that \$20 million or \$22 million, whatever it was, was put into that capital plan then and became a placeholder. Obviously, the money would not be spent right away, but in order to protect the ability to spend it, it had to be put into the overall macro plan. So that is how we do our capital budgeting. It has given us a whole lot more clarity, a lot more certainty. It means that when we say we are going to do something, we have got the capacity to do it.

*(16:50)

Mr. Cullen: Thank you for the accounting explanation. I am more interested in specifics in terms of where we are going to see bricks and mortar put up this year. There have been lists, and communities have had expectations of having buildings put up, property being purchased. It has not been there at the end of the day, so I am assuming the government must have a set of priorities in terms of which specific towns will be getting hospitals or personal care homes and which specific health facilities will be getting major equipment purchases. Is that list available to us at this point in time?

Mr. Sale: What would be available would be a list of the ones that have been formally announced, but I can tell the member I will give him some examples:

Assiniboine region Neepawa hospital, chemotherapy outreach, \$1.297 million. Its construction

completion date was to be May, in other words, a month from now. I do not know whether that project is right on schedule, but that is the expectation.

Brandon Clinical Services building was completed in January of '03 for \$15 million; another portion of it in July of '03 for 15; another portion, February '04 for 14, well, 15, essentially; Clinical Services in March 29, '05, so that is just two weeks ago, three weeks ago, \$14 million, and the expectation is there will be another \$3 million spent during the current year. So that project of \$63 million will then finally be closed off as completed once this last little tranche is done, but \$14-point-something million was done during this current year, three million to do.

Wabowden Nursing Station will be finished this spring for \$1.3 million.

The Pas hospital EMS. The expectation is we will get in the ground and have that done within the year.

Swan River. The hospital replacement will be finished this year; \$33 million.

WRHA, HSC. For the most part, \$28 million.

Assiniboine. These are things like orthopedic surgery, community centres, cataract surgery, all sorts of things during the current year, \$1.1 million.

So the actual shovels-in-the-ground work being done currently is that kind of list of things. Most of them have been publicly released, and the member would find them on our Web site.

Mr. Cullen: Would the minister be prepared to table that report?

Mr. Sale: I do not think that I can at this point, Mr. Chairman, because some of these are projects that are currently under construction and the budgeted costs and the actual construction not necessarily the same. I would prefer that those doing the work do not necessarily know the entire budget that we think we might need as compared to what the project is supposed to cost. We always budget for some contingencies, and I am not really keen on having all the contractors out there know what the contingencies are. So, no, I do not think I can table this.

If the member wants a list of projects without numbers, I think we could probably provide a list of current construction projects without final budget numbers against them.

Mr. Cullen: I would certainly appreciate that list at this point in time, whenever that would be available for us.

Mr. Sale: Well, probably by Monday. We could probably get it done for you by Monday. Sometimes it takes more than a day, but most of the time we are pretty good.

Mr. Cullen: I would appreciate that, and I guess subsequent to that, if there is a list of priorities that you have going forward. If you have a list of developments, capital projects, down the road, I think people would be interested in that.

Would you have a list of the capital projects from last year, and I guess I am specifically referring to the Central Region Health Authority? Would you have some statistics or locations where capital investment was made in buildings over the last fiscal year?

The reason I ask these specific questions is the Central Region has had, for quite some time, a list of prioritized projects. It would appear that very few, if any, of those projects have actually moved forward. So I would just like to hear the minister's comments in terms of the capital investment made in the Central Region over the last fiscal year.

Mr. Sale: The chart I am looking at is the completed projects to December 31, 2004. These would be projects not under construction. For example, the CT scan in Portage would not be here because it is under construction, it is not completed. The MRI in Boundary Trails would not be here. The construction has actually started, although we put money in the budget for that for this year.

Some things which are currently under way, I think there is work underway, I am not sure whether staff would know for sure, but I think there is work underway in Steinbach, which is on another chart, right? What we have for Central Region is a total of \$41,174,855 in that September '99 to December '04 period. The largest component of that was the Boundary Trails facility, which was completed in 2001. There was also the Ebenezer Home in Altona,

the Salem Home, a 20-bed addition as well. Then there were a number of smaller projects. These are major projects that I am telling the member about. In any given year, there are health and safety projects and there are minor capital projects as well, but that is the total.

Just before you move to another one, just let me give the member some prospective in terms of other regions. Burntwood in the North for the same period of time was 13.7 million, Interlake was 14.3 million, NOR-MAN was 15 million, North Eastman was 14 million. Winnipeg was, by far, the largest at 161 million, but if you look at the population you can see that is not proportionally all that large. CancerCare Manitoba was 33 million, Assiniboine region was 17 million, Brandon because of the new hospital was 58 million.

In terms of the outside of Winnipeg and including CancerCare Manitoba, Central had the second largest capital expenditure during that five-year period of time, second to Brandon, and three times the size of most of the others.

Mr. Cullen: Well, I thank you for the information going back over that number of years. I guess we saw very little specific capital investment in the Central Region last year. One of the issues that was raised in one of the communities, I am thinking specifically McGregor, which was second on their list of priorities in the Central Region. The town and area of McGregor actually raised money or were willing to raise money for a health centre there. Would the department not be looking more favourably at a community where they were willing to make a cost-share investment in some type of a facility? I just look forward to the minister's comment on that.

*(17:00)

Mr. Sale: I do not know specifically until we have a chance to look it up whether there is a committed project in McGregor or not, but I would say to the member that Manitobans are incredibly generous and they are incredibly proud of their health care system. They raise money for projects they hope to have happen, but, unfortunately, no government, this one or the previous one, or, frankly, I expect any one to come, will be able to do all of the projects all of the citizens in Manitoba might want to have.

Central Region had a very major allocation of money, as the member has just heard, close to three

times the average of the other rural regions: Interlake, Parkland, et cetera, during that previous five years. Because they had several major projects, we cannot as government afford to have a capital program that then has to be amortized and facilities have to be operated. That blows us over the sustainability of this system.

The members has not made these comments, but other members of his caucus have, complaining about the level of spending that we have incurred on health care. Of course, a chunk of that is because we are servicing \$800 million more of capital than we were when we formed government, because we know that was needed.

There are many communities who would like to add to facilities, build a nursing home or build a new nursing home, but we cannot do all of them at the same time. Unfortunately, that prioritizing process is agonizing, and I am sure that he in some other roles that he has carried in communities knows how hard it is to say, "Where is the highest need?" because we cannot do it all.

I will find out for him what the status of the MacGregor project is. I do not have an answer, I do not think, so we will ask staff to get that answer. I would underline, as he has said, that Manitobans are incredibly generous and incredibly committed to their health care system, which is why Portage, for example, has put up a huge amount of money for the CAT scanner; and Bethesda and Steinbach, it is incredible. Down in Boundary Trails, they are raising very significant money for their MRI operating costs.

The generosity is great, but, unfortunately, we have to find the other 90 cents, and the taxpayers of Manitoba expect us to live within our means. It is a tough balancing act.

Mr. Cullen: I appreciate the minister's comments. I do know, in some situations, the communities are willing to go way beyond their 10 percent as required in some areas.

I should direct some questions to the Minister of Healthy Living (Ms. Oswald). Sorry to keep you waiting for some time. First of all, let me begin by welcoming you to your new portfolio. Clearly, there will be some challenges in Healthy Living. Obviously, it is something the media has caught on to; healthy living and healthy children's living as well. Hopefully, we are into a situation where our children will continue to outlive our current

generation. Some pundits say that might not be the case, but we will certainly strive to make sure that we endeavour to do that.

Just for some clarification in terms of how the two ministries work, and I look at the organizational chart on page 9 of the Estimates. Can you just give me a little bit of a feel for how the reporting structure works, a bit of the relationship between the two ministers, and really just how the department is divided the way it is, who reports to who, and just how you really come up with the structure of that?

Hon. Theresa Oswald (Minister responsible for Healthy Living): I appreciate the critic's welcoming remarks as always, and I would extend the same to him in his role as Healthy Living critic. I do not know that there was a specific one in past, but his leader saw fit to put him in that role, and I commend his leader for that decision. In the name of my newness, however, I would ask, is it customary for me to give opening remarks, or shall I go directly into questions? I need some advice on how to proceed in that regard.

The Acting Chairperson (Ms. Kerri Irvin-Ross): You are able to make a statement if you like.

Ms. Oswald: With the member's permission, in the name of setting some context and perhaps answering some of his questions before he asks them, I will make an opening statement. I do have a few remarks recorded here. In the name of our time, I will edit as I go. Promise.

Certainly, we know that the Healthy Living Ministry includes responsibility for Healthy Child Manitoba as well as the Seniors and Healthy Aging Secretariat and the Healthy Living division of Manitoba Health. So I sit in this chair today to address questions from you particularly on the Manitoba Health component of my responsibilities. I do note that on our schedule there has been time set aside specifically for Healthy Child and for the Seniors and Healthy Aging Secretariat. I know that you are anxious to ask as many questions about health per se in this time slot so we can guide ourselves in that direction if that is suitable to the member.

Healthy Living, in my belief and the belief of those around me, is about creating conditions and supporting behaviours that are going to promote the best possible health for Manitobans. Certainly, I

think one of the first questions that people ask about the Healthy Living Ministry is, you know, what is the difference between you and your Minister of Health (Mr. Sale). That is a question that has been posed to me by my federal-provincial colleagues. It is a question that has been posed to me by neighbours on my street.

Although the complexities and nuances of that, I think, are quite vast, to put it simply, the Healthy Living Ministry focusses on, within the context of the continuum of care, prevention and promotion to the best of our ability, and the Health Ministry certainly focuses in its wide array of issues that have to do with care. I know that that has certainly helped me differentiate what my roles and responsibilities might be and I think it is helpful to others. Prevention and promotion at one end, let us work hard to make sure nobody gets sick in the first place, versus care on the other end, what kinds of services must we provide as a society to ensure that we care for those who need it the most when they are ill.

Certainly, we also recognize that health is not just the absence of disease and, in fact, embraces complete physical, mental and social well-being, and includes actions taken by individuals, by families, by communities, governments, businesses, everybody in Manitoba that can work together to ensure that we promote good health.

Our focus is on preventing people from becoming sick, as I have said, or injured and thus requiring the services of the health care system. We are emphasizing health promotion and indeed public awareness of healthy behaviours and best practices and works in partnership with government and the community to address the barriers that might impact healthy living. Certainly, we also work hard to consider reasons why healthy choices are not always the easiest choices for people to make and we are working hard to help communities to overcome those barriers to healthy living.

In recent years, research has highlighted the importance of a broad range of health promotion and disease prevention measures as major contributors to better health and quality of life. Certainly, it is my goal to add a voice as we make decisions as a society about how we make our investments, that we can make our best investments at the front end and I try to make that voice be as loud as possible as often as I can.

We are working to promote the creation of support of physical and social environments, making healthy choices easier. Our ministry has prioritized seven areas of focus within disease prevention and health promotion. Certainly, as we travel together around the province, the question of "What is healthy living?" was answered by many people in many different ways and we have endeavoured to try to focus our efforts while not forgetting that there are so many determinants of health in our society.

We want to ensure the sustainability of our health care system and do that by investing in prevention. Everywhere we go, we hear people using the metaphor about investing upstream. I think sometimes we even forget what that darn metaphor is, the one about the guy standing at the riverbank pulling people out of the water and one body goes by, and another body goes by, and he finds himself very busily jumping into the water and not realizing that one of his cohorts is upstream throwing people in. So every time I go back and remember what that metaphor is about, it makes a lot of sense to me, about we can expend a lot of energy downstream trying to pull those people out when maybe what we need to do is get rid of the guy that is chucking them in upstream. So it is a good metaphor.

* (17:10)

So the vision for Manitoba Health and Healthy Living is certainly to have a balance of prevention and care. That is really why the Healthy Living Ministry was created some year and a bit ago. Our goal is to optimize the health status of all Manitobans by reducing the incidence of preventable disease, illness, injury and that which causes disability, and certainly to provide leadership in the promotion of wellness.

We know and you know that in Manitoba, health costs now account for about 40 percent, maybe more, of government spending, with an estimated 97 percent being spent directly on health care, and maybe less than 3 percent being spent on public health and prevention services. This is not a situation that is unique to Manitoba; that is the case across Canada. Sustaining our health care system is going to require change to achieve more of a balance in those expenditures. Certainly, that is what I work every day to try to achieve.

The establishment of the Healthy Living Ministry has generated interest across government

and in our community. Since coming into office as the Minister of Healthy Living, I have met with a wide range of groups in our community: Alliance for Chronic Disease Prevention, Canadian Hemophilia Society, Canadian Diabetes Association, the Social Planning Council, Nine Circles and the list goes on. Certainly, I have had the privilege of visiting excellent organizations and structures that are already in the game in promoting wellness and helping people to be as well and healthy, whatever their circumstance is in life. The Manitoba Institute of Child Health, for example, the Gimli Community Health Centre, the Post-Polio Network, the Seventh Street Health Access Centre in Brandon, the Reh-fit, and the Movement Centre, all addressing needs for healthy living for all different kinds of Manitobans.

