



**First Session - Thirty-Sixth Legislature**

**of the**

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**(Hansard)**

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The Honourable Louise M. Dacquay  
Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

**Members, Constituencies and Political Affiliation**

<u>Name</u>	<u>Constituency</u>	<u>Party</u>
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David	Riel	P.C.
PALLISTER, Brian, Hon.	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupert's Island	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 8, 1995

The House met at 1:30 p.m.

**PRAYERS**

**ROUTINE PROCEEDINGS**

**PRESENTING REPORTS BY  
STANDING AND SPECIAL COMMITTEES**

**Committee of Supply**

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

I move, seconded by the honourable member for River Heights (Mr. Radcliffe), that the report of the committee be received.

**Motion agreed to.**

**Introduction of Guests**

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all members to the public gallery where we have twenty-four Grade 5 students from Royal School under the direction of Mrs. James. This school is located in the constituency of the honourable First Minister (Mr. Filmon), and from Southwood School, sixty Grade 5 students under the direction of Mr. Abe Friesen. This school is located in the constituency of the honourable Minister of Natural Resources (Mr. Driedger).

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

**ORAL QUESTION PERIOD**

**Winnipeg Jets  
Public Shares**

**Mr. Gary Doer (Leader of the Opposition):** Last week, the Premier indicated on three occasions that the provincial shares could potentially be reduced to 9

percent. This week, the Minister of Finance (Mr. Stefanson) and the Premier indicated that the provincial and city shares for the Winnipeg Jets would be equal to 36 percent.

It has been reported that Mr. Shenkarow's group will receive 22 percent equity in the hockey team. I would like to ask the Premier, in light of his comments that the MEC group is responsible for raising \$111 million for this project to proceed, does that mean that the MEC group is responsible for raising \$111 million and will only receive 42 percent shares of the team?

**Hon. Gary Filmon (Premier):** Madam Speaker, as I indicated last week, the additional money that is being put into the investment in the team would not dilute the value of the shares that are owned by the taxpayers, that is, through the city and the province. More money would be put in, and that would create a larger share base, that is, a larger equity base, and our equity would still be proportionate to the value that it had in going into the deal. We would not lose any value of the equity, but there would be more equity in total distributed amongst more investors.

**Mr. Doer:** Perhaps the Premier could table the percentage shares that we will all have in terms of the public shares and their values and the equity, and table the whole proposal so that we can understand, the public can understand this whole proposal and we will not keep going back and forth and back and forth between the Premier, the Minister of Finance (Mr. Stefanson) and some of the private investors.

Madam Speaker, on June 6, the Premier indicated that Mr. Asper's representatives were at the table. On June 6, we have a letter from Mr. Asper to another private-sector group saying that he is not being represented and he is not part of the negotiations. The Premier has been using the term "investments" repeatedly in this House in terms of the proposal. Mr. Asper is saying clearly these are not investments, these are donations.

I would like to ask the Premier, in light of the conflict between both Mr. Asper's role from that of what the

Premier stated and the type of financial arrangements that are being made, can the Premier indicate today whether the charitable status hinges upon the use of the terms "investments" or "donations" and has the federal government approved the charitable status for the investments in the privately owned hockey team?

\* (1335)

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, just to clarify for the Leader of the Opposition, I think the reason that expressions like that are being utilized is some individuals are prepared to actually invest in ownership of the hockey club, other individuals are prepared to put money into an endowment fund. That is why you get the description between two types of investments by people who are prepared to invest in preserving NHL hockey here in Manitoba.

We have had no indication from the private-sector group as to any feedback they have received from the federal government in terms of any charitable donation status, Madam Speaker.

#### **Winnipeg Arena Financial Shortfall**

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, we are quite worried now that this may set up three classes of shares, and perhaps the Premier (Mr. Filmon) and the Minister of Finance (Mr. Stefanson) could table for the public, today, the instructions they have given Mr. Bessey and Mr. Benson on how we are going to negotiate all of these matters, both the percentages, the voting rights, the equity, all these issues that are going back and forth and back and forth and creating quite a deal of confusion, both in this Chamber, I would suggest, and in the public.

A further question to the Premier: Mr. Frost indicates, again, in his letter to City Council, which is carbon-copied to Mr. Benson, that in fact the \$17-million shortfall for the arena will be revisited by the city and the province. Can the Premier indicate who will be responsible—given the fact that we have given the private-sector group all the concessions, the revenues for parking, the revenues for the luxury box

seats that we are going to build—for the \$17-million shortfall?

**Hon. Gary Filmon (Premier):** Madam Speaker, of course I want to just point out that the confusion is being deliberately perpetrated by the Leader of the Opposition for his own political purposes.

The instructions that have been given to those who represent us at the table are to protect the public interest.

In response to the third aspect of his question, which was about the \$17-million shortfall, we have always indicated, both to the city and to the private-sector people involved, that we retained options to continue to pursue the federal government for contributions as well as options with respect to other elements of the revenues to the construction of the arena, such as the naming of the building and the sale of the advertising on the clock and that sort of thing, and that we retained those other options to make up the shortfall.

#### **Winnipeg Arena Environmental Review Process**

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, with a new question to the Premier: We have in our possession a letter which I will table from the Western Economic Diversification office written on February 14, 1995, which is carbon-copied to the Department of Environment, requesting that the Department of Environment and the Province of Manitoba outline a number of specifics to comply with the federal and provincial environmental review process for the MEC site selected at The Forks.

Could the Premier indicate today, have they responded to that letter and could he table that response in the Chamber today?

**Hon. Glen Cummings (Minister of Environment):** Yes, I can assure the member that we have begun discussions with the federal authorities to begin their screening process and that we have undertaken to make sure that appropriate review and judgment is brought to bear on this project. I would wait to look at the specifics of the letter before I answer in more detail.

\* (1340)

### Public Housing Work Orders

**Mr. Doer:** Madam Speaker, this letter was written February 14, 1995, on a fairly significant project, an \$111-million capital project.

Madam Speaker, I would like to ask the minister if he could table today the request from the Western Diversification office for the province to provide a project description, environmental interactions, environmental effects, the sustainable use of renewable resources, direct effects on human health, socioeconomic conditions, natural resources and physical and cultural heritage.

Could the minister and the Premier (Mr. Filmon) today table that material that was requested on February 14, 1995, from the provincial government?

**Mr. Cummings:** No, I am not prepared to table the information the member is seeking, but I can assure him that we have begun the process, as I stated earlier. I want to assure him and you, Madam Speaker, that this request has been dealt with appropriately.

**Mr. Doer:** Madam Speaker, they will not table the share proposal. They will not table the equity proposal. They will not table the material on the charitable status. They will not table the make-up of the team. They will not table the environmental material. Perhaps we should open up the windows and open up the doors and let the public come in.

My final question to the Premier: The letter goes on to state that the Province of Manitoba will have to outline a public consultation process for The Forks site. I would like to ask the Premier (Mr. Filmon), when will that public consultation process take place as part of their plan, and how will it take place, so that the public of Manitoba can be involved, rather than just backroom wheeling and dealing that appears to be going on right now?

**Mr. Cummings:** Madam Speaker, as I stated some time ago in the House, when we have the appropriate information to deal with the questions appropriately, we will do the public consultation.

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, I have been asking over the last number of days questions about the enforcement of inspectors' work orders and repair orders for rental properties, and the government has tried to minimize the extent and significance of this problem, but I would suggest that the residents on Young Street living with cockroaches know full well that this is a very serious problem.

I would like to ask the Minister of Housing, since this building is a Manitoba Housing Authority property, can he advise the House, does the problem continue to be complaint-driven, as other Residential Tenancies matters are, or can the minister describe a regular or long-term treatment program for this problem since it is a long-term problem for this building on Young Street?

**Hon. Jack Reimer (Minister of Housing):** Madam Speaker, I would like to report to the member for Radisson in regard to the cockroach infestation at that particular address. The phone call that came from the tenant came in the morning.

Shortly after noon, the director of tenancy and community relations was on the scene. There was an evaluation done. There was the recognition that there was a problem. There has been arrangement for fumigation of that particular suite. So it was a proactive situation within a very short while. Within six hours, there was a direction being outlined by the Housing director.

**Ms. Cerilli:** Can the minister clarify then, since this time it was complaint-driven, if there will be an ongoing treatment program for this building on Young Street since this has been a long-standing problem?

We cannot just continue to have it responded to each time a tenant complains. Will they develop a long-term, regular treatment program, proactive program—

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

**Mr. Reimer:** Madam Speaker, what I can report is that the instruction has been given to go to the source of the problem in that building and find where it has been generated from and eradicate it.

### On-Site Caretakers

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, would the minister agree that would occur much more effectively if there was an on-site caretaker for this property, which is a 12-storey property, and can the minister assure the House that there will be an on-site caretaker for this public housing development?

**Hon. Jack Reimer (Minister of Housing):** Madam Speaker, as indicated to the member, there was a problem. It was recognized as a problem. There was an action taken. There was an action taken not only to eradicate it in that particular suite, but in trying to find the source of the nesting of the cockroaches for the elimination.

\* (1345)

### 911 Service Yellow Pages Placement

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, this week there have been several incidents concerning 911 and emergency ambulance services.

There is confusion regarding this area. That is why we are very concerned with the release of the new Yellow Pages. I will table copies of pages 1 and 2 of the Yellow Pages for the Minister of Health, and I would like to ask the minister, is the minister not concerned that even more confusion will be created and possibly delays in the provision of emergency ambulance services by virtue of the fact that directly across from the 911 announcement in the Yellow Pages is a major ad by a private stretcher ambulance company, which could result in individuals not knowing where and how to phone for this kind of service?

**Hon. James McCrae (Minister of Health):** Madam Speaker, of course, I would be like the honourable member and not want anybody to be confused about

what services are available, especially in emergency situations.

As far as stretcher services, that has been something that has been the subject of some review by the Department of Health and the Department of Highways and Transportation.

I do not think that I want to comment on such short notice with respect to a page in the Yellow Pages. I will consider the matter.

**Mr. Chomiak:** Madam Speaker, my supplementary is to the minister responsible for the telephone system.

Can the minister explain how it is and who vets these kinds of ads that this kind of situation should occur in the Yellow Pages?

**Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act):** Madam Speaker, the member has raised an issue of whether the specific location is appropriate. I will talk to MTS staff to see why they did it or if they gave consideration to the nature of the question the member is asking.

### Private Ambulance Services Regulations

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, my final supplementary is to the Minister of Health.

Will the Minister of Health today advise this House when regulations will be brought in by the Department of Health, as per instructions in his own reports that he has received, concerning the regulation and training of individuals who operate these stretcher ambulance services?

**Hon. James McCrae (Minister of Health):** The honourable member's first question started out with a derogatory sort of tone with respect to anything that is run by the private sector, which right away leads one to wonder what the honourable—[interjection] Touché, good point—member's point really is: if he is concerned about the care and safety of people or if he has some more philosophical matter on his mind.

Certainly we do not want anyone to feel that somebody held out, holding themselves out to be something they are not. That would be inappropriate. I would not want to go along with that and we would want to see that is regulated against.

I expect in the near future to be able to respond to any regulation or licensing requirements that would come forward for stretcher services.

\* (1350)

### **Keewatin Community College Women's Sponsorship Program**

**Mr. Oscar Lathlin (The Pas):** Madam Speaker, my questions are directed to the Minister of Family Services today.

The women's sponsorship program at KCC is being eliminated, forcing nine single parents off training, seven of whom are in the final year of their program. Not only were these single parents forced off training and education, but they have been forced onto welfare, essentially putting 25 women and children on welfare.

My question for the minister this afternoon is, seeing as how this government is spending \$37 million on the Jets and, by eliminating this program, they are hoping to save \$17,000, how much will it cost the taxpayers of Manitoba to put these women and children on welfare, and will the minister get together with the Minister of Education (Mrs. McIntosh) and see if this program can be restored?

**Hon. Bonnie Mitchelson (Minister of Family Services):** Madam Speaker, I will try to answer all three questions that were just put, first of all, indicating the specifics of the program that he mentioned I will take as notice and get back to the member with a response once I look at the specific details.

As far as the bigger issue of trying to provide supports for single parents so that they can move off the dependent system that has been in place for many, many years in the province of Manitoba and right across the country, we are working aggressively trying new pilots, one being the Taking Charge! initiatives

that will pilot new and innovative ways of working with individual women to make personal plans around moving from the dependent welfare system to independence. Those will include all kinds of initiatives: on-the-job-training, education opportunities and other forms of education that will prepare women who are presently dependent on a welfare system for the workforce.

**Mr. Lathlin:** Madam Speaker, perhaps this minister could explain the reasoning behind forcing nine women off training and education—seven of those nine women were in the final year of their training programs—and forcing them onto welfare. Can the minister explain why that makes sense to her and not to us?

**Mrs. Mitchelson:** Madam Speaker, I totally reject the preamble and the comments and the insinuations that the member makes around forcing anything to happen. Our government has been extremely proactive in trying to find new ways of delivering service for women and children in the province of Manitoba and we will continue along that path.

We want to ensure that when women are trained to enter the workforce, there are meaningful jobs at the end of that training process.

### **Community Colleges Staffing Reductions**

**Mr. Oscar Lathlin (The Pas):** Will the minister table in this House a complete list of all staff positions, programs and courses that have been cut at KCC, Assiniboine Community College and at Red River Community College this year, along with her position on those cuts? Why are they being cut?

**Hon. Bonnie Mitchelson (Minister of Family Services):** I am a little confused by the request for information that I believe is information that probably could be discussed this afternoon in the Estimates of the Department of Education and Training where the community colleges are funded.

I would hope that the member for The Pas would attend those Estimates this afternoon, and hopefully we might be able to provide the opportunity for—

### Point of Order

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, as you know, a matter of attendance is not to be pointed out. Of course, the member for The Pas (Mr. Lathlin) was at Estimates yesterday asking these questions. Perhaps the minister could get it straight.