Certainly, again, I would make mention of the fact that together we have travelled Manitoba with Healthy Kids, Healthy Futures, our all-party task force, and have had the privilege, along with you and the member from Morris and the member from River Heights and the members from our caucus, of hearing from an even broader range of people on their issues of health promotion and prevention, representatives from the RHAs, individual community members, parents, even those blockbuster young people that had a lot to say, sometimes the best things to say, about what it is that affects them most in terms of maintaining a healthy lifestyle. The volume of the responses that we got to the task force, I think, is one of the many indicators that Manitobans are keenly interested in health promotion and prevention.

As stated, seven areas of focus, then, would be, for the Healthy Living Ministry: physical activity, promoting good nutrition, chronic disease prevention, tobacco-smoking cessation, injury prevention, healthy sexuality, and mental health promotion, particularly as it connects to substance abuse and our work to reduce that. I do have examples here of what it is I think our early accomplishments in each area are. I will just highlight a couple so as to save us as much time as possible. Certainly, we have worked diligently on the tobacco cessation issue. We heard, as we travelled the province, how important this is to Manitobans, highlights, including, of course, the legislation which the all-party group worked to achieve. That was October 1. We continue to work on youth smoking-cessation initiatives that have been very successful, particularly according to our numbers, and most recently, working on the display

provisions of The Non-Smokers Health Protection Act.

Injury prevention is something we have worked hard on. A conference was held on injury prevention and safety, and certainly the work towards a provincial injury prevention strategy is critical. We heard that time and time again as we travelled. We know that as much as we are concerned about our children's diseases and the situations they find themselves in, indeed the No. 1 cause of death for young people is, in fact, injury. So we work to further promote injury prevention.

In Mental Health and Addictions, in September of 2004 the Provincial Committee for Suicide Prevention was struck, along with another important initiative, the Co-occurring Disorders Initiative, which began back in 2003, a real, no-wrong-door approach for those people who are seeking help. Whether it is they seek help for an addiction, for a mental health issue, for a combination of the two, we have worked hard to streamline a process whereby, wherever it is that they go, they will get the expedient help that they so dearly need.

The Mental Health Education Resource Centre, which started in 2002, continues to provide health and help to Manitobans, particularly in the areas of suicide prevention and helping families cope with what I can only imagine would be the most desperate of times and the most depressing of situations, finding a loved one facing those kinds of challenges and feeling that much despair.

Addictions prevention and education programs continue with our work in collaboration with AFM and indeed with Education, Citizenship and Youth. AFM provided education and counselling in 35 high schools all over Manitoba, and we hope to grow that number with prevention, of course, being our goal.

Chronic disease prevention, certainly. Most recently in December, we announced the Chronic Disease Prevention Initiative, which is a five-year, community-focussed initiative. Certainly, it is our belief that this will have the greatest impact of all. As has been my experience in my previous life, you find that the most profound and meaningful change comes at a grassroots level where people can connect with real people and help them make the changes they need to make to live healthier lives.

Again, we can talk about achievements under the subject of healthy sexuality, under the subjects of

physical activity and nutrition, but respectfully I will conclude my opening remarks. Again, I thank the member for the work he has done so far, and I regret to inform him is going to have to continue to do with us on the Healthy Kids, Healthy Futures Task Force, which I think in so many ways encapsulates what it is that we are trying to achieve as a Healthy Living Ministry to ensure a healthier and, frankly, happier Manitoba.

Mr. Cullen: Thank you, Ms. Minister, for your comments, and certainly we do have a lot of work to do in terms of our Healthy Kids, Healthy Futures Task Force. We are going to have, I am sure, a bit of an issue in terms of reaching consensus on some of those issues, but we look forward to having those discussions.

Your ministry has put forward quite a number of programs in the last year and a half. I am just wondering if you have some way to measure, to really gauge, if you are achieving your goals in those various programs so that on any given program you can look back and reflect and see if it really is successful and headed to where you want it to go. Obviously, not all programs can be successful. Do you have a real system in place to monitor those specific programs that you have?

Ms. Oswald: Thank you. Certainly, I would concur with the member. It is important for us to ensure that whichever programs we are trying to implement in the province, we work hard to make sure that we begin with a theoretical construct that is evidence based. We continue to assess and review the success of those programs.

I would say in beginning, one of the things we have seen in one of our seven areas, for example, smoking cessation, really terrific success. Although we do not necessarily receive fan mail about things like the smoking ban or even making a move to remove tobacco products from the sightlines of young children, what we are seeing is a marked decrease in smoking in Manitoba. It is presumable then to say, a marked decrease in smoking-related illnesses in Manitoba.

* (17:20)

We have, indeed, gone from being ranked as the worst in Canada to the second best. Our youth stats, I believe, have gone from 29 percent to 20 percent. I still believe 20 percent is way too high, particularly

when one does some analysis on that and sees that we are making pretty good strides with young men; with young women, not as great. I would like to see those numbers decreasing at an exponential rate for both genders, but that would be one example of how we are working to measure that.

Certainly, the measurement of those who use tobacco, those who smoke, is an easier measurement to make, I would say, than something like the somewhat nebulous kind of assessment that we could make on physical activity. Some people might suggest that the single way that you can measure whether or not someone is good and healthy as a result of physical activity would be the BMI, the body mass index. But, certainly, this is something that comes into controversy, even now, is the BMI in the right place. When we talk about issues of body image or body size, there are certainly many factions in our society that would cry out quite aggressively against talking about the size of one's body, in fact, the implications of that on self-esteem and on mental health. I would concur with that.

We also know that all kinds of studies are showing us now that certainly not what the media is suggesting to us is a healthy body, but what we had believed, medically, as being a healthy body, super lean, super fit, is not necessarily what that definition is. We need to move our focus in society now to believe that bodies that are healthy are those that are active and they might be larger than we once thought, but indeed it is something that is of great concern to us in the ministry, that while we work hard to address what some people call the epidemic of overweight and obesity in our society, we take caution to ensure that our messaging is about having healthy bodies and about having strong bodies, not about having bodies that might someday appear in the magazines that adolescents are subject to.

So that one is more difficult to assess, but certainly not impossible to assess. Indeed, in conjunction with Culture, Heritage and Sport, there is a baseline survey that is being worked on now to ensure that we get that kind of data, so that measuring an increase in physical activity and, consequently, an increase in physical fitness, and being able to measure the success of programs that have been implemented as a result of that, will be much easier than it has indeed been in the past. So that would be something that we are working together with that department on, and we are really

looking forward to having that baseline data that we can use in any number of factors to do measurement. Certainly, Healthy Child Manitoba will be interested in that data. Certainly, school administrators and the phys ed teachers of Manitoba will be very interested in having that kind of data to draw upon, to be able to adapt and adjust their programming to ensure that our young people and, I daresay, all Manitobans can get the best use out of the time that they have for physical activity and fitness.

So those would just be two areas of the seven where I would suggest that we are working toward having evidence based, policy driven programming. I could talk about a couple of the other areas of measurement if you like, but I sense you might want to ask me something else.

Mr. Cullen: I thank the minister for her response. I guess it was a leading question, all right, because there certainly is a lot of programs and initiatives undertaken there. I will be looking forward to reading Hansard.

In terms of administration, from the Estimates book, I know there are a few employees there, managerial and administrative. I wonder if we could just get a list of the staff within your office and who they might be and how they fit into the picture here and maybe any changes that have been undertaken in the last year or so.

I guess one further question to that page 85 of the Estimates book there, we talk about expenses to external agencies. In regard to the Selkirk Mental Health, Addictions Foundation's medical officer, public health, do all those external agencies have to do with the expenses incurred in those departments? It is page 85 of the Estimates, just for my own clarification.

Ms. Oswald: Yes, and just for my own clarification, I will ask that, with the member's permission when we come back the next day, I will ensure that we have particularly those questions about Selkirk Mental Health. I will make sure that I work out that specifically.

Within the context of our ministry, Healthy Living, it would certainly be my assumption at this point that that particular administrative structure would not fall, as you say, within my office and, indeed, you placed your question very appropriately

earlier on, that would certainly fall at the care end of the continuum and would be questions that would go to my honourable colleague. As we are talking about mental health, yes. As we are talking about mental health issues concerning the prevention and promotion, things like that, programs in schools, what we are trying to do in the community to promote mental wellness indeed would fall in my category.

As for the previous part of your question about staff in my office, may I ask the honourable member are you wishing me to provide for you a list of who are the administrative secretaries, who is my special assistant. Is that what you are looking for?

Mr. Cullen: Yes, that is what I would like. Also, in relation to page 85, we would like a little bit of a breakdown in terms of—you know we are talking \$5 million here in external agencies. We would like a bit of an idea which agencies we are talking about. I know there are some costs here for supplies and services, too, all falling under the administration area. If we could get a breakdown of that so that we knew which departments, what areas, we were talking to, it would certainly help clear that up for us.

Ms. Oswald: Thank you, and we will be happy to provide the member with that information. As for the breakdown of my physical office, I have a special assistant. Her name is Jennifer Faulder. She was hired shortly after I was appointed to Cabinet. She is fantastic. I have also an executive assistant by the name of Lindsay Storie. I have—perhaps it fits within this context—as we all do, a constituency assistant. His name is Ross Murray. Also, physically in my office, there is, and you will help me with the appropriate wording, admin staff, one Linda Freed who works on an extraordinary number of appointments for the vast Healthy Living area and admin support, Karen Masterdon who works on correspondence, of which, you can imagine, there is a mountain. Within my office that is who you will find on any given day.

Also, I share a deputy minister with the Minister of Health (Mr. Sale), Arlene Wilgosh, and would certainly have access to assistant deputy ministers as needed, but I find that I spend the majority of my quality time in Healthy Living with the assistant deputy minister, Marcia Thompson, who is specifically designated to work on Healthy Living and Health programs. While the Minister of Health

and I do share sort of senior admin staff, there, quite frankly, is a pretty specific assignment of people that I work with much more often than others.

Mr. Cullen: I look forward to seeing the staff breakdown too, and seeing if they actually are part of the administration as referred on page 85. I also look forward to seeing the breakdown on those specifics and, I guess, in regard to the external agencies as well.

Ms. Oswald: I have 30 seconds to answer. Do you want to hear about weight programs again? No, kidding.

I am informed that what you are referring to on page 85 is not part of that context. It is a different organizational chart, but, for the sake of clarity, we will work together to put something together so it is clear on which page I am referring to admin support, assistant deputy minister and deputy minister structure, and—

The Acting Chairperson (Ms. Irvin-Ross): The hour being 5:30 p.m., committee rise.

ADVANCED EDUCATION AND TRAINING

* (16:00)

Madam Chairperson (Bonnie Korzeniowski): Good afternoon. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will be continuing with consideration of the Estimates of the Department of Advanced Education and Training. It was previously agreed to consider these Estimates in a global manner.

The floor is now open for questions.

Mrs. Leanne Rowat (Minnedosa): Madam Chair, at the close of the other day in Estimates, I started to ask a question regarding the Technical Vocational Initiative, the Technical Vocational Equipment Upgrade Program. I just wanted to know from the minister if she could tell me how many communities received assistance from the program in the last fiscal year, which communities they were, and how much they each received.

Hon. Diane McGifford (Minister of Advanced Education and Training): Well, thank you for that

question. If I might just back up, there is something I would like to ask the member at this point. That was, if I can refer to the last day we met for Estimates, there were a number of questions asked. Staff can certainly work with the information they heard in the room or the questions they heard in the room, and also with the information as it is on Hansard, but we thought it might better for the member, as far as getting the information she is seeking, if she wanted to submit a list of written questions and then we could respond to that. I leave that to the member.

In reference to the question about the Tech Voc equipment grant, the member wanted to know which communities received grants and how much those grants were for. I do not know whether we have that specific information with us. Again, we can always get that information. There was, as I understand, a \$600,000 grant through Education, Citizenship and Youth, and so we can get the information, or the member may wish to ask these questions of the Minister of Education, Citizenship and Youth.

I know the member indicated last statement she was speaking that her local collegiate, Minnedosa Collegiate, was not successful in getting a grant, so we did look into that one and I perhaps could answer that question, or what I think is going to be a question, and tell her that I understand that, in '04-05, Minnedosa Collegiate applied for a scan test tool for power machines. I understand that that request was not successful, but I want to point out to the member that the contest was highly competitive. There were many applications and there were some very strict criteria.

I have every confidence that the awards process was fair. Of course, I am not a part of the awards process because it would not be right to have any kind of ministerial interference, and also, as I also pointed out, the granting is through the Department of Education, Citizenship and Youth. But I do understand that Minnedosa Collegiate has been encouraged to reapply in '05-06.

Mrs. Rowat: I appreciate the information.

I want to know what was the dollar amount allocated in the last fiscal year for successful grant applications. My understanding is the program is a three-year program, and I believe that there is over \$3 million being considered in an announcement that was made, possibly, a year and a half ago. I would like to know how many dollars were allocated in the

last year. I believe there are two more years in the project, or the initiative, and would like to know if the full amount will be allocated over a three year period.

Ms. McGifford: The amount of the project was \$4.5 million over three years, but that was for the total project. The amount of funding allocated for equipment grants is \$600,000 per year, so, obviously, for a total of 1.8 over three years.