**Madam Speaker:** Order, please. In relation to the point of order, indeed, the Leader of the official opposition does have a point of order. I would remind all members that in response to questions, Beauséjour 481 clearly states that there should be no reference to the presence or absence of specific members.

\* \* \*

**Madam Speaker:** The honourable Minister of Family Services, to quickly complete your response.

**Mrs. Mitchelson:** Madam Speaker, I certainly do apologize to my honourable friend if he felt that I was referring to his absence, but I would invite him to pose those questions during the Estimates process in the Department of Education and Training that is ongoing this week.

I would also invite him to pose those questions when the Estimates of the Department of Family Services are before this Legislature in the very near future.

\*(1355)

### Winnipeg Arena Impact of Relocation

**Ms. MaryAnn Mihychuk (St. James):** Madam Speaker, my question today is to the Minister of Finance.

In regard to the existing Winnipeg Arena, a comprehensive environmental assessment report, as we earlier heard, is required under the act. A major component of this assessment report is the economic impact of the existing Winnipeg Arena.

Will this government finally be open with the people of Manitoba and the people of St. James as to the

impact of the new arena being built at another location and table the information?

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, we have been open throughout this whole process, provided as much information as we possibly can as the whole process unfolds. There have been many Manitobans participating very actively in this whole process over the course of many months. If the members of the opposition choose not to participate, that is their own choice.

In terms of the issue of the existing arena, it currently falls under the mandate of the Winnipeg Enterprises Corporation. The City of Winnipeg has involvement with that organization through the appointment of members to the Winnipeg Enterprises Corporation.

They will be dealing with the issues affecting any adjustments if a new facility is put in place downtown, Madam Speaker, in terms of the ultimate utilization of the current arena and obviously the impact on other facilities that fall under their management.

### Existing Facilities

**Ms. MaryAnn Mihychuk (St. James):** My supplementary question to the Minister of Finance: What conditions are placed on the use of the existing arena in this secret MEC deal?

**Hon. Eric Stefanson (Minister of Finance):** I certainly do not agree with the member. She refers to the secret MEC deal. There are aspects of discussions that are taking place now to close an agreement, but the entire process, the entire discussions of all of the issues, have been issues that have been discussed at great length not only here in this Chamber but indeed throughout our province.

In terms of any restrictions on the existing facility, those will be discussed with the current landlord, Winnipeg Enterprises Corporation. I believe there are some discussions going on in terms of the whole area of competition, what uses the old facility might be put to in relationship to what a new facility, if built, would be utilized for. But those are discussions that are taking place or will be taking place with the Winnipeg



Enterprises Corporation in terms of the future utilization of that facility.

There has been a whole range of scenarios have been talked about, and those will be ongoing.

**Ms. Mihychuk:** Will the minister now confirm that this deal does in fact mothball the existing Winnipeg Arena?

**Mr. Stefanson:** No, Madam Speaker, I will not confirm that.

### **Property Taxes Education Levy**

**Mr. Kevin Lamoureux (Inkster):** My question is for the Minister responsible for Urban Affairs.

In Winnipeg we have the highest property tax virtually in the country. The reason for that is because of the education levy, both the provincial levy and the school board levy.

**Madam Speaker:** Order, please. The honourable member for Inkster, to pose his question.

**Mr. Lamoureux:** My question is to the minister. Given the response that we have been hearing from City Hall and particularly in the city of Winnipeg and the public's concern regarding this issue, what does this minister plan to address this very serious problem in terms of the school taxes on the property tax bill?

**Hon. Jack Reimer (Minister of Urban Affairs):** Indeed, it is a refreshing pause to hear the member for Inkster concerned about taxation and the implications that it has on the people who are paying for it. I can say that the matters before the City Hall have not been put forth to the department as to what type of direction or redirection they were looking for in their taxation. At that time we will be able to review or discuss their presentation as to what they feel is the taxation base that they are looking for.

\* (1400)

**Mr. Lamoureux:** A supplementary question to the Minister of Finance: Is this government not prepared to address the inequities that are there currently because we continue to further rely on the financing of education through property taxes as opposed to relying on general revenues?

Will this government, given its new mandate, finally take action and address this issue so that the property taxpayers of this province will be given a break?

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, in this year's budget we held funding consistent for education. In fact, there was a very slight increase overall in our education funding. We are seeing adjustments being made to funding levels for education right across Canada. Many provinces reduced funding for education across Canada. We did not do that here in Manitoba.

Obviously, decisions around utilization of the dollars they have, the expenditures of those dollars are decisions that are made by autonomous school boards elected by the public.

### **The City of Winnipeg Long-Term Funding Agreements**

**Mr. Kevin Lamoureux (Inkster):** To the Minister of Urban Affairs: Would the minister consider multiyear agreements on all funding to the city to allow for longer term planning to help the city achieve its proposed financial management plan?

**Hon. Jack Reimer (Minister of Urban Affairs):** Madam Speaker, the member for Inkster is bringing up a hypothetical speculation on a proposal that has not been put forth. The discussions have not even been implemented on any type of redirection of taxations and the basis behind it.

### **Voters' Lists Public Postings**

**Mr. Gord Mackintosh (St. Johns):** Madam Speaker, my question is to the First Minister.

During the last election, many Manitobans who are increasingly concerned about their own personal safety expressed concern about the posting of voters' lists on street corners and in conspicuous places. I heard from seniors and I heard from a woman who was in hiding from a stalker.

Would the First Minister explain why the government has repeatedly ignored the recommendations of the Chief Electoral Officer in reports in 1990 and 1993 which in 1993 stated, I strongly urge that the act be changed so as to delete the public postings of the voters' lists?

**Hon. Gary Filmon (Premier):** I thank the member for St. Johns for asking that question, Madam Speaker.

It gives me the opportunity to indicate that we have asked Legislative Counsel to draft the appropriate amendments for implementation for the upcoming municipal elections this fall, and we would hope that we would receive the co-operation of the opposition in dealing with that prior to June 30.

**Mr. Mackintosh:** Well, since the matter was not in the throne speech, Madam Speaker, we will trust the First Minister to bring that legislation in.

My final question to the minister is, would he also support limiting access to the voters' list to election-related purposes so that we can prevent salespeople, direct mail firms, bill collectors from using the list, which was also recommended by the Chief Electoral Officer?

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** Madam Speaker, I would like to tell the member that I think we need to look actually at a very wide strategy to access of some personal information, and though the First Minister has indicated that it is the intention of this government to proceed on The Elections Act very specifically regarding the posting, I would like to tell him the Department of Justice is in fact looking at a strategy for access to information which may in fact be used the same way. We are very concerned, particularly about the personal safety of Manitobans.

### **Mossy River Flooding**

**Mr. Stan Struthers (Dauphin):** Madam Speaker, my question is for the Minister of Natural Resources.

As the minister is aware, there are a total of seven rivers that flow into Lake Dauphin and only the Mossy River that drains it. It goes without saying that this year's flooding has put even greater pressure on the Mossy River.

The minister has indicated to the R.M. of Dauphin that a channel out of Lake Dauphin will be surveyed and built.

My question for the minister is this: Is this project going ahead, and, if so, how far along is the surveying process?

**Hon. Albert Driedger (Minister of Natural Resources):** Madam Speaker, I would like to take this opportunity to give credit to the Lake Dauphin Advisory Committee that was established by my predecessor some years ago.

Where you had diversified interest groups that all had different views as to what should happen, the advisory committee basically has done a tremendous job of getting everybody thinking along the same lines, and they have made recommendations related to improvements that should take place, and my department is considering those improvements.

**Mr. Struthers:** This department does make the final decision, not the advisory board.

Can the minister explain to what extent this channel will alleviate the pressure on Lake Dauphin and how the communities downstream will be affected?

**Mr. Driedger:** Madam Speaker, first of all, I did not indicate that the project was moving ahead at this time. It is a matter of the finances being able to be put into place, so that we can proceed with it.

But I have to say that the planning basically has been done, and I am very comfortable that the engineering

people who have designed this have done it with the intention in mind that there was going to be no downstream effect to the people who are—it should be of benefit to all people who are involved with the project.

### **Shellmouth Dam Drainage System**

**Mr. Stan Struthers (Dauphin):** Madam Speaker, can the minister tell the House whether he has a plan that addresses the flooding concerns of all communities affected by the drainage system flowing from the Shellmouth Dam?

**Hon. Albert Driedger (Minister of Natural Resources):** Wow. Madam Speaker, that is a very, very complex question. I would invite the member for Dauphin that, once I have the opportunity in my Estimates, I would be prepared to go through in detail many of the complicated issues that are involved with the Assiniboine River flooding.

I would just like to say at this time that what we experienced this year has been a record all-time flood along the Assiniboine River and the valleys and the people affected there. We have never had anything like that in history, as far as our records show.

I am prepared to discuss the implications of the flooding and the drainage works with the member once we get down to my Estimates.

### **Bill C-89 Minister's Presentation**

**Mr. Gerard Jennissen (Flin Flon):** Madam Speaker, my questions are for the Minister of Highways and Transportation.

Since this government was first elected, Manitoba has lost 3,000 rail jobs. In fact, 206 jobs were cut by CN Transcona two days after the election.

This week being National Transportation Week, I ask the minister whether he has made a submission to the federal government over the sale of CNR, that is Bill

C-89, and if he did so, whether he can table that submission today.

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, certainly our staff and myself have had discussions with the appropriate people in Ottawa.

Our intention or desire with CN is to be sure that we have a second competing railroad for the shippers of western Canada, most particularly for Manitoba, so any initiative that allows CN to become stronger as a service provider for shippers we are in support of.

### **Rail Line Abandonment**

**Mr. Gerard Jennissen (Flin Flon):** Madam Speaker, to the same minister, how many branchlines does the minister expect will be abandoned in rural Manitoba over the next 18 months as a result of the sale of CNR and further deregulation?

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, I cannot give the member a specific indication, other than to say a lot fewer will be abandoned in the future than have been abandoned over the last 25 years. Manitoba does not have very many lines that are not at reasonable service use at this stage.

We do not know exactly what the details will be in the new proposals brought forward by the federal government for the national Transportation Act amendment. We will see at that time. Clearly, at this time, there is a process for abandonment that involves communities, shippers and the railroad itself, but I understand there will be amendments that may alter that.

Clearly, we want to be sure that lines are kept open for use by shippers, and where a line is not to be used by the main company, we want it to be converted to a short line.

We have introduced legislation, passed it through this House, to allow the establishment of short lines in Manitoba to serve shippers, to move those loaded cars

to the main lines. We believe that is a very efficient process.

\* (1410)

**Mr. Jennissen:** My final supplementary, Madam Speaker: Why has the minister and this government not spoken out against potential loss of rail lines which will cost this province, according to the government's own report, \$85 million annually in higher shipping and road costs?

**Mr. Findlay:** Madam Speaker, the whole transportation industry is going through a massive revolution right now. Massive changes in terms of subsidies that Ottawa used to pay to keep the system alive are disappearing overnight.

The competitive people supplying those services have got to be able to make adjustments, and the shipper who is paying the cost has got to be able to compete in the world market, so everybody has to get their costs down.

I have to tell the member, everybody in the industry is recognizing that. Everybody is moving towards trying to be sure we can survive competitively in this global economy, moving products from here and in greater volumes than ever before, and I think that the process is moving reasonably well to allow everybody to adjust. We want to maximize the ability to serve our shippers, to move products and to create jobs in Manitoba.

I will just add for the member, he has forgotten to recognize that over 400 jobs have come to Winnipeg because of the customer service centre the CN put in Winnipeg. Four hundred are coming, and more likely.

**Manitoba Women's Advisory Council  
Executive Director**

**Ms. Diane McGifford (Osborne):** Madam Speaker, my questions are for the Minister responsible for the Status of Women.

The mission of the Manitoba advisory council, previously known as the Manitoba Advisory Council

on the Status of Women, is to provide advice to the government on the status of women and so encourage the full and equal participation of Manitoba women in our communities. I understand that since at least January 1995, the council has had no executive director.

My first question is, how can the advisory council provide advice on women's rights and issues when it lacks an executive director to direct the research necessary to inform that advice?

**Hon. Rosemary Vodrey (Minister responsible for the Status of Women):** Madam Speaker, the executive director did move, in fact, to another country. However, the Advisory Council on the Status of Women does have a chairperson, and the chairperson of that advisory council has been the one who has been directing the activities of the advisory council. I believe she has done so with very strong consensus from the advisory council itself.

The advisory council has been very active. I know the member will want to speak in Estimates about the work they have done and the numbers of meetings that they have had in various places in Manitoba and really how very active they have been on a number of issues both with community contact and also within their own work.

**Ms. McGifford:** Madam Speaker, will the minister tell this House when the director's position will be bulletined and filled through the Civil Service Commission?

**Mrs. Vodrey:** Madam Speaker, to my knowledge, that is now in progress.

**Ms. McGifford:** Does the lack of a full-time executive director at the council explain why the government has no substantive policies on women's issues and rights?

**Mrs. Vodrey:** Madam Speaker, I am very pleased to take a little time this afternoon to speak about a number of the programs which this government has put into place on behalf of women, but, very specifically, through our Women's Directorate this government put in place the Training for Tomorrow scholarships.

The Training for Tomorrow scholarships instituted by this government are directed at women, women who will undertake studies at our community colleges in areas of, particularly, nontraditional studies for women, but also very particularly in areas of programming in which labour market forecasts indicate that there will be jobs at the end.

**Madam Speaker:** Order, please. The time for Oral Questions has expired.

### ORDERS OF THE DAY

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, would you call Bill 8 for second reading, please.

### SECOND READINGS

#### Bill 8—The Off-Road Vehicles Amendment Act

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, it is my pleasure to move, seconded by the Minister of Rural Development (Mr. Derkach), that Bill 8, The Off-Road Vehicles Amendment Act (Loi modifiant la Loi sur les véhicules à caractère non routier) be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mr. Findlay:** Madam Speaker, I am pleased to rise today to introduce Bill 8 amending The Off-Road Vehicles Act.