Mrs. Bonnie Mitchelson (River East): I know that the Member for Minnedosa (Mrs. Rowat) has asked some questions about training in the North, in preparation for Hydro expansion. I would just like to go back to that for a bit and ask the minister, because I know the minister was up in Nelson House on January 5 of this year to announce funding for I think it is \$371,700 to support training as part of the Province's commitment. I believe that would be a partnership or a commitment with Manitoba Hydro and the federal government.

Could the minister just give me a bit of detail around the announcement that she made? Was that \$371,700 for training initiatives only? Was there any capital commitment in that to the training centre that is being built at Nelson House?

* (16:10)

Ms. McGifford: The announcement on January 5 at Nelson House was a really great event, by the way. It was kind of heartwarming to be in the community. It was my first actual visit to that community. The reception was very warm, and many of my colleagues were with me. So we had a great meeting with Jerry Primrose and his councillors, and, well, I enjoyed it.

I did want to tell the member that the \$371,700 was not for capital it was for training. It was Manitoba Advanced Education and Training's commitment to Nelson House training for '04-05. There was no Hydro piece attached to it. There was no capital piece attached to it.

Mrs. Mitchelson: Could the minister maybe tell me whether there is an additional commitment in this year's budget for training for Nelson House?

Ms. McGifford: There is additional funding for '05-06 for Nelson House. I am sure the member wants to

know what that funding is. We are just checking into what that is.

Mrs. Mitchelson: I just would like to talk to the minister a little bit about her visit up to Nelson House. I know that from time to time I have had the opportunity, not in the recent past, to travel to northern and remote communities. It really is a great experience to be able to meet with people from the community and help to understand the issues that are facing them. Sometimes in Winnipeg we do not necessarily—we are a bit isolated, if I can say, from the issues that they deal with on a day-to-day basis.

I wonder if the minister, while she was up there making the announcement, had a chance to tour the ATEC Centre that is being built, and if she could share with us where that is at, and what stage it is at in its development.

Ms. McGifford: If I could begin by telling the member that the '05-06 contribution to training from notional allocation is \$290,000.

When I was in Nelson House, it was dark. In January, I am sure the member remembers from her northern travels, it gets dark very early. The ATEC Centre is under construction. It was pointed out to me that it was over there somewhere, but I could not really see. I am sure the member knows that it is in the process of construction. I think at that time it was very rudimentary. It had hardly been built at all so, no, I did not tour it. It would be an experience to have in the future.

Mrs. Mitchelson: I do know that the expected date of completion of that centre is, I think around June, or this summer, 2005. Can the minister tell me whether it is on target to be completed on that date?

Ms. McGifford: As the member knows, in both the North and south, sometimes projects fall a little behind, so we are not expecting it to be completed until September or a little before. It is about two months behind.

Mrs. Mitchelson: That is not unusual for projects, I know that. Can the minister indicate to me how much capital, if any, the Province has put into the ATEC Centre to date? I know that Hydro is a partner, and I believe the feds probably are too. I am just wondering whether we have the ratio of capital

dollars or whether, in fact, there is any capital money from the Province in the project.

Ms. McGifford: I would like to tell the member that we do not have any capital in our department. Ours is Advanced Education and Training, and none of our training dollars have gone into the ATEC Centre. The only place we give capital is to the universities under the ongoing capital expenditures, but not huge projects, but ongoing.

Just to add some information about the capital, INAC is putting in 3.26 million and Western Diversification, 0.5.

Mrs. Mitchelson: Then I guess that means the feds, it looks like the feds are in for about half. I think it is an 8.1-million project, if I am correct. So the other half, then, would be coming from Manitoba Hydro if there are no provincial dollars in the project.

Ms. McGifford: I think it is around an \$8-million project. I cannot speak for the minister of Hydro or for Hydro, so I suggest the member directs those questions at another table.

Mrs. Mitchelson: If I understood the minister correctly in her previous answer, she indicated that none of the dollars that are going to Nelson House for training from the department are going to ATEC training. Did I misunderstand, or is that what I heard her say?

Ms. McGifford: I am sorry if I said that, or perhaps the member misunderstood. What I meant to say, and I hope I was clear, was that we are not putting any of our training dollars into ATEC capital. There is, of course, no training at the ATEC Centre yet because it has not been constructed. But there is training in the community, and we are putting dollars into the training in the community at this point, community training.

Mrs. Mitchelson: If that money was for last year, then, and it was \$371,000, can the minister indicate whether that money was spent last year or is there an ability to carry that over? Was that a grant that was given to the band and council? Are they responsible, then, for training initiatives? If this is not pre-employment training for Hydro, could the minister explain to me what kinds of training are being done? Would there be an expectation by the department

that that money would have been spent in last year's budget, because we are now into the new fiscal year.

Ms. McGifford: The funding was for pre-approved training plans. The bands submit training plans. They are reviewed by the department before funding, and I am told that we do not have the final numbers for the end of '04-05. So there may be some money that has not yet been expended. If that is the case, the answer to the member's question is that that money might be turned over—carried over, pardon me.

Mrs. Mitchelson: I want to thank the minister for that answer. Given that the training plans are pre-approved by the department, could the minister share with me, and I do not want minute detail but just some general sense of what training opportunities might be happening in the community today. Again, if I understand correctly, this is not for pre-employment training for Hydro development. It is for community activity for training for other job opportunities. So I would just like sort of a brief discussion on what might be happening.

* (16:20)

Ms. McGifford: I can give the member some overview of the preproject training to December 31, '04. There were 72 individuals involved in academic upgrading, 41 in life skills, 23 in carpentry, 1 in iron working, 1 in electrical training, 5 in electrical pre-employment, 3 as welders. Those were the designated trades that I just gave the member. As far as nondesignated trades, 24 truck driving, 7 heavy equipment operators, 16 skilled labourers, and as far as project supports, there were 12 security persons. There were 3 business administrators, and that was a total of 208 persons.

Mrs. Mitchelson: That was for the end of the fiscal year 2004, right? Or is that—I thought you said for the end of the year 2004?

Ms. McGifford: That was the calendar year. This was to December 31, 2004. These are completions in activity of progress.

I wanted to point out to the member that this is preproject training, but of course many of these skills may be transferable to the hydro-electric developments when and if they take place, but if they do not take place, they will also be very useful skills to have in the community. The more trained people

we have in the North and the more trained people we have in northern communities, I am sure the member agrees because she is shaking her head, the better.

Mrs. Mitchelson: I think it is extremely important that the training occurs. There are skills available and I can just tell by the list that the minister read out that many of the skills that would be developed could be very transferable to any hydro project, so that is great.

Can the minister indicate to me whether these 208 individuals that either have been trained or are in the process of being trained, because I know some of it is ongoing, are they being trained in the community or are they having to go outside the community for that training and just sort of some sense of where they might be going to be trained?

Ms. McGifford: We are talking about Nisichawayasihk Cree Nation (NCN). Okay, I will get some information.

For the apprenticeship training, I am advised that the prospective employees leave the community because they do not have the facilities for the apprenticeship training. So they go to The Pas or Thompson. As far as life skills are concerned, or heavy equipment operator, that work is done in the community. I do not know if the member is aware of the road in the community. The access road was built through persons being trained in the community. So the access road to Nelson House is completed, and it makes things much easier for the community. Ultimately, if the Hydro projects are to go ahead, of course, it will be much better for the community, too.

Mrs. Mitchelson: We may not be able to discuss this here, and I am not sure whether I am sort of asking too much of the minister at this point, but I know she will tell me if that is the case. In order to get a job at Wuskwatim, on the project, should the dam go ahead, it says that all NCN members must be registered through ATEC, whether or not they take a training program. I am just wondering whether the minister's staff might have any indication of whether, obviously then, employment opportunities will not be available to anyone who does not register through ATEC, and I was wondering if there is any sense of what the rationale for that might be, or is that something that was negotiated with the department? Were they part of any negotiations on that?

Ms. McGifford: Yes, as I understand it, that ATEC is the facility, but it is also the registered education

authority, and that all individuals who are trained will register through ATEC because of the connection between its being a training facility and its also being the educational authority.

Mrs. Mitchelson: I thank the minister for that clarification. I think I am starting to get a little bit of an understanding of what is going on.

Can the minister tell me what monitoring mechanisms are in place by the department? I know that there is preauthorization for training dollars, and I guess the amount of dollars that actually flows is based on the plan that is sent into the department and approved. What is the post-training monitoring, then? How do we look at measuring the results of how well the training has worked?

Ms. McGifford: First of all, as the member has noted, there are training plans, and they have to be approved. Secondly, there are quarterly financial and activity reports. Then there are monitoring visits, and, lastly, we have the right to do inspections and audits of the books.

Mrs. Mitchelson: Is there any reporting mechanism in place to report back to the community on the results of the training initiatives that are undertaken? Is there any expectation that the chief and council might have to report back to the community on the results?

* (16:30)

Ms. McGifford: Those are arrangements made in the community, and they are arrangements between the chief and the council and community members.

Mrs. Mitchelson: There is a mechanism for the chief and council to report to the department on the results of the training, and how many people have completed training. Further, I would ask the question of how many are employed and have job opportunities at the end of the training. Is there any sort of reporting mechanism from the chief and council back to the department on the results that have been achieved?

Ms. McGifford: Yes, part of the reporting does include reporting on training completions and job placements.

Mrs. Mitchelson: Is that something that might be available to us? I am not asking for any detail right

now, but are there reports that could be provided to us so that we have some sense of what the results are?

Ms. McGifford: I understand we can give summary reports when they are ready, but we cannot report on individuals. We can give a summary report. Indeed, we are preparing a package for the member, and I think he heard me speak to her. She is going to submit some written questions. Maybe, when we get our materials together, we can send them to her, and I am sure she will be more than willing to share them.

Hon. Jon Gerrard (River Heights): If I might just move over to TCN or Split Lake and ask just a couple of questions. I have some questions of the minister of Hydro, and I know that this is not this minister's responsibility, but he indicated that there were 187 individuals doing pretraining for Hydro development. I guess my questions were around Split Lake or TCN. Could the minister answer for me whether, in fact, any of those training initiatives are under way at TCN, and how many people might be in training program?

Ms. McGifford: We have some figures that combine War and Split Lake. Those figures show that a total of 246 individuals have either completed training or their training is in progress.

Mr. Gerrard: Is that at Split Lake, or is that at Nelson House, or is that a combination?

Ms. McGifford: It is Split Lake and War. Yes, the two, but it does not include NCN. My information, since the minister mentioned Wuskwatim, is that these individuals are eligible to work at Wuskwatim if Wuskwatim goes ahead. Whether they will or not remains to be seen but they are eligible. They have had the training and they are eligible.

Mrs. Mitchelson: I just have a couple more questions, Madam Chair. One question would be I know that the minister was up to Nelson House and made an announcement of \$370,000. Was there a similar announcement for TCN? Was there training dollars from the Department of Education in a similar fashion for Split Lake?

Ms. McGifford: No, I did not go to Split Lake. I made an announcement at Nelson House, but Split Lake, however, did receive training dollars.

Mrs. Mitchelson: Could the minister just indicate how much Split Lake got last year and what is anticipated because I know it is, again, dependent upon the submission to the department on employment activity?

Ms. McGifford: In '04-05, Split and War together received \$488,000 and in '05-06, Split and War together will receive \$430,000. It is strange to say "split" together, but you know what I mean.

Mrs. Mitchelson: Split between Split and War. I got it.

I thank the minister for those answers. Before I stop asking questions, I would just like to ask the minister if she could indicate to me, because I know that when she and the Premier and some of her colleagues were up in Nelson House making the announcement, there was a package that was presented to the Premier.

Many of the issues that were raised were issues regarding accountability and transparency and funding that came, and a lot of it was federal money, but there were also some concerns about provincial funding and concerns about accountability, transparency of the dollars that have gone into those communities. There were maybe members of the community that felt somewhat disenfranchised or a bit out of the loop. I know there was a package that was presented to the Premier, and I am just wondering whether the minister received a copy of that package and whether there were any issues that she might have looked into on behalf of the residents that had some concerns or some issues.

Ms. McGifford: I have no knowledge of the package. It was not presented to me.

* (16:40)

Mrs. Mitchelson: So, then, because I do know that the Premier did respond—he did not respond personally, but someone from his office responded and indicated that the Premier would be looking into the information—I was just wondering whether any of the issues that might have been around training dollars, or whatever, whether the Premier had, in fact, asked for any briefing from the department on any issues around the accountability for the training dollars that flow to those communities.

Ms. McGifford: I have no recollection and my staff people have no recollection of having been asked for that material.

Mrs. Mitchelson: I wonder if the minister could indicate to me whether, in fact, she has asked her department and she has assured herself that the openness and the transparency and the accountability are there for the dollars that her department provides to the communities of Nelson House, Split Lake and War Lake to ensure that the dollars are achieving the results, and that she is satisfied that they are being spent in an appropriate fashion to meet the needs of those that desperately need training opportunities in those communities.

Ms. McGifford: Well, I thank the member for that question. Of course, accountability is something that all ministers are always very conscious of, and I know that the member opposite has been a minister and would have dealt with the question of accountability very seriously. We do have discussions at the staff level about accountability, and the staff, together with myself, work to provide as accountable and transparent a system as we can.