The amendments relate to four main policy proposals, two of the proposals being brought forward at the request of Manitoba Public Insurance. You will recall that during the last session of the Legislature The Off-Road Vehicles Act was amended by introducing a mandatory annual coterminous registration, an insurance cycle for off-road vehicles.

\* (1420)

After further program review the corporation identified the need for two additional amendments. The first amendment relates to the introduction of

staggered registration renewals for off-road vehicles. Off-road vehicles are currently registered for a fixed period, October 1 to September 30 of the next year. Under a staggered renewal system a vehicle owner will be assigned a renewal date based on the customer's birth date plus an offset of four months. This parallels the corporation's plan for the staggering of motor vehicle registrations which is currently being implemented. By staggering renewals for off-road vehicles, Manitoba Public Insurance will be able to provide greater convenience to the customers by consolidating all registration renewal requirements on one day.

The second amendment proposal my department is introducing, on behalf of Manitoba Public Insurance, relates to authority for the registration of motor vehicles to cancel the registration of an off-road vehicle due to an indebtedness by the owner to the Manitoba Public Insurance or the Registrar of motor vehicles.

The Registrar currently has the authority with respect to indebtedness for motor vehicle registrations and drivers licences. Due to the compulsory nature of off-road vehicle registration and insurance, it is necessary to have such a mechanism in place. Without this authority there are no consequences for a person who pays off-road vehicle registration and insurance fees by an NSF cheque or is indebted for any other reason related to the registration of an off-road vehicle.

Madam Speaker, there are two remaining amendment proposals, both of a housekeeping nature. The first is an increase to the property damage threshold for off-road vehicle accidents required to be reported to the police. My department is proposing to increase the threshold from the current \$500 to \$1,000 of total property damage in a single incident. This will ensure consistency in reporting of all vehicle accidents in Manitoba. The current threshold for motor vehicle accidents being reported to the police is \$1,000.

It will also bring Manitoba into harmony with the majority of other Canadian jurisdictions. Currently Manitoba is one of five provinces reporting thresholds under \$1,000, and there is no consistency or a reporting threshold for jurisdictions who maintain levels below \$1,000. We are now with the majority.

I should point out to my honourable colleagues that the average dollar value, and this will surprise a few people, of off-road vehicle property damage is higher than that for motor vehicle claims. Statistics maintained by MPIC indicate that the average first-party damage claim paid out during the last three years is in excess of \$2,000 for off-road vehicles. In contrast the average motor vehicle property damage claim is \$1,800. Surprising.

The final amendment proposal introduced for this bill is necessary to ensure the legal integrity of certificates a Registrar provides as evidence in court on driving-related charges. The charges relate to the legal technicality raised in a Manitoba Court of Appeal decision regarding the court certificate provisions of the Manitoba Highway Traffic Act.

The relevant provisions in The Highway Traffic Act were amended during last session of the Legislature, and while similar provisions in The Off-Road Vehicles Act were not the focus of the Appeal Court decision, they are nonetheless subject to the same criticism and are being amended for that reason.

Madam Speaker, with that overview I am pleased to introduce these amendments which are put forward in the interests of serving customer needs as well as harmonizing some of the administrative rules to complement legislative changes to The Highway Traffic Act last session, and I look forward to discussing the bill in detail in committee.

I would like to also tell the member for Flin Flon (Mr. Jennissen) and the member for St. Boniface (Mr. Gaudry) I have spreadsheets here that I will deliver to them so it will give them a better understanding of the amendments being proposed and the reasons for them.

Thank you very much, Madam Speaker.

**Mr. Doug Martindale (Burrows):** Madam Speaker, I move, seconded by my honourable colleague the member for Point Douglas (Mr. Hickes), that debate be adjourned.

**Motion agreed to.**

## House Business

**Hon. Jim Ernst (Government House Leader):** I move, seconded by the Minister of Finance (Mr. Stefanson), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider the Supply to be granted to Her Majesty.

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty, with the honourable member for La Verendrye (Mr. Sveinson) in the Chair for the departments of Consumer and Corporate Affairs; and Industry, Trade and Tourism; the honourable member for Sturgeon Creek (Mr. McAlpine) in the Chair for the Department of Education and Training; and the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Health.

\* (1430)

## COMMITTEE OF SUPPLY (Concurrent Sections)

### Consumer and Corporate Affairs

**Mr. Deputy Chairperson (Ben Sveinson):** Order, please. Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply meeting in Room 254 will resume consideration of the Estimates of the Department of Consumer and Corporate Affairs.

When the committee last sat, it had been considering item 3. Corporate Affairs on page 28 of the Estimates book and on page 30 of the yellow supplement book.

**Mr. Jim Maloway (Elmwood):** I think there is a general agreement here that we pass Corporate Affairs and move on to Minister's Salary.

**Mr. Deputy Chairperson:** 3.(a) Corporations Branch (1) Salaries and Employee Benefits \$934,100—pass; (2) Other Expenditures \$590,000—pass.

3.(b) Insurance Branch (1) Salaries and Employee Benefits \$309,300—pass; (2) Other Expenditures \$99,500—pass.

3.(c) Manitoba Securities Commission (1) Salaries and Employee Benefits \$1,304,800—pass; (2) Other Expenditures \$265,200—pass.

3.(d) Public Utilities Board (1) Salaries and Employee Benefits \$778,700—pass; (2) Other Expenditures \$1,224,600—pass.

3.(e) Trust and Loan Corporations Branch (1) Salaries and Employee Benefits \$221,900—pass; (2) Other Expenditures \$70,200—pass.

3.(f) Co-operative and Credit Union Regulation (1) Salaries and Employee Benefits \$359,600—pass; (2) Other Expenditures \$51,800—pass.

Resolution 5.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,209,700 for Consumer and Corporate Affairs for the fiscal year ending the 31st day of March, 1996.

The last item to be considered for the Estimates of the Department of Consumer and Corporate Affairs is item 1. Administration and Finance (a) Minister's Salary \$22,800.

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

1.(a) Minister's Salary \$22,800.

**Ms. Jean Friesen (Wolseley):** Mr. Chairman, I would have liked to have asked this, while the staff had been here, on an earlier line, but unfortunately I have been in Education Estimates on the other side of the House.

It is a constituency question, and it is about a building at 54 Young Street which I believe the minister has been dealing with. The issue is that the building has been in receivership for three months and during that time there has been no caretaking and the door has often been wide open. There has been no security either according to my constituents.

I believe the constituents have been in touch with the Residential Tenancies Branch and have been asking for a rental reduction for the months without caretaking or security, and I understand that they are not getting the

kind of answer they had hoped for from the Residential Tenancies Branch.

I wonder if the minister would undertake to investigate this as quickly as possible, and whether he would give us some idea of what opportunities are available for these constituents to deal with their situation. I think, first of all, the aspect of security and caretaking is an important one, and secondly, what restitution is there for the months without it?