Mr. Gerrard: My first question deals with tuition. The minister's government has a policy of frozen tuition at the post-secondary education institutions, and yet it is my understanding that in the law school the tuition has not been frozen, but, in fact, is increasing significantly and projected to increase still further.

Can the minister give me the details of what is happening with the tuition in the law school and just why this is not covered by the policy?

Ms. McGifford: Well, I can answer that question, and meanwhile my staff person is looking for some information that I would like to share with the minister.

I think it was, let me see, in the summer of '02, I was visited by Dean Harvey Sexter who presented a very strong case for increasing tuition in law school. He pointed out in his presentation that we had the lowest law school tuition in the country, and that all law schools were increasing their tuition. Indeed, if we were to increase ours in accordance with the plan he presented, we would still have the lowest tuition, outside the province of Québec, in the country.

It is interesting that the member asked the questions because I have two children who are both in law school. So I know quite well the tuition.

Anyway, Dr. Harvey Sexter gave us a commitment. There were three commitments. One was that one third of the extra money collected on tuition would go to hire top faculty, that one third would be used to modernize the law faculty to bring electronic classrooms, for example, to the law faculty, and if the member has visited the law school recently, Madam Chair, he would have noticed that there are a number of classroom upgrades. The library facility's on-line possibilities have been supported by this increase.

The commitment he gave me that I found most persuasive was that any law school student who is accepted into law school will not be turned away because he or she cannot afford it. In other words, he promised that one third of all the extra monies would be turned back into bursaries and scholarships for students. I think it was a very commendable plan. I stand by it. I have all kinds of gratitude to Dean Sexter for the extremely capable job he is doing. Now, he tells me that because the government allowed him to increase law school tuition, and because his board of governors obviously supported it, and the president obviously supported it, because of that, he was able to use this as a drawing card to collect money from law firms across the province and that he has done very well. They have a very nice set of scholarships, endowments, et cetera, that help those students who would otherwise not be able to access the law school.

Now our department developed five criteria which we will consider when certain faculties make requests for increases. They include student support for the increase. They include the labour market not being affected. They include that the income after graduation be substantial. I gave three, oh yes, that the program has high costs that justify the increase in tuition and that the field of study clearly shows a high rate of graduation. The Law Faculty met all those criteria, and Dean Sexter presented this very sound plan.

So we, sorry, my staffperson was just pointing out that one of the important things was accessibility and of course Dean Sexter did guarantee accessibility through the bursaries. So those were what we considered and we stand by the decision that we made.

Mr. Gerrard: Can you give me the numbers in terms of the increases that are projected for the tuition?

Ms. McGifford: It is going to peak at \$6,000.

Mr. Gerrard: What was the number to start with?

Ms. McGifford: It was 3 to start with.

Mr. Gerrard: Right. Now, and that means essentially that it is going to be doubled to go up to 6 or is it an additional 6 on the first 3, to up to 9?

Ms. McGifford: It started at 3; it is going up to 6. That is where it is staying, I suppose not until the end of the world, but that is where it is staying for some time anyway.

Mr. Gerrard: I mean it is curious that this is happening at the same time as the fees are going up, but I have been hearing from some students who have some concerns about inequities in the way that students are treated in the law school. I would ask the minister this: What is the process for students who have concerns about how they are being treated relative to other students, to take this forward?

Ms. McGifford: Well, the process is, as I understand it, within the law school there is an ombudsperson, and I would suggest that the students contact that ombudsperson. Her name is Wendy Whitecloud. I am sure the member respects and understands that the university is a self-governing body, and it is not my job nor my responsibility, and, indeed, I would be violating legislation and breaking the law if I were to phone and directly intercede in the workings of the law school. I know the member would not want me to break the law.

Mr. Gerrard: No, no, I was just trying to find out what the normal process is under those circumstances, and I want to thank the minister for her clarification. That is the questions that I had. Thank you.

* (16:50)

Ms. McGifford: I did also want to point out that not only is there the student adviser or advocate within the faculty, but there is an advocate in the university as a whole. So, if the individuals feel that they are not getting a fair break internally, they can go to this

other individual who looks after those concerns on a more global scale, global with reference to the university itself.

Mr. Gerrard: Is that person an advocate or an ombudsperson? What is the title?

Ms. McGifford: Ombudsperson.

Mrs. Rowat: Before we close Estimates, I just wanted to put a few things on the record. We have had a short period of time to go through a number of issues, and there are a number of areas that I would have liked to have had a chance to talk to the minister about. I think that maybe through briefings on specific areas we may be able to cover those, I guess, issues that have developed over the last few years.

Before we close, I just want to go back to one question regarding political staff, which I needed clarification on. The minister had indicated that her EA and SA prior to the ones that are in place now have left the department or have left the minister's office. Could she indicate to me their names and, actually, what positions they have moved into?

Ms. McGifford: My former special assistant, Dr. Rick Rennie, is now working in Labour. My former executive assistant, Doreen Wilson, is now working in Education.

Mrs. Rowat: The question would be, then, were these direct appointments or was there a competitive process for Mr. Rennie, your special assistant, to go into the Department of Labour. If she can clarify how he was moved into that position?

Ms. McGifford: I think the member will have to ask the Department of Labour that question.

Mrs. Rowat: I would also like to ask the question of the executive assistant, whether that was a direct appointment into the department or was that a competitive process.

Ms. McGifford: As is the case, you know, very often, it was a direct appointment.

Mrs. Rowat: Can the minister please indicate to me what that position and classification are that the individual would have moved into?

Ms. McGifford: It is an AO2, administrative officer. No? The letters are quite confusing at times. It is a PM2, policy analyst 2.

Mrs. Rowat: This is for the executive assistant where the position classification is a PM2? What is the position title? I am correct in asking that it is the executive assistant's position?

Ms. McGifford: It is assistant to the deputy minister.

Mrs. Rowat: If the minister could indicate to me what branch, which deputy minister's office would that would be? [*interjection*]

I would like to—what do I want to do?

An Honourable Member: Pass the Estimates.

Mrs. Rowat: I want to go home.

Madam Chairperson: Resolution 44.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$389,027,400 for Advanced Education and Training, Support for Universities and Colleges, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Resolution 44.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$54,425,000 for Advanced Education and Training, Manitoba Student Aid, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Resolution 44.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$97,097,800 for Advanced Education and Training, Training and Continuing Education, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Resolution 44.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$13,720,600 for Advanced Education and Training, Capital Grants, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

Resolution 44.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,272,900 for Advanced Education and Training, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

The last item to be considered for the Estimates of the Department of Advanced Education and Training is item 1.(a) Minister's Salary, \$29,400 contained in Resolution 44.1.

At this point, we request the minister's staff leave the table for the consideration of this item.

Resolution 44.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$869,800 for Advanced Education and Training, Administration and Finance, for the fiscal year ending the 31st day of March, 2006.

Resolution agreed to.

This completes the Estimates of the Department of Advanced Education and Training.

The next set of Estimates that will be considered by this section of the Committee of Supply are the Estimates of the Department of Energy, Science and Technology.

Shall we briefly recess to allow the minister and the critics the opportunity to prepare for the commencement of the next set of Estimates?
[Agreed]

There will be a recess, a brief recess.

The committee recessed at 4:58 p.m.

The committee resumed at 5:05 p.m.

ENERGY, SCIENCE AND TECHNOLOGY

Madam Chairperson: (Bonnie Korzeniowski): 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 Energy, Science and Technology.

Does the honourable Minister of Energy, Science and Technology have an opening statement?

Hon. Dave Chomiak (Minister of Energy, Science and Technology): Madam Chairperson, I just wanted to briefly state, very briefly because time is important for questions in terms of the Estimates hours, I just want to indicate I have had the honour of assuming the role of Minister for Energy, Science and Technology. I have been very, very impressed with the department that has been created and put together and the people that comprise the department, who undertake a variety of tasks and do them very, very well. I have been very impressed with their work. With those comments, I am quite prepared to answer questions.

Madam Chairperson: We thank the Minister of Energy, Science and Technology for those comments.

Does the Member for Russell have any opening comments?

* (17:10)

Mr. Leonard Derkach (Russell): Absolutely. May I?

Madam Chairperson: Member for Russell.

Mr. Derkach: First of all, this is a pretty exciting area of government that the minister has undertaken, and I, first of all, want to congratulate him, because I think that he does have a pretty keen interest in at least some aspects of this department, and I am sure all of it.

It certainly is a bit of a change in pace for him. I know that the Department of Health is one that is never easy on any minister, and this minister has endured.

I certainly want to welcome him into this department, not that it is my duty, but I think that, just as a colleague and a legislator, I do want to say I think this is going to be a refreshing area of responsibility for him. But I also want to say that it is an area where there is, I think, significant potential for us as a province, and one where I think we need to aggressively pursue opportunity in order to be able to move our province ahead and to at least try to keep pace with what is happening in other

jurisdictions. To that extent, I believe we have to be somewhat aggressive.

The minister will know that I have a pet peeve, or an area of interest that I certainly have expressed a desire to move ahead in, and that is in the ethanol industry. Bio-fuels is another one. Certainly, in that whole area of technology, I believe that this province is poised to be able to, I guess, take advantage of the areas that the world is moving in in terms of advancement in technology and science in the new age, if you like.

Madam Chair, with those few comments, I just want to say that I think we look forward to a lively debate in this section. The critic who is responsible will be taking over the debate here in the next session, but for today I will be trying to cover for him.

So, with those few opening comments, I will certainly move down to questions, if we can.

Madam Chairperson: Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item and proceed with consideration of the remaining items referenced in Resolution 18.1.

At this time, we invite the minister's staff to join us at the table, and we ask that the minister introduce his staff present.

Mr. Chomiak: Thank you, Madam Chairperson. I want to thank the member for those kind opening comments, and they are reciprocated.

I would like to introduce John Clarkson, Lynn Cowley, Craig Halwachs and David Primmer, who have joined me here at the table.

Madam Chairperson: We thank the minister. We will now proceed to the remaining items contained in Resolution 18.1 on page 68 of the main Estimates book.

Shall the resolution pass?

Mr. Derkach: You are rushing me here.

I would like to, first of all, ask the minister if he could give me an overview. I know he has a flow chart here of his department, but if he could perhaps give me an overview of the responsibilities that he

has with respect to the title of Energy, Science and Technology and sort of give us, I guess, a summary of areas of responsibility that he looks after in this portfolio.

Mr. Chomiak: Yes, as indicated in my previous comments, the department was an amalgamation of several areas, but I think it was wisely put together several years ago to take advantage of some of the aspects that the member mentioned in his opening comments, which is to place Manitoba in a position to take advantage of our natural advantages, to put in those terms, our energy potential, and some of our developing industries into the future. It is the ability to function collaboratively to move all of those forward.

The member made reference to the future. I think in other jurisdictions that one of the distinctions is the distinction between non-fossil fuels and fossil fuels with respect to the future, the diminishing state of fossil fuels and the impact that non-fossil energy will have in the future.

The department—from the flow chart the member can see the divisions. Just in general, I can indicate that the broad areas of activity include, obviously, the ICTAM, which is the IT end of the department which consists of a broad scope of activities that look after and assist the entire government in its IT activities, as well as direct services to branches of government. In addition, broadband initiatives, communication expansion, PDN and other aspects of the department are looked after by this branch, as well as the development of initiatives in the future.

The second aspect of the department, of course, is the energy development, which includes the variety of activities dealing with alternative fuels, with research and development of the fuels, the future economy and the potential to take advantage of that. Included in that, of course, is the issue of climate change and how that interacts amongst the various players. We can get into that in more detail as we proceed through Estimates.

Two other aspects of the department, of course, are the research and science end that are geared towards innovation and research, and activities that deal with both the life sciences, knowledge-based industry, as well as research-based activities. The member will know that Manitoba has, in fact, the highest level of expansion in the biotechnology field

in Canada from the Deloitte & Touche report, and is poised to develop a number of offsets from that.

The combination of all of these activities in the future economy is significant when one considers that the emerging field of science and technology, geonomics, pyronomics, life sciences, biotechnology, the sciences in general and their relationship to the energy industry have a broad potential within the future.

We have the energy and climate-change side; we have the IT knowledge-based side; we have the knowledge base and the research and innovation side, and, just to encapsulate in general in a quick overview, I would say that fairly well covers the responsibilities of the department.

Mr. Derkach: I thank the minister for that. I would like to ask, I know we do not have a great deal of time, but I would like to ask a few questions on specifically the energy and the climate change initiatives that have been undertaken by this department in the course of the last year. I know that we have seen the development of a wind farm that is now becoming a reality across the Prairies. We have seen several wind farms in other provinces as well.

I want to ask the minister whether or not it is under his department's supervision that the development of wind farms is proceeding in Manitoba, or is this under the Crown corporation of Manitoba Hydro.

* (17:20)

Mr. Chomiak: I would say that it is a joint responsibility. The development and the power purchase, of course, is the responsibility of Hydro. Some of the policy and some of the other leadership initiatives are undertaken jointly with Hydro.