**Hon. Jim Ernst (Minister of Consumer and Corporate Affairs):** Firstly, let me say, Mr. Chairman, that the building is not in receivership. The landlord has disappeared, shall we say. We have been attempting to get in touch with him for some time and have not been successful. We have talked to his daughter.

We are redirecting all of the rent so the rent is now going to the Residential Tenancies Branch as opposed to anywhere else. We do have on-site representation. One of the tenants is, in fact, acting as our representative there. The door is fixed. There is security on the premises. The maintenance orders and repairs that are required are being looked after by the Residential Tenancies Branch, and we are hopeful that we can have the arrangements with respect to this property back in some kind of order fairly soon.

**Ms. Friesen:** Mr. Chairman, I passed the building this morning, and I was not sure that the minister's information that the door is fixed and that the security is in place was necessarily the case. I wonder if the minister, does he have an order that has been fulfilled on that? I will check it again tonight on my way home, but it did not look to me as though it had been yet.

**Mr. Ernst:** The information I had from the Residential Tenancies Branch was that it had been repaired. Now it may be damaged again, so I will pass that along to the Residential Tenancies Branch. They do have somebody in the building who is acting as onsite representative of the Residential Tenancies Branch. We will get in touch this afternoon and make sure that things are as they should be.

**Ms. Friesen:** Thank you, Mr. Chairman.

**Mr. Deputy Chairperson:** 1.(a) Minister's Salary \$22,800—pass.

Resolution 5.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,030,100 for Consumer and Corporate Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 1996.

This completes the Estimates of the Department of Consumer and Corporate Affairs.

The next set of Estimates that will be considered by this section of the Committee of Supply are the Estimates of the Department of Industry, Trade and Tourism. 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? [agreed]

*The committee recessed at 14:38 p.m.*

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#### After Recess

*The committee resumed at 14:51 p.m.*

#### INDUSTRY, TRADE AND TOURISM

**Mr. Deputy Chairperson (Ben Sveinson):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Industry, Trade and Tourism.

Does the honourable Minister of Industry, Trade and Tourism have an opening statement?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** I am considering it, Mr. Chairman. It depends if the opposition member wants to have one too, then we can each do one, or I can read part of it as we proceed on through. But I guess probably in the interests of trying to assist the member—and I want to say, genuinely, congratulations to him on his appointment as critic of Industry, Trade and Tourism, and I look forward to constructive debate. I am sure

that he will have some positive suggestions and thoughts that will be helpful. That is the manner in which I look forward to this Estimates discussion.

I am pleased to have the opportunity to present the 1995-96 fiscal year spending Estimates for the Department of Industry, Trade and Tourism to the Committee of Supply of the Legislative Assembly of Manitoba. Dramatic change in global trends require dramatic change at home, and this includes some refocusing, refining and adjustments within this department.

The broad changes, challenges and opportunities in the world economy have been discussed in various policy documents produced by our government, including the Framework for Economic Growth strategy set out in June of 1993. The framework document challenged all areas of government to re-examine all its activities to ensure they are effective and focused on the identified objectives.

At Manitoba Industry, Trade and Tourism our response has been set out—

#### Point of Order

**Mr. Tim Sale (Crescentwood):** I am just wondering, Mr. Minister, whether you will be supplying a copy of your opening statement rather than waiting for the Hansard copy and, if so, then I will not make extensive notes. If not, then I will make extensive notes.

**Mr. Deputy Chairperson:** The honourable member for Crescentwood does not have a point of order, but a point of clarification.

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**Mr. Downey:** Mr. Chairman, I will try to make sure he gets a copy of the speaking notes so that he does not have to rely on Hansard and as soon as we can get them I will get him a copy.

In Manitoba Industry, Trade and Tourism, our response has been to set our own specific visions, strategies and objectives in line with overall government policy. Let me discuss in some detail.



Recognizing that government must be a catalyst to economic growth, we are committed to taking the lead role in creating a dynamic economic environment that stimulates exceptional growth for the benefits of Manitobans.

As leaders, we follow these principles to reinforce our mission: taking the initiative to create and capture opportunities; bringing partners together to work as a team; developing human resources to enhance productivity and foster motivational environment; and earning public trust through integrity.

To achieve our mission and meet the challenge set out in the operating principles, Industry, Trade and Tourism has established five strategic thrusts that all our activities and programs should embrace: encouraging business to take advantage of global markets; promoting Manitoba as a prime location for investment; improving access to capital; meeting infrastructure needs of the new economy; and ensuring the information needs of industry are met.

These, then, are the mandate principles and broad objectives of the Department of Industry, Trade and Tourism, while clearly we strive for improvement and greater achievement each day. The economic indicators are strongly positive for Manitoba as we move into a new fiscal year.

Two achievements stand out. One is that our exports are climbing dramatically to nearly \$12 billion in 1994, including shipments to other provinces, and the second is we continue to create new business, investment and jobs to our province, particularly in the vital telecommunications sector.

In 1994 Manitoba total merchandise exports to world markets were valued at over \$4.7 billion and rose by 29.1 percent compared to 1993, well above the Canadian national average of 19.7 percent. While our total imports have risen, as well, by nearly 22 percent, much of this change is accounted for by the fact that our industry has been purchasing capital equipment to prepare for future growth.

I think that that is an important point to elaborate on a little bit. I say this particularly to those individuals in

our society who were so strongly opposed to the Free Trade Agreement with the United States. I strongly believe that that agreement with the United States, and, further, to sign an agreement with Mexico, and, of course, the opening up of the trade activities with Asia bode extremely well for our province, and the numbers are showing it.

Again, what companies are doing—and I can demonstrate it in certain areas and if the member wants to have me put some specifics in the record, I am prepared to do it—the examples were, in fact, machinery that has been brought in to meet the opportunities that have been created through the Free Trade Agreement. Unemployment continues to be low, with the latest monthly figure at 7.3 percent, second best amongst all the provinces in Canada. Other indicators, including housing starts and business bankruptcies show our province compares well to the national average. The Department of Industry, Trade and Tourism plays an important role in the overall achievements of these results, but there are many factors beyond our province's control. One area in particular where we think they are significant, and that is in the difference in attracting high technology companies, specifically call centres to Manitoba.

In 1994, recognizing a growth pattern in call centres across North America, we set up a special call centre team within the department. Building on and focusing previous efforts in this area, the team has seen considerable success, and tremendous prospects lie ahead. There are now 19 call centres across the province, currently employing over 2,800 people. Within four years we are targeting employment of over 10,000 in this emerging industry.

The Manitoba Call Centre Team has been instrumental in attracting several of these companies to our province, most notably, Faneuil ISG of Boston and AT&T Transtech, together these two call centres have committed to create some 2,200 jobs. Some of the call centres are significant, as much for the applications and technology they are putting to use as the new employment they guarantee.