Mr. Derkach: Can the minister indicate to us how much capital, if any, has been expended on wind energy from the Province, either from this department or from perhaps Manitoba Hydro? Or is there any capital investment at all?

Mr. Chomiak: To be direct, I think the member is referring to the St. Leon wind project. Specifically, there is no provincial funding in any of the capital there.

Mr. Derkach: Can the minister outline what the agreement is between the operators of and owners

of the St. Leon project and Manitoba Hydro or Manitoba government vis-à-vis the purchase of Hydro or purchase of energy and/or the sale of it?

Mr. Chomiak: Specifically, with respect to St. Leon, there is a power-purchase agreement between the consortium and Manitoba Hydro to purchase the power from the project for transmission and inclusion within the Manitoba hydro-electric system.

Mr. Derkach: Can the minister perhaps give us some idea as to what the agreement for power purchase is? Is it based on a kilowatt-hour of power, or is it based on a general agreement of sale of power, and when that power is purchased, is it purchased on an ongoing basis or is it on an intermittent basis?

Mr. Chomiak: As I understand the agreement, the power is purchased on a kilowatt basis, and it is intermittent because the regime itself of wind is intermittent, but there are certain levels that obviously that Hydro has to purchase, that Hydro will require from the 67 turbines when they are all up and functioning to the capacity of 99 megawatts of power.

Mr. Derkach: Can the minister indicate to us what is the rate per kilowatt-hour in terms of the purchase of the power from the corporation?

Mr. Chomiak: I will have to determine whether or not that information is of a public nature. I am not entirely clear, but I will get back to the member on the specifics of that.

Mr. Derkach: It is taxpayer dollars that we are using for purchasing this power from the consortium, and, therefore, I would think that it would be in the public interest to know the rates at which we are purchasing the power. Secondly, I would like to know what it is the Province is receiving by way of taxes or leases or whatever from the consortium on an annual basis. I know that the municipalities are receiving, I guess, tax dollars on an assessment basis, I would think, and I do not know how the assessment is arrived at for such an entity. I know that the landowners will probably be receiving some amount of money for lease. Can the minister indicate what other revenues we can see from these towers that are going to be located at St. Leon?

Mr. Chomiak: I can certainly provide the member with the estimates—I am not referring to

Supplementary Estimates—but with the projections and the estimates that we have in terms of revenue, income derived and the various components the member is talking about. I can certainly provide that to the member very shortly.

With respect to the kilowatt price per hour and the price, the reason Hydro is involved in a competitive basis with a variety of utilities and a variety of companies, there are a number of companies that are presently looking at options and alternatives for energy and energy production in Manitoba. So, with respect to prices, there are third-party confidentiality provisions on a competitive nature that apply to some of these agreements.

To the extent that I can provide the member with information with respect to the costs on the kilowatt hour that does not jeopardize those particular arrangements I will endeavour to, but if they do, and they do violate the commercial or third-party privacy provisions in commercial contracts, then I will be unable to provide that specific information to the member.

I do have the general information that the member asked for. I can get it to him very shortly.

Mr. Derkach: Can the minister indicate how it is that this particular consortium was chosen to build the project? I guess I ask this out of ignorance, Madam Chair, because I am not aware of whether this project was tendered, whether it was a sole kind of provider contract that was entered into, or, because I know there are other providers for this type of energy, whether the Province sought out other providers who were allowed to bid on a competitive basis on this amount of electricity that is going to be provided.

Mr. Chomiak: Madam Chairperson, as the member is probably aware, there has been monitoring of wind in Manitoba in a number of locations for a number of years, both by Hydro and by other interests. Hydro is engaging in a number of studies and a number of negotiations and reviews with respect to wind power. As I understand it, and I know from some of my review of the background there had been numerous projects, purchases of land and discussions and consortiums and amalgamations that came together. This is one that actually put together an entire package that went to Hydro, and that Hydro negotiated with and awarded a PPA to.

Mr. Derkach: Madam Chair, I have not necessarily a concern but a query as to how we proceed from this point. I know that this was the first project in the province, and because Manitoba Hydro did, in fact, negotiate this with a specific consortium, I can understand that perhaps on a first initiative that that may be appropriate. But I do know that there are other providers who may be on a competitive basis anxious to also provide service for Manitoba Hydro in different locations. I am told that there is one that is looking at the North for wind power and one in the St. Joseph's area, I believe, and I am wondering whether or not we are looking at developing some guidelines as it relates to allowing these types of agreements to be entered into or whether it is basically at the call of Manitoba Hydro.

Mr. Chomiak: The member is correct. This is a relatively new, though well-established, form of energy in Europe and in several states in the United States. It is experiencing a tremendous amount of growth, and various jurisdictions are entering into it.

The go-forward process that, and I agree with the member that it is the first project, essentially, private consortium that was a good way of testing the wind, to make a bad play on words, and we anticipate moving forward with an RFP process in the future. It is like so many other things. It is both bountiful and difficult because there is a lot of anticipation and a lot of excitement out there amongst a lot of people about the potential of having a wind farm. Not everyone will have a wind farm. On the other hand, some people will. So it is going to be an RFP-related process going into the future.

Mr. Derkach: Well, I am trying to seek out what process the department or Manitoba Hydro, whoever is engaged in this, is going to set out as a public, if you like, process, or at least a process that is known publicly as to how companies can provide their information and their, I guess, proposals, because I know that there are companies that are looking at certain parts of the province. Now, if a company is looking at a particular part in the province, are other companies precluded from looking at that area as well, or is any region in the province open to any company to look at, and then it is on that basis that they would provide their proposals?

Madam Chairperson: The hour being 5:30, committee rise.

FINANCE

* (15:50)

Mr. Chairperson (Conrad Santos): Will the Committee of Supply come to order, please. This section of Committee of Supply has been dealing with the Estimates of the Department of Finance.

Will the minister's staff please enter the Chamber.

The committee is still on the global discussion. The table is now ready for questions.

Mr. Gerald Hawranik (Lac du Bonnet): Yes, I have a question for the minister. Letters have been sent to the minister on October 6, 2003, and April 5, 2005, regarding concerns about frustration with the Residential Tenancies Branch. Can the Minister of Finance, who is responsible for the Tenancies Branch, confirm when concerned tenants living in the Courts of St. James and Victoria Arms can meet with officials from your department to discuss issues regarding the rent approval process? They are very frustrated. They have experienced a lot of frustration as tenants, and it is very important that a meeting be set up at an early date as possible. I wonder if the minister can commit to an early date to meet with these tenants.

Hon. Greg Selinger (Minister of Finance): Before we go any further today, are you planning to move out of global and get into department by department Estimates? So you just want to keep winging it wherever you want to go?

Mr. Hawranik: The question I am answering I do not believe requires departmental officials. All we are asking for, Mr. Minister, is a commitment that you will actually meet with these tenants, or, at least, your officials within your department meet with these people to resolve some of the differences they have brought to you forward in two separate letters. I do not believe it requires departmental officials for you to consult with departmental officials with regard to that.

Mr. Selinger: I am prepared to answer the question. I am familiar with the issue, but I am trying to clarify from the member, I have got a large number of officials up here. I want to know if we are going to be getting down to the specifics of the Estimates in

the departments and whether or not it is useful for these people to stay here for the next indefinite period of time.

Mr. Hawranik: I guess it will depend on how and whether or not I am going to get answers from the minister to some of my questions. If we get answers to some of the questions, I would certainly move on to other departments.

Mr. Selinger: So is the member saying to me that he wants to move out of global into specific branch review at some point during today?

Mr. Hawranik: I suspect that we will be moving out of global sometime today. Exactly when, I am not certain at this point. It will depend on the kinds of answers that I get, but I plan on moving out of global before the end of today.

Mr. Selinger: Thank you for that. As to the question, I am advised by my officials, and I would be happy to confirm that when we get to the specific review of the Residential Tenancies Commission and Branch, subject to confirmation from my officials, I am advised that on these matters where there is an appeal on an above guideline rent increase before the commission, it is not appropriate to hold a public meeting while an appeal is under review and has not been finalized because it could be perceived to be contaminating the appeal process. That is why there has not been a public meeting. That was explained to the correspondent of the letters that wrote to me, and that condition still holds.

Mr. Hawranik: I know in some of the answers I received from the minister just on Monday I would like to review, I guess, some of the concerns I have with respect to some of the answers he gave me.

It appears as though he believes the only way to purchase assets by government is through debt, and he blames that entirely on GAAP. Can he explain to me why GAAP would be the determining factor as to whether or not when he purchases assets that it has to go into debt?

* (16:00)

Mr. Selinger: We might spend a little time on this, because there are some complications here related to accounting policy, but I am happy to spend the time on it.

I have just confirmed what I thought is still the case, and it works something like this: the application of GAAP's standards in the Manitoba context requires us to have to debt-finance new assets, because the standard applied here requires amortization on former assets to be put on the books. So, in the old situation, we used to pay for roads out of cash. In the new situation, we had to bring on the books the remaining life of old assets. Even though we cash-paid for them, we had to provide for amortization in our budget, which took away the cash for new assets because it was paying for the old assets. Therefore, we had to start debt financing the new assets so that the total amount of resources that we have available, say, for roads, covers the amortization required for the old assets and still is sufficient to cover the amortization for the new assets.

The change in standard required former assets to be reflected in the current budgets for amortization, plus having the cash required for the amortization for new assets. So it is the application of the standard in the Manitoba context that pushed us toward debt financing. That is the short version of it. Do you want a long version? I have got a note that I will read into the record.

Mr. Hawranik: The minister, instead of reading the long note into the record, can he instead provide me with a copy of the note that he does have?

Mr. Selinger: I will provide you a written version of the situation, of the application of the GAAP standard in this context.

Mr. Hawranik: I am not sure how I should phrase this, but in the real world of financing—and I am not sure that the provincial financial standards, I do not know whether it should be a lot different. Usually, you do not buy it for cash when you run out of dollars. You usually do not buy it for cash when you run out of money. When you buy an asset, it goes into an amortization table. I agree that it will go into an amortization table because it does not make any sense that it would appear on the budget, that a large purchase, a large capital purchase, would actually appear on the budget as an expense. But, in the normal sense, in terms of corporate finance and so on, the only reason you increase debt is because you do not have the cash to pay for it, not necessarily because of GAAP. So just leave that with you.

Mr. Selinger: If the member would carefully listen to what I said, it is not the GAAP standard per se; it is the application in the Manitoba context. I am not blaming the Auditor General. I am not blaming GAAP rules. I am saying that, when GAAP rules are required in our context, the conversion to the new standard required the old assets to come back on the books for amortization purposes, which used up cash that used to be paid for new assets. Therefore, the same amount of cash, which used to, 100 percent, go for new assets, was split between amortization requirements for old assets plus paying for the amortization portion of the new asset. That is what I am saying. So I think we are understanding each other on this one.

Mr. Hawranik: Yes, I think I got the message. It is just that, when I did ask the question on Monday, the way I understood it is that you were blaming GAAP rules for increasing the debt. I think that is maybe where the confusion lies, but it might have been my misunderstanding as opposed—I am not sure, but in any event.

Alberta gets 30 to 40 percent of its revenues from natural resources, oil, natural gas and so on, and Manitoba gets an almost equivalent amount, 38, not in terms of dollars, but almost an equivalent amount of 38 percent of its revenues from the federal government. I ask the minister this: Given the fact that the province of Alberta generates a great portion of its revenues from natural resources and we do not have that luxury here in Manitoba in terms of the amount of revenue that our resources generate, given the fact that instead of those 30 to 40 percent of our revenue coming from resources in Manitoba and the fact that we do have transfer payments almost equivalent to Alberta in terms of a percentage of revenue, why would there be such a difference between Alberta and Manitoba in terms of taxation, in his view?

Mr. Selinger: A couple of things that I think the member might be conflating together. First of all, all Canadians in every province get the same amount, roughly, for the CHST or now the Canada Health Social Transfer and the Canada Social Transfer. So the difference between Alberta and Manitoba would be the 19 percent we get for equalization, which is half of the resource revenues they get in Alberta on a proportionate basis.

So you have to compare the right orange to the right apple. They are different sources of revenue,

but you cannot say we get 38 percent and Alberta does not get 38 percent. Alberta gets the same amount as we do for health, post-secondary education and social services, and the incremental difference for Manitoba would be the equalization transfer, which is exactly the way it is supposed to work under the standard.

*(16:10)

So they are getting 38 percent of their revenues off of natural resources. We are getting 2 percent, and we get an equalization transfer, which winds up being about 19 percent of our resources. When you put those two together, it would be 21 percent versus 38 percent, and that would explain the difference.

Mr. Hawranik: Having heard what the minister has said over the last number of days in Estimates, I get the feeling that the Finance Minister does not believe that we can actually pay down the debt of this province in terms of the total obligations and the net debt, because using the Finance Minister's philosophy we are in an ever-spiralling downward trend to bankruptcy, eventually.

The debt continues to pile on, it continues to increase, and we never seem to pay it off. Now I know the minister has said that we are paying down the operating debt, but that is just a small portion of the total obligations of the province. Given the philosophy and the statements that he has made over the last few days, I am wondering whether or not the Finance Minister has given up in terms of trying to pay down the debt. If he has not, what kind of plan does he have to decrease the total obligations of the province and not have it continue to increase as it has over the last few years?

Mr. Selinger: A couple of points. I think the member has really misunderstood what I have said. I am actually feeling that the plans we have put in place will reduce our long-term debt and pension liabilities more rapidly than they would have occurred under the former government for a couple of reasons. One, we have accelerated the payments on the general purpose debt from \$75 million to \$96 million to \$110 million; two, we have included within that liability the pension liability, which was growing. As I indicated to the member, it was going to grow from about \$3 billion to \$10 billion over the next 35 years. We now have a plan in place to actually reduce that to zero over roughly 35 years, 32

to 35 years. At the same time we plan to pay down the general purpose debt over that period of time.

The only remaining debt that we would have would be debt connected to the acquisition of assets, which would have an automatic amortization schedule built in to the reduction of those asset acquisitions. So, if it was a building, it would pay itself down over 40 years. The discipline is built right into the structure of the debt financing now.

It never used to be that way. It used to pile on top of itself and continue to build, so we have a built-in discipline now. If we ever were at the stage where we felt all of our assets were in sufficiently good condition that we did not have to renew them, we could just stop borrowing, and the amortization schedules would pay off all those assets.

That was not the case with the old general purpose debt. It was not the case with the pension liability. Those were growing geometrically, in effect, without any discipline in the financial structure to pay them down. They were just being rolled over and letting escalate in the costs. We now have a plan to bring those down, and any new debts have inherent within the structure of the financing a pay-down schedule over the useful life of the asset. For a computer, I think it is four years; for a building, it is 40 years. Those things will retire themselves in the way we structure the financing for it.

If a future government ever felt that all their assets that they were responsible for were in sufficiently good condition that they did not want to refinance them or rebuild them or reacquire them, then they could just let the debt run itself down through those disciplined financial instruments.

Mr. Hawranik: The Finance Minister seems to try to give the impression that, in fact, he is decreasing the general purpose debt by increasing the amount in the budget from \$75 million to \$96 million to \$106 million, and he is paying down the pension liability, but the fact remains is that the \$75 million, \$96 million, and \$106 million—all of those amounts are used for both purposes. It is not that you are paying down the general purpose debt by \$106 million and you are using extra money to accelerate the pension liability. I wonder if the minister can clarify that.

Mr. Selinger: The member is correct. The 75 was used strictly for paying down the general purpose

debt. When we came into office, we dedicated the 96 to both the general purpose debt and the pension liability, and we have done the same with the 110 million in this year's budget. Our projections show that by paying down pension liability, that we will get a better overall result, as opposed to ignoring it and just focussing only on the general purpose debt.

Another item that I did not mention is, I think it was two budgets ago, every new employee in the civil service we now match their contributions, the employee contributions, with an employer contribution. So we have got, for the first time ever, a portion of the 75, of the 96 and the 110 going to the pension liability. Over and above that, we have within each department an employer contribution for every new employee. So, as the civil service turns over and the retirements occur, every new employee will have their employer contributions made toward their pension liability. So we have a double-barrelled strategy to reduce the pension liability, as well as a continuing commitment to paying down the general purpose debt.

Mr. Hawranik: The minister indicates that the employer contribution is being contributed for every new employee. Can he tell me exactly how much that means in terms of dollars that the Province is contributing for this budget year, just for new employees?

Mr. Selinger: Yes, for '05-06, the allocation is 5,598,000 and change. I would add that as new employees come on, the employer portion of their pension liability will be budgeted for, so that number will escalate over time as the civil servants mature and turn over and successors come in to replace the retiring civil servants.

Mr. Hawranik: Can the minister indicate how much the employer contribution is for employees that are not classified as new employees during the year?

Mr. Selinger: There is no contribution within the departmental budgets because that is the old system where it was not paid for. The allocation towards that is what the debt allocation committee decides once a year out of the 110 million.

Mr. Hawranik: To rephrase that question. The pension liability, how much has it increased every year, this year, as a result of not paying the employer

contribution for what would be, for lack of a better phrase, old employees?

* (16:20)

Mr. Selinger: I would ask the member to turn to page B7 in the budget papers. *[interjection]*

If he goes to B7, about five lines from the bottom, it says Pension Expense for Unfunded Liability. Does he see that? Just under Net Enterprises and Organizations, he will see Pension Expense for Unfunded Liability '04-05 forecast was \$196 million. The debt allocation committee dedicated last year 116 towards that plus interest and departmental contributions for a net growth in the liability of 80 million. For this year, '05-06 budget, the unfunded liability escalates from 196 to 206 with an increase in the pension assets fund, a projected budget for 119, for a net of 87.

So the point is, without the measures we put in place, you would not have that 119 or the 116 deduction. It would be growing at 206 plus 119; it would be growing at \$325 million without the discipline we have put in place.

Mr. Hawranik: The minister undertook, I believe it was on Monday, either last Monday or the previous Friday, that he would provide me with an analysis, a proper analysis, as to what he relied upon to determine whether or not to put money toward the pension liability, and how it affects the pension liability. I am wondering if the minister has that for me today, and if not, when can he get it to me.

Mr. Selinger: I have some sheets I can provide the member of the original analysis that was done that underlay the rationale for the measures we took.

Mr. Hawranik: I thank the minister for that. Certainly, I will review it, probably over the weekend. We will be back on Monday, in any event.

In any event, with respect to presenting the budget on a summary basis, and I note that the Auditor had a news release in early '05—I think it was January 5—when he was commenting on the time table to present a budget on a summary basis, the Auditor stated, and he was referring, I believe, to the '07-08 fiscal year when the minister had made a commitment with respect to presenting the budget on

a summary basis, he stated that an earlier date was not out of the question.

I know the minister has indicated that there is a lot of groundwork that has to be done in order to do that. Of course, I know the minister is not necessarily privy to that information, but, given the fact that there will likely be an election in the 2007 year in this province, and that an earlier date is not out of the question as indicated by the Auditor General, I would like the minister to comment with respect to his comments about the Auditor General's statement that an earlier date is not out of the question.

Mr. Selinger: The Auditor is, obviously, entitled to his opinions. We have committed to a '07-08 date. We believe there is a tremendous amount of due diligence that has to be done with the broader reporting entity. I have noted recently that finance ministers in other provinces are also feeling very challenged by these requirements of summary budgets and feel that it might even take them longer to move towards these kinds of standards.

If the member is suggesting that there could be an election, I mean I have absolutely no idea when an election would be called, but I did, on page B7, the page I have just put forward to the member, I did for the first time ever in the history of the province provide a medium-term summary budget projection which goes to '08-09. If those projections hold accurate, it gives the member an indication of what the consolidated summary budget bottom line would be, and it is on page B7.

So we have tried to provide future information that would give an indication of what a summary budget would look like in the future. Now, obviously, these numbers will change as reality comes into view in the budgeting process, but it is a projection and it gives the member some information that might help him see the future under summary budgets.

Mr. Hawranik: I refer to, again, an Auditor General's comments in the audit report of '03-04, and he indicates in there, Mr. Chairperson, that the quarterly reports of financial information, the ones that are published by the minister, he says are meaningless for the purpose of assessing the Province's financial performance. Would the minister care to comment on that assessment?

Mr. Selinger: I think the Auditor General was expressing his frustration with reporting on an operating budget basis under balanced budget legislation, the brainchild of the members opposite. He really does not like the balanced budget legislation and the reporting requirements on that, because it reflects only the operating fund. He wants the full summary information out there, including the wider government entity. So I think that comment is linked to that larger concern about balanced budget legislation not conforming to GAAP standards.

Mr. Hawranik: I go back to the comment that is just the previous comment of the minister. When he says that balanced budget legislation was the brainchild of the PC government, what are his thoughts about the balanced budget legislation? Does he believe that it is good legislation?

Mr. Selinger: All I can say is this that we have actually followed that legislation in more consecutive years than the previous government did, but in following it, it has attracted the continuing attention of the Auditor General. He started to hone in on its weaknesses, and has recommended some improvements in terms of summary budgeting, which the member has committed himself to fully supporting, along with his party.

Mr. Hawranik: Since the minister thinks that there are some weaknesses in the balanced budget legislation, where does he feel that the balanced budget legislation needs improvement?

Mr. Selinger: I could only refer the member to the Auditor General's report of last year, and he had abundant advice on that.

Mr. Hawranik: Does the minister plan on changing the balanced budget legislation, say, in the next year or two? Has he got any recommendations for change, and does he expect to make any changes or any amendments to the legislation as it appears now?

Mr. Selinger: We have committed to a process of moving to full summary budgets, and we are going to seek the best advice we can get on how to do that. Then we will take those recommendations into consideration as we move to that '07-08 deadline. So I am not going to pre-empt the process and prejudge it, but the Auditor General has made his comments with respect to balanced budget legislation, what he perceives the weaknesses to be and what changes he

would recommend, those will be taken into account as long as the advice we have from our own accounting officials and some third-party advice that we are going to get as well.

* (16:30)

Mr. Hawranik: Does the minister believe that changes will be necessary to the balanced budget legislation in order to move to summary budgets of the province?

Mr. Selinger: Once again, I am not going to pre-empt that, but the Auditor General has recommended changes to it, and some of the changes we have already made. One of the changes he recommended that it be described differently as a special operating statement, we have done, and that the surpluses be changed to balances. So we have accommodated the language and descriptive recommendations of the Auditor General.

Mr. Hawranik: Presumably, if you move to summary budgets, I assume, then, that your primary basis for reporting to the public will be summary financial statements. Would that be correct to say?

Mr. Selinger: That is what the Auditor General recommends.

Mr. Hawranik: Well, if that is the case, in fact, if you move to summary budget reporting and you produce summary financial statements, then, obviously, some changes are going to have to be made to the balanced budget legislation to ensure that the summary financial statements, in fact, are balanced. Would that be a correct statement?

Mr. Selinger: Once again, I would refer the member to the Auditor General's comments on how he perceives that and what he thinks is reasonable in that regard.

Mr. Hawranik: There has been some concern, I think, expressed in various business quarters in the province that, in fact, you would be moving to a model similar, I believe, to Saskatchewan's, that you would want to amend the balanced budget legislation to ensure that the budgets are balanced over, say, a period of three or four years as opposed to year by year. Is the minister considering a move such as that with respect to the balanced budget legislation?

Mr. Selinger: Once again, I am not going to pre-empt the process. The Auditor General is on record

of what he thinks is reasonable, but the member refers to Saskatchewan. I should just point out to the member that the NDP government was the first government in the country to balance their budget, and they had an enormous mess to clean up from the divine Conservative government, one of the largest debt-load hangovers of all the provinces, certainly, in the west. They have balanced their budgets more than any other government over more successive years, and the credit ratings have been increased to reflect that.

An Honourable Member: What do you think we should do here?

Mr. Hawranik: I think we should balance our budgets.

An Honourable Member: We always do.

Mr. Hawranik: No, you do not. I think you should balance your budget to take control of your debt, if you would like to know.

In the 2003-2004 Auditor's Report on Public Accounts, can the minister indicate how much the expenses were for BSE that were excluded as disaster emergency expenses to arrive at a \$13-million surplus in the operating financial statement?

Mr. Selinger: We will dig up that information for the member. We had it the last time we were here, but we will have to regenerate it for you. If the member would like to go on to some other question, as soon as I get it, I will come back to it.

Mr. Hawranik: With respect to that same question, I wonder if the same could apply to the forest fire expense, the exact forest fire expense that was excluded. According to the Auditor's report, it indicated pension costs that were excluded, and he did have a number there of \$182 million. I just wanted to confirm that whether, in fact, those were excluded. Since it is acknowledged that there was an amount that was excluded in order to, under the balanced budget law, in order to arrive at that \$13-million surplus, my question to the minister is where are those expenses that were excluded. Where are they now? Are they included in the summary financial statement? Did they increase the net debt of the province? That is my question.

Mr. Selinger: The answer is they are all captured in the summary financial statements. To be a little more

complete, where, for example, the pension liability has grown it shows as growth in the summary financial statements, as well as the \$71 million that was excluded from balanced budget legislation for disaster purposes that is included in the full summary financial statements.

Mr. Hawranik: The Institute of Chartered Accountants of Manitoba commissioned a Manitoba checkup report for 2004, and I believe the minister was probably provided a copy of it, I suspect, or he has a copy of it from Marilyn Chisholm and Associates.

The Manitoba Checkup 2004 report benchmarked Manitoba's progress against that of the western provinces of B.C., Alberta, Saskatchewan, as well as Ontario, and it also benchmarked Manitoba's progress as compared to the Canadian average. As a place to live, the report indicated that the quality of life in Manitoba improved slightly over the last five years, but at the same time, for the most part, it lagged behind the Canadian average, and was on the lower end of the comparisons. There was a slight modest increase in personal disposable income per capita, and a slight decrease in the percentage of people receiving social assistance, but these improvements were still the second lowest among the comparisons, and below the Canadian average.

I ask the minister, I believe he, likely, had received a copy of that report, would he agree with that analysis.