CN North America is using the latest computer and telecommunications technology to serve their 800 top

customers across the continent. They have also committed to hire some 500 staff. GWE is noteworthy as a call centre based in rural Manitoba, Brandon, to be precise, where it has some 140 employees. Air Canada's call centre here is important, as more than half of its 198 employees are bilingual. Again, one of the strengths that this province demonstrates is the capability of people who are bilingual and opportunities that they bring to the whole call centre industry.

Our department, through the team, is among the sponsors of Winnipeg's first call centre conference running from June 19 to 22, 1995. We expect this event to draw more attention to advantages of locating in our province and to sell the concept of call centres to more businesses.

\* (1500)

As I stated earlier, Manitoba's export performance is leading the country and some credit, at least, must go to the unflagging work of the department's Industry Development branch. The branch has assisted businesses move into new markets, especially in Asia-Pacific countries through trade missions and exchange visits. We have seen many successful ventures into Japan, for example, which is our primary Asian market. Construction materials and furniture have won strategic sales, while prefab houses, windows and doors are also being shipped. Close relations between the Canadian embassy and the Japan External Trade Office have certainly assisted in these sales.

We have identified the People's Republic of China, with its vast potential as it moves toward a market economy, as a priority. Aided greatly by the personal visits of the Premier (Mr. Filmon) to China, we have seen a record number of incoming missions from the People's Republic to this province. Last fall, the Premier signed an agreement of economic co-operation with the governor of Hunan province. Since then we have continued to develop strong relations and move toward specific contracts through missions focusing on private-sector participation.

Other activities of some potential include continued work in the U.S., or support of the Red River Trade

Corridor and the Mid-Continental Trade Corridor. Both of these organizations focus on developing trade links right through the American Midwest to Mexico.

To help direct its focused trade and investment strategy for the province, the department has reconstituted the Manitoba Trading Corporation. This agency helps Manitoba companies to take advantage of emerging global markets and the liberalization of trade. Manitoba trade provided \$135,000 in cost-shared support to 91 small- and medium-sized companies to begin or expand export-related ventures through the support of trade show attendance and in designing high-quality marketing materials. The trade show component alone is expected to generate \$8 million for these businesses in the next year.

Among other initiatives, Manitoba trade has increased awareness of trade issues and Manitoba's successes through an agreement with the Winnipeg Chamber of Commerce to insert a trade-oriented publication in the chamber's newsletter. In addition to trade-related activities, the Industry Development Branch has the responsibility to develop several sectors within the province. These sectors provide numerous opportunities for growth. Particularly exciting opportunities exist in apparel, furniture and wood products and advanced materials manufacturing.

The business development branch has had many achievements over the past year including the introduction, in co-operation with Manitoba Rural Development, of the Mobile Business Service centre as a travelling information service for rural Manitoba. It has already visited 25 rural communities and is fully booked months in advance. As well as serving over 24,000 clients through our general single-window, access for business resource centre, business library, and co-operative development services, our consultants provide information and advice on business planning, marketing and financial planning to more than 500 people. The branches also held a series of five workshops on starting a small business since October of 1994 and attracted some 100 new entrepreneurs.

Meanwhile the Business Start program provided 106 loan guarantees in 1994-95 fiscal year totalling \$975,000 to help Manitoba entrepreneurs start new

businesses. These include 33 women, 24 rural residents. The new companies created some 250 jobs.

I was pleased also to have initiated an advisory panel on business regulations in 1994. A CFIB survey indicated that bureaucratic red tape was the second largest impediment to business development. As such, a private public-sector panel was struck in March of '94 and presented their report back to me in July of 1994 suggesting ways in which red tape could effectively be reduced for business. In November of 1994 I announced that our government would proceed with the majority of the panel's recommendations to enhance opportunities for our small-business community in Manitoba.

The Financial Services Branch has focused on the access to capital issue to ensure businesses that are able to expand and employ more Manitobans can access the needed capital at a fair price. In addition to several specific projects during the year, I would like to mention two important initiatives. Last year, a private-sector task force issued a report entitled *Improving Access to Capital for Manitoba*. In response to the report's recommendations we are cosponsoring with the chambers of commerce a special Invest Manitoba event through which we aim to match 16 small emerging companies with private equity investors. I am confident this will become an annual event and a valuable service for Manitoba businesses.

Another major recommendation of the report was the creation of a fund to provide higher risk loans under \$1 million to Manitoba companies. It has been suggested that pension funds which now hold billions of dollars collected from Manitobans and which invest mainly outside the province would be ideal sources of capital for such a fund. I am confident that this Manitoba capital fund will also become a reality this year, and I urge all Manitoba MLAs to support our efforts to have Manitoba's savings invested here in the province to create jobs and wealth for our children.

Besides the broader teams, such as industry development, business development and financial services, the department's activities include six strategic initiatives which derive from the document I mentioned earlier, *Framework for Economic Growth*. These

initiatives are all areas where Manitoba has some strength and which are in line with global trends. They include health industries, aerospace, information and telecommunications, agrifood, environmental industries, and tourism.

Since 1984 the health industry sector has grown from four companies to 110 in 1994. Revenues should rise above \$250 million in this current fiscal year. Major events over the past year include that of Apotex Fermentation expanding its Scurfield Road facility by investing \$17.5 million. RH Pharmaceuticals has won U.S. Federal Drug Administration approval to sell its WinRoe product into the American market and has begun a \$15-million expansion in St. Boniface that has created and is expected to create 40 new jobs.

A new company will soon begin production of world-leading medical surgical trays in a previously vacant plant in Winnipeg. The \$15 million in new expenditures will create 49 jobs initially. Biovail in Steinbach has received FDA approval for its products, which it expects will lead to an increase in revenues to \$25 million for pharmaceutical production, mostly for export. The 3M Company in Morden has added a new line of medical tapes which has created 29 jobs and significant subcontracting work for Manitoba's plastics industry.

Finally, the Minister of Health and I will host Manitoba's third Pharmaceutical Fair from June 12-14. This meeting gives senior industry executives and researchers an opportunity to view new products and services and discuss alliances.

The department's aerospace initiative has focused its attention on several areas over the past year: the development of the Winnipeg International Airport as an intermodal cargo centre, a Spaceport Canada Development and working to influence and monitor federal Department of National Defence policy here in Manitoba.

The research phase of the cargo centre venture is proceeding well. Industry, Trade and Tourism has provided funding to the Northern Hemisphere Distribution Alliance to establish the business case for this cargo centre, and we are working closely with this

consortium of banks, transport firms and consultants. The project continues to garner strong interest from major cargo handlers and freight forwarders in both Europe and Asia.

The aerospace initiative has also provided ongoing support for the Spaceport Canada Development at Churchill. Our department spearheaded the transfer of the Churchill rocket range from the Canadian Space Agency to Akjuit Aerospace. As well, presentations have been made to satellite developers who might use the range and to potential investors.

In terms of influencing federal DND policies, we have met with both the stakeholders here in Manitoba and the federal politicians to offer specific solutions that will both save Ottawa money and provide benefits for Manitoba.

\* (1510)

The Information and Telecommunications Initiative continues to encourage the formation of associations and strategic alliances in such fields as health telematics, multimedia, geomatics and Internet-related technology.

An exciting opportunity in the high technology information field is the federally sponsored CANARIE or the Canadian Network for the Advancement of Research, Industry and Education. We are working with Manitoba companies to gain access to the \$80-million funding program run by CANARIE. This year produced 26 funding proposals from Manitoba, the highest per capita of any province.

Over the next year, the initiative will continue working with the Manitoba and Winnipeg Chambers of Commerce to promote the business advantages of information technology to all sectors. In particular, we will focus on the grain-handling and transportation industries to help make them more competitive through the adoption of the latest in information technology.

Manitoba's processed food and beverage industry saw a gain in overall revenues in 1994 of 13.7 percent over 1993 to \$1.66 billion, reflecting a turnaround over several years of a recession and industry

rationalization. Agri-food exports rose by nearly 15 percent from 1993, by 55 percent from 1990. The department's agri-food initiative was involved in several capital projects representing \$21 million in investment, which are expected to create 77 jobs immediately and as many as 200 within two years.

There has been a keen interest in value-added production in Manitoba on account of our superior agricultural products and competitive business climate. I am expecting a banner year for major food-processing expansions in this province.

Other activities in 1994 include developing and cost-sharing the Manitoba 125 Retail Food Promotion with the Manitoba Food Processors Association. This promotion will raise awareness of Manitoba's bountiful and high-quality food products. The highlight of the last 12 months for the department's Environmental Industries Development Initiative was cohosting a strategic plan forum for the sector with the Economic Innovation and Technology Council in February of 1995. This forum attracted 90 key stakeholders including industry, government and industry associations who took the first steps towards developing a collective industry strategy.

Priority issues for the sector include improving access to capital for start-up expansion, linking entrepreneurs with resources through forums and data bases, supporting the development of business networks, consortia and strategic alliances and ensuring a level playing field in terms of environmental regulations for the private sector.

One important change was the EIDI fund which has broadened its scope and criteria to include product development, demonstration projects and special projects such as sector strategic studies. This change encouraged many new ideas to be brought forward with a result that 11 new projects were approved by EIDI funding in the 1994-95 fiscal year.

Manitoba tourism: This sector performance was very strong in 1994 with the U.S. overnight visits rising by 10.2 percent, more than double the national average increase. This represented an estimated \$7 million in additional revenue for the tourism industry. This

increase also translated into higher occupancy rates in both the city of Winnipeg and rural Manitoba. Other indicators include toll-free number inquiries, which rose by 15 percent in 1994 over 1993. In the first four months of 1995, toll-free inquiries were up by 50 percent. Canadian Tourism Research Institute forecasts Manitoba tourism revenues will rise in 1995 by 5.6 percent with accommodation and restaurant sectors to rise by 4 percent. These indicators all point to another strong year for our province's tourism operators.

After a successful tourism industry forum in 1994, a second such gathering is planned for fall of 1995. It offers a chance for industry organizations, businesses and government to plan a broad province-wide strategy in tourism. In co-operation with Manitoba Celebrate 125, Tourism launched a campaign to encourage Manitobans to invite friends and relatives to visit during this special year. Special commemorative merchandise and events guides are being promoted throughout the province.

Finally, the department will continue its highly successful Visitor Value Program designed to make Americans more aware of the savings available in Manitoba due to the currency exchange rate, sales tax rebates and travel discounts.

The Economic Innovation and Technology Council, the government's lead agency in promoting research and development, has had a busy year that included cosponsoring the Rural Development Forum, with its emphasis on entrepreneurship, and the Aerospace Sector Forum. The council also joined with the national Natural Sciences and Engineering Research Council and the University of Manitoba to set up a chair in aerospace materials at the University of Manitoba, adding strength to our position as an aerospace research leader. The EITC cosponsored the CKY TV show, *The Innovators*, which explored countless examples of Manitobans showing off their spirit of innovation and entrepreneurship.

Finally, the department and I have personally been leading efforts to reduce and eventually eliminate internal trade barriers between the provinces. The hard work has paid off, as an agreement on internal trade was signed in July of 1994, and will come into effect

July 1 of 1995. This agreement provides a framework based on general trade rules, specific trade rules for 10 industry sectors and a dispute settlement mechanism that allows for private-sector access. Internal trade barriers cost Manitobans over \$200 million annually, and because our province so depends on trade with other provinces, we see this agreement as a major step forward.

Despite these agreements, incidents continue to occur in which we must be prepared to strongly support the principles underpinning these interprovincial accords. Again, let me say that I think it is extremely important that we acknowledge all of the other provinces and the territories that came to the table with the spirit of trying to reduce the internal trade barriers and strengthen our country. Again, it is the consumer that loses if governments continue to put in protective mechanisms to prevent people from buying at the lowest, most competitive cost.

The recently publicized case of New Brunswick luring UPS to move jobs from across Canada to that province is a practice whereby we as Canadians and taxpayers all lose. This highlights the need for a strong secretariat to monitor and to police the rules of the Internal Trade Agreement.

I am pleased to report that Winnipeg will be home to this secretariat, and Manitoba will continue serving as provincial co-chair of the committee of ministers during the agreement's first year. This then provides a brief overview of the key strategies, initiatives and results of my department's program, both reviewing the 1994 and looking ahead to the current fiscal year. We believe we are preparing Manitoba for a diversified, innovative and competitive future, building on our traditional strengths and seizing new opportunities in emerging world markets as they appear, for the benefit and prosperity of all Manitobans.

We will continue to restructure the department and its various roles as we determine, as we deem appropriate and to set out its strategic vision and practical objectives and themes.

Mr. Chairman, in concluding my remarks, I look forward to a positive debate. I want to acknowledge all

of those people who have worked so hard within the Department of Industry, Trade and Tourism to accomplish the many benefits that this province has received.

I am looking forward to the coming weeks and the coming months of many more announcements that will be made as it relates to not only new business activities that will be started in the Province of Manitoba but expansion of current businesses, and again the expansion of current businesses and the stability which we have been able to give those businesses by the taxation policies of this province without having increased any major taxes for eight years—for eight years, Mr. Chairman.

By the way, one of the members said the campaign is over. Mr. Chairman, since I entered politics the campaign has never been over. So it may be over for him; it is not over for me.

We will continue to work hard to make sure that all Manitobans understand that this government that is in place will continue to put tax policies in place that have the interests of the consumer and the people who need the jobs, Mr. Chairman. That is what it is all about, leaving the money with the taxpayers to spend as they see fit.

I am extremely pleased to be here today introducing the Estimates. I as well look forward to the debate and the positions taken by the members opposite when it comes to the no-deficit legislation that is being prepared by the Minister of Finance (Mr. Stefanson). [interjection] If that is the case, that is fine. I am not here for that particular reason. I am here to do what is in the interests of the people of Manitoba.

That is why I again want to thank the Department of Industry, Trade and Tourism, all the staff, for their dedicated work on behalf of the taxpayers of the province of Manitoba. I thank you, Mr. Chairman. I look forward to the ensuing debate.

**Mr. Deputy Chairperson:** We thank the minister of Industry