Mr. Selinger: Yes, the member asked, and I am going to answer his previous question. The member asked what the \$71.1-million exemption for emergency expenditures of \$97.6 million included. It included \$42.4 million related to BSE compensation and \$51.7 million related to fire suppression.

Mr. Hawranik: Also, the Auditor's report indicated pension costs were excluded of \$182 million. Would that be correct?

Mr. Selinger: The original balanced budget legislation never included the pension liability costs, nor recognized the pension liability anywhere. We have put the plan in place to recognize it and start paying it down.

Mr. Hawranik: Back to my previous question regarding Marilyn Chisholm and the Institute of Chartered Accountants, would the minister like me

to repeat part of that question? No. Would he care to answer it?

Mr. Selinger: I do not have the report in front of me. I would have to get it and review the quote the member gave me, but my recollection is that they had several very positive comments to make about the improvements made in the province.

* (16:40)

There are a number of adjectives that I think the member has seized on there, but the trend was to increase personal disposable income. That is a reversal of a decline in personal disposable income in the nineties. So the point I am trying to make is that the trends were in the right direction. As I recall, there were several other positive comments, but I do not have the document in front of me that I could quote from.

Mr. Hawranik: That report of replaced work indicated that Manitoba's performance was lacklustre in education and job creation. Both of them ranked fourth among the comparisons, fourth in western Canada, which is dead last. Given that report was commissioned by the Institute of Chartered Accountants of Manitoba—obviously, it is a third-party report and not the report produced by government—would the minister agree with the conclusion reached in terms of job creation and educational attainment?

Mr. Selinger: What I would say is that the member has not told us what the comparison universe is there for the study. That would be helpful to know, if he is going to refer to that constantly.

My point would be that the trends are going in the right direction. There was no University College of the North to allow more people to participate in education. When we came into office, we had one of the lowest participation rates in community colleges of any province in the country. We have dramatically increased enrolments in community college activities and brought in a host of new programs, and brought in some new facilities, including the new downtown Red River campus. We have made significant investments in education, which have increased participation and the number of graduates, and have increased the number of new programs that train people for the jobs that are in the marketplace today.

The member should know that I met with the Institute of Chartered Accountants. I met with them when we went over the report together, and they, generally, in spite of the adjectives the member is using, thought that we were moving in the right direction. They indicated that to me.

Now, to add to that, we have some other economic performance indicators versus the Canadian performance for '04. Manitoba's overall real GDP growth was 2.8 percent, the same as Canada's increase. Manitoba's real per capita disposable income increased 1.6 percent last year, compared to a 1% increase for Canada. In other words, it was 60 percent above the Canadian increase on average. This is the third consecutive year where the province's per capita real disposable income has grown at a higher rate than the national average. The average weekly earnings in Manitoba increased 4 percent last year, almost double the national increase of 2.2 percent.

Retail sales in Manitoba increased 7.5 percent, well above Canada's increase of 5 percent. Motor vehicles declined 1.5 percent last year, better than the overall Canadian decrease of 3.1 percent. They only declined at less than half of what Canadian decrease was.

Manufacturing is Manitoba's largest industry. In '04, Manitoba's manufacturing shipments increased 10.1 percent above the Canadian increase of 8.5 percent. Total capital investment in Manitoba increased by 9.9 percent last year, better than the national increase of 8.5 percent.

Despite difficulties in Canada's agricultural sector, farm cash receipts grew 8.8 percent in Manitoba last year, ahead of the national growth rate of 7.5 percent. Consumer bankruptcies fell 10.3 percent in Manitoba while they increased 0.2 percent for Canada. Business bankruptcies in Manitoba fell 27 percent, much better than the national decline of 8 percent.

Manitoba's unemployment rate of 5.3 percent in '04 was tied for second lowest in Canada and well below the national rate of 7.2 percent. Manitoba youth unemployment rate was 11.1 percent, third lowest among the provinces and well below the national youth rate of 13.4 percent.

Mr. Hawranik: Now the minister indicates that we are going in the right direction. In certain sectors of

the economy we are going in the right direction, but that is not the point. The point is we are not growing nearly as quickly as other provinces, when you compare us to other provinces, when you compare us to national average in most sectors. That is disturbing because we have a diverse economy. We have an economy that is just as diverse as the rest of Canada, and for us to perform less, at a lower level than Canada as a whole, I think, is unacceptable.

The minister indicates the enrolment at post-secondary institutions has increased under this government. It has nothing to do with this government. It has everything to do with demographics. Post-secondary education enrolments have been increasing dramatically in other provinces and at faster rates than in Manitoba. I do not believe it has a lot to do with the policies of this government. I think it has everything to do with demographics.

When we are dealing with improvements in terms of post-secondary education and participation, whether the University of the North is there or not, we would have had increases in enrolment in post-secondary institutions in any event. I noticed that the minister had indicated a certain number, I think it was almost 3 percent in terms of real GDP growth in Manitoba, but under the Manitoba Checkup 2000 report of the Institute of Chartered Accounts, it indicates that Manitoba's real GDP growth in 2003 was 1.4 percent. That was a number right from the report and it was below the national average of 1.7. It also indicated that Manitoba's productivity level is low and needs to catch up to the Canadian and U.S. level.

I would suggest to the minister that part of the reason we are below the average of what is happening in the rest of Canada, and whether we compare to other provinces or the Canadian average, is the fact that we are overtaxed. We are taxed to death in this province. There has to be selective tax cuts made to ensure that businesses grow, to ensure that industry and businesses are attracted to Manitoba. I do not think it is simply good enough to continue with the status quo. We have to take some action. I am not suggesting you use the entire budget for tax cuts. That would be incorrect. When you look at \$525 million of new revenue available for the province, that is unprecedented year over year, in terms of an increase in the revenues that are available here in the province.

Normally, we get \$200 million to \$300 million as an increase year over year. That normally funds

the increases in improvements to programs and funds the inflationary increase to programs as well as new programs. It is a concern after receiving such unprecedented levels of revenue, that, in fact, there were no new tax cuts announced in the budget other than what was previously announced for 2006. I know the minister had pointed to—there was a \$100 application fee he talked about a number of days ago that he eliminated.

My question to the minister is whether he can comment on my comments, and, secondly, the \$100 that he is talking about in terms of an application fee. I think it had to do with milk producers. I would like to know exactly how much, total, that is going to save the producers.

Mr. Selinger: First of all, the member is out of date. He is using two-year-old figures. He did not obviously hear me when I used today's figures. I gave him '04 figures, real GDP growth was 2.8 percent in '04, the same as Canada's increase. He did not hear me when I mentioned that capital investment was up 9.9 percent above the Canadian average of 8.5 percent. He is not listening. The budget lays out the stats and makes the case that Manitoba is doing very well economically. He missed my point on real, disposable income. He also missed my point on consumer bankruptcies falling 10.3 percent while they increased for the rest of Canada.

The member suggests there are no new tax reductions in this year's budget. I suggest he has not read the budget. If he read the budget, unlike the member from Winkler who claims he has read the budget but has not really—

* (16:50)

Point of Order

Mr. Chairperson: Member for Pembina, rising on a point of order.

Mr. Peter Dyck (Pembina): I take great exception to the Minister of Finance (Mr. Selinger), referencing me here when in fact I have been quiet all afternoon. I would suggest that he get his geography straight in this province because he obviously has no idea which area I represent.

Mr. Chairperson: On the same point of order?

Mr. Selinger: On the same point of order, I am glad the member from Winkler awoke and rose to the occasion. If he would have listened to my comments, if he would have listened to my comments carefully, when he reads the Hansard he will see that actually in an odd kind of way, I have complimented him. I said unlike the member from Winkler, the member from Lac du bonnet has not read the budget. That means the member from Winkler—[interjection] That is what I said. That would suggest that the member from Winkler has read the budget. So the member maybe would want to take that one to the bank in his next pamphlet when he is campaigning in the Winkler area. I am well aware where the area is. I have been there many times. So that is my response to the point of order.

Mr. Chairperson: The fact is that there is no member from Winkler. None. There is a Member for Pembina, but there is no Member for Winkler. Please be careful and cautious about reporting about where the member is from. So there is no point of order here. It is just a mistake about reference to the member. The comments should be related to the issue that is being considered by the committee.

* * *

Mr. Selinger: Now, if the member from Lac du Bonnet, unlike the member from Winkler or Pembina, would have read the budget, he would have noted that there are several new measures in the budget on the tax reduction side. He denies that. I am going to enumerate for him what some of those measures are so that he can be fully aware of them and no longer have any excuses to deny that there were new tax measures.

Now one of the first measures that was taken is that the Research and Development Tax Credit was increased from 15 percent to 20 percent. That is a 33% increase. The member says that we are not putting measures in place to move forward. Does he think that an increase of 33 percent in the Research and Development Tax Credit is not a forward-looking measure? If so, let him say so. He voted against it, so, obviously, he did not like it, but the measure was put in the budget and it was a 33% increase, something the members opposite did not find within their power to do while they were in office.

Secondly, the Manufacturing Investment Tax Credit was overhauled and was overhauled to include

the tax credit being applied to the purchase of used equipment and technology, something that was never done while the members opposite were in office. For the first time ever in the history of the Manufacturing Investment Tax Credit there is a refundable component of 2 percent of the 10 percent available to manufacturers in the province which allows them enormous cash flow in order to remain competitive. They can acquire new equipment and technology to make their businesses more productive. They can get a refundable component of that to finance that up front. That combined with the Research and Development Tax Credit increasing by 33 percent are very significant measures for the manufacturing sector which are intended to increase the productivity of Manitoba's manufacturers.

There are many other measures here. The corporate rate continued to go down for the first time since the Second World War, the general corporate rate. There was a further measure to reduce the small business rate. It is now down at least 50 percent from when we came in office, more than 50 percent. The band of income covered by the small business rate has increased by over 100 percent. These are not inconsequential measures that have been taken, measures not taken by the previous government.

There is an RST exemption for free distribution magazines introduced for the first time ever in the province. The member was not even, probably, aware of that. There was in a renewal of the Co-operative Education Tax Credit, a measure we brought in for the first time in the history of the province. It was renewed and it allows, and I think this is important for the member to be aware of, the Co-op Education Tax Credit gives up to a thousand dollars to an employer who employs somebody in a co-op education program, which allows people going to post-secondary institutions to find employment in areas that they are training in in the business community within Manitoba and gives the employers a tax credit for providing those opportunities for young people. These are important measures. I would hope the member would not dismiss them as them being nothing new.

The member completely forgot that the Farm School Tax Rebate was increased to 50 percent after a Throne Speech measure which reduced that rebate. That rebate was 20 percent in the Throne Speech, was increased to 50 percent in the spring budget. Members opposite never ever reduced farmland school taxes at all while they were in office.

Those are just some of the measures that we have taken in the budget. I am happy to discuss them more fully with the member. I think he should be fair, at least, if he is going to talk about taxes and give us credit for the measures we have taken and not make a glib comment that nothing was done in this budget on taxes.

Mr. Hawranik: I can assure the minister that the member from Pembina and I both have read the budget. I would suggest that maybe the Minister of Finance has not read his own, and it is his budget, and that he maybe needs a new calculator as a result, as well.

It seems no matter what is in the budget it never seems to be followed in any event. We only hear about what the true state of the financial affairs of the province are once the Auditor General does his report. Budgets are budgets and they are meant to be followed, but this Finance Minister has not done so in the past. We have had increases in health expenditures well beyond the budget in the past, and I do not expect they will be any different now.

When he talks about tax cuts, when I talk about really minor ones—the amount of tax cuts that he talks about in terms of new tax cuts are really minor—and when I say that, I point to the \$100 increase in the personal deduction and the fact that \$100 increase in the personal deduction will result in about an \$11 decrease in taxes for middle income earners. It is minor in comparison to the amount of revenues that have flowed into the Province during this budget year of '05-06.

He talks about us voting against the budget. Well, how can you vote for a budget that has so much irresponsible spending combined with the minor tax cuts? How could he expect us to vote for a budget with \$525 million of new revenues? Normally, there is only \$200-\$300 million of new revenues, with very little relief for property tax payers in this province. How can he expect us to vote for a budget with \$525 million of new revenues, he could have actually removed the education tax off residential property and farmland, not only this year, but forever. How could he expect us to do that? How could he expect us to vote for a budget that, in fact, does not stimulate business in Manitoba, does not create cost certainty for businesses in Manitoba? In fact, we see increases in Manitoba Hydro rates, which creates some concern for businesses in

Manitoba. I am not certain how he expects us to vote for a budget that had so much revenue flow into the province, so much additional revenue flow into the province, and yet with so little tax relief that would, in fact, grow the economy of the province.

* (17:00)

Now I refer to the Canadian Federation of Independent Business. I know they made a pre-budget submission to the minister. They represent 4800 members; 4800 business members in Manitoba are represented by CFIB. They indicate in their report that their most recent quarterly report indicates that Manitoba business owners are among the least optimistic in Canada, significantly lower than the national average when they are asked to predict whether their businesses will be somewhat stronger or much stronger into the future.

Thirty-nine percent of Manitoba businesses, according to the CFIB, indicated they were performing much weaker or somewhat weaker than the previous year. Given the Finance Minister's comments about how strong the economy is, how he is growing the economy and how it is doing so well, why are Manitoba business owners among the least optimistic in Canada with respect to their future, believing that they were performing weaker or somewhat weaker than the previous year? This is under the administration of this Finance Minister.

Mr. Selinger: Probably because they are listening to the misinformation that the member opposite puts on the record instead of the facts as we present them in the budget. If the member says he has read the budget, why did he not acknowledge these tax reductions? Why did he not acknowledge that in the budget it very clearly states, for example, on the farmland school tax rebate, that it is worth \$20 million? Is he calling that inconsequential?

It is very significant for the people receiving those rebate cheques, and it was 13 million when we introduced it right off the hop in the Throne Speech.

The member seems to want to trivialize these things. They exceed anything that was done under the previous government, which the member said was a fiscally responsible government and pro-business friendly. The regime for taxation in all respects in this province is more competitive now, after six years of our government, than it ever was

under the previous government, ever, in their 11 years.

An Honourable Member: Wrong.

Mr. Selinger: Well, put the evidence on the table then. I will show you the rates. Let us do a side-by-side rate comparison in every category, and we will beat you on every category in a side-by-side rate comparison, and that is exactly why the member is misinforming the public, because he does not want to face the truth.

Now, the member asks me a question, and I have answered it. The misinformation the member opposite puts on the record might be a contributing factor to some of those survey results.

Mr. Hawranik: In terms of the tax cuts that are available in the budget, the minister has to admit that a number of those tax cuts that he has quoted were, in fact, announced before the budget, well before the budget. Some of them do not even take effect until next year. When I talked about minor tax cuts, what I am talking about is minor in comparison to the increased revenues, \$525 million in new revenue. Minor tax cuts are almost inconsequential compared to the amount of revenue that was available to the province. That is what I was getting at.

For him to basically indicate that businesses are listening—well, I hope that they are listening to what I have to say, because what I have to say is a valid concern to businesses and 39 percent is not misinformation. I have to correct the Finance Minister. It is not misinformation. What is misinformation is saying that there is a \$13-million surplus in the province in 2003 and 2004, when there is a \$604-million deficit. That is what misinformation is.

Some Honourable Members: Oh, oh.

Mr. Hawranik: Well, I have the mike.

In any event, if he wants to talk about misinformation, we will talk about it. Maybe the misinformation that he put on the record with respect to a \$13-million surplus in '03-04, maybe that somewhat skewed the results as well. Maybe, instead of 39 percent of Manitoba businesses indicated that were performing weaker or somewhat weaker than the previous year, it would have been 69 percent for

all we know because of the misinformation that the Finance Minister has put on the record and into the public.

CFIB also indicates that since '99, and forecasts through 2005, Manitoba's real gross domestic product growth has consistently been below the Canadian average. Consistently. They indicate that, clearly, Manitoba's economy has yet to achieve its full potential relative to the Canadian average.

I indicated to the minister that, obviously, that has something to do with the economic policies that have been presented to Manitobans through the Finance Minister and, clearly, he his policies and his government are clearly responsible for that. I ask the minister what he was going to do to correct that.

Mr. Selinger: If the member from Lac du Bonnet would have read the budget, he would have seen the measures we have taken. I am going to direct him to page D3, what has been done on the small business tax rate.

I have not finished my answer. I have indicated that, if the member would turn to page D3, he would see what we have done for small business taxation.

An Honourable Member: Is that the blank page, Greg?

Mr. Selinger: The blank page represents Steinbach.

Some Honourable Members: Oh, oh.

Mr. Selinger: It is a noisy blank page, but it is a blank page.

Now, on that page D3, reductions in corporate tax rates, it indicates in 1999 that the small business tax rate was 8 percent. In 2005, it is 5 percent, the most significant reduction in small business tax rates in the last couple of decades, at a minimum, maybe in the last 30 years. In '06, it is going to 4.5 percent. In '07, it is going to 4 percent. It is a 50% reduction, and it will be accomplished.

The rate when we came into office was 9 percent. That was the rate the member left as a legacy to the small business community of Manitoba. The rate application was up to \$200,000. It now goes up to \$400,000 as of '05, so that smaller rate, that reduced rate, applies to double the band of income

that it used to apply to before. That rate will also, at the \$400,000 level, go down as we go forward, and since the Second World War, over \$400,000. We are down to 15 percent in '05 from 17 percent, and we will go down to 14 percent. The member asked for concrete measures. I indicate to him they are written and described in the budget. He should be aware of them.

Mr. Hawranik: Does the minister agree that those reductions in corporate income tax rates, in terms of small business, only apply to incorporated businesses, that it does not apply to partnerships and it also does not apply to sole proprietorships? Will he also admit that, in fact, the other provinces are, in fact, doing exactly the same, that they are also reducing their corporate rates, and this is nothing new in terms of reductions across the country?

Mr. Selinger: The member is correct. The corporate rates apply to incorporated companies.

Mr. Hawranik: And the fact that most jurisdictions across the province are, in fact, decreasing their small business corporate rates, along with Manitoba, at least as quickly and sometimes quicker than Manitoba?

Mr. Selinger: I suggest to the member that we have been in the forefront in reducing small business tax rates and increasing the threshold. Other provinces generally have been followers, with perhaps the exception of New Brunswick.

Mr. Hawranik: I think if I had probably asked other Finance ministers from other provinces, they would probably disagree with that statement, and they would say the same for their province.

In any event, according to the CFIB, many small companies are beginning to question whether they have a future in the province, and those are direct words from their report. They said a recent survey found that 6 percent said they were actively considering relocation to another jurisdiction, and a further 26 percent said they would consider relocating if the tax environment does not improve. What is the minister prepared to do to ensure that we do retain, is there any plan for business retention within this province to keep people, keep businesses, keep industry within the province, and to ensure that they do not move to other provinces and create jobs and employment that we need in Manitoba?

* (17:10)

Mr. Selinger: If the member would have been listening earlier, I pointed out to him that total capital investment has increased by 9.9 percent, better than the national increase of 8.5 percent. Consumer spending last year was up 7.5 percent, 50 percent higher than the Canada-wide increase. Retail sales are usually done in the businesses that exist in Manitoba, the majority of which are small business. So there has been a tremendous capacity for Manitobans to use the goods and services provided by small business in this province. So we have done a lot to increase personal disposable income which is used in the local economy, and the member wants to know what the plan is?

I pointed out to him there is a full publication on that. I am tempted to read all 27 pages into the record because I am not sure the member is going to read it and understand it, but we have several important foci for the economic growth strategy in the province, including education, research and innovation, increasing investment, keeping government affordable, growing through immigration, building on our clean energy advantage and building our communities. Those are the general foci of the economic growth strategy, and if the member wants more information, I am happy to provide it to him.

Mr. David Faurchou (Portage la Prairie): Mr. Chairperson, is the minister able to ask a few questions in regard to the Consumer and Corporate Affairs component within his responsibilities?

Mr. Selinger: Yes, I am willing to do that. I note for the member that we are still in global. We have not gotten to the branches. If he wants specific information, I will take some of those questions and answer what I can now and get the rest of the information when we get to the specific branches.

Mr. Faurchou: Mr. Chairperson, last year we had opportunity to discuss the initiation of the Claimant Adviser Office, and I see this year, a full year's operation, there will be a significant increase in the cost of operating that office.

I might ask the minister this: Within the personnel of this office, is there bona-fide legal counsel available to persons that are requiring services from this office? Is there a qualified lawyer?

Mr. Selinger: The member is asking questions which should properly be answered when we are on that specific line in the budget. Those are detailed questions. I would be happy to answer it for him then when we get into the specific line-by-line review of the budget.

Mr. Faurchou: I believe, then, Mr. Chairperson, that that was perhaps my most global question, asking of the operation of a specific department. Other questions that I have are more specific as to the number of contacts with landlords last year and the number of landlords that had effectively been required to pay out monies to the Residential Tenancies Branch for overcharging under the rent control legislation in place in the province. So I am really at this point wondering when we will be able to. Well, very specifically then, are the personnel from Consumer and Corporate Affairs, Residential Tenancies Branch available at this point in time?

Mr. Selinger: Yes.

Mr. Faurchou: Mr. Chairperson, we have about 15 minutes remaining, and if we can go line by line on the Consumer and Corporate Affairs would that require a change of personnel here today?

Mr. Hawranik: Yes, just to let the minister know, I am prepared to go line by line, to end the global discussion. I am wondering whether or not we can call the personnel down from Consumer and Corporate Affairs to deal with that part of the budget first, and not necessarily go in the order that it appears, but do the Consumer and Corporate Affairs first. Would that be acceptable to the minister?

Mr. Selinger: What would be acceptable to me is for you to give me an indication of where you want to go after that so I do not have all these people sitting up here.

Mr. Hawranik: Once Consumer and Corporate Affairs is through in terms of line by line, I would like to start at the beginning of the book and then continue the line by line after that.

Mr. Selinger: I will just safely assume then that the remaining time will be used on Consumer and Corporate Affairs, and the rest of my officials can be released?

Mr. Hawranik: Yes.

Mr. Selinger: All right. I am agreeing to going into Consumer and Corporate Affairs with a line-by-line approach on the understanding the rest of my officials are released for the day.

Mr. Chairperson: Would the minister kindly introduce the staff.

Mr. Selinger: Yes. I have with me the Assistant Deputy Minister responsible for Consumer and Corporate Affairs, Alex Morton.

Mr. Chairperson: The table is now open for questions.

Mr. Faurchou: Beginning on page 107, is the staff and related expenditures pertaining to the Residential Tenancies Branch? I see that there is a significant increase in salaries and benefits over last year. I am wondering, is this in anticipation of greater engagement of this particular branch of the department insofar as the legislation has changed significantly of late regarding the number of properties because all new properties now up, I believe, to 15 years are not subject to rent controls.

* (17:20)

Mr. Selinger: Yes, the member asks, I believe, Why is there an increase in money here?" There are, potentially, coming to the House, changes in landlord-tenant legislation, which would require more staff to process some of the measures that will be taken there, and if that legislation, for whatever reason, is not passed by the House, then those resources would not be expended.

Mr. Faurchou: I know there is legislation on the Order Paper, and I have yet to receive a briefing as to the extent of the impact on the branch by that legislation, so I am looking forward to being briefed on that legislation.

Could the minister tell me how many landlords last year were required to make adjustments and monies payable to the branch based upon rent control legislation, and how much money was required to be paid into the branch by the landlords? So it is the number of landlords and how much.

Mr. Selinger: Does the member have the annual report for 2003? I just want to clarify if he has it,

because we published the information there. It is going to take a little longer to publish the annual report this year because of some changes in technology and, as you know, the most senior member of that branch is on medical leave right now, so it is going to take a little longer to publish the information for '04, but we hope to have it out by June. We do have the data for '03, and if the member wants me to circulate that to him now, I am happy to.

Mr. Faurchou: I am aware of the figures in the annual report, but I do not believe that is as specific as, perhaps, I am asking. The number of landlords that were required to pay monies into the branch, that effectively, then, is the branch's responsibility to make efforts to contact renters that have since left the rental units in question. I am wondering, also, in regard to that, the amount of staff time that this has consumed and how much, essentially, of the monies that the landlords paid in actually was able to be placed in the hands of the renters that were overcharged.

Mr. Selinger: I am going to have to take that specific question as notice and try to get the information for the member as soon as I can.

Mr. Faurchou: Clarify for me, if you can, the actual process of the monies. Once the Residential Tenancies Branch has made a determination that there have, in fact, been overcharges to renters of a specific building, the landlord returns the monies, refunds the overcharged monies as was determined by the branch. All those renters that have left the building and are more difficult to be contacted, is it the responsibility of the Residential Tenancies Branch to make efforts to contact those.

I would like a little explanation as to, perhaps, the procedure being followed by the branch to effectively try and contact the former renters of a specific building. If the renters are not able to be contacted, what then happens to the monies that the landlord has put in the care of the Residential Tenancies Branch?

Mr. Selinger: Again, I note the member is pursuing a certain area of questioning around a certain set of potential circumstances. I am going to have to take the question as notice and get specifics for him. We do not have that level of specific detail with us at the

moment, but I will endeavour to get the information for him.

Mr. Faurchou: Would that possibly be available for Monday, or is it going to take longer than the morning on Monday and Friday, tomorrow?

Mr. Selinger: My officials will make best efforts. I am sure the member is aware of that. I will not guarantee it because I am not going to commit them to working on the weekend, but I will commit that they will try to get the information. As soon as I get it, I will convey it to the member.

Mr. Faurchou: Just following that same line of questioning, I would like to know, after it is determined where the monies are when the renter cannot be located, could you please follow the entire process of where the monies end up and over what

time period they are held in trust, so if you could give a complete understanding of that.

Mr. Selinger: The member is asking me how this whole thing unfolds, how the money is held back, where it goes and where it goes if it does not get returned to a renter who has moved. We will try to outline for him the whole sequence of events and the procedures that are followed.

Mr. Chairperson: The time being 5:30 p.m., committee rise. Call in the Speaker.

IN SESSION

Mr. Speaker: The hour being 5:30 p.m., this House is adjourned and stands adjourned until 1:30 p.m. on Monday.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, April 21, 2005

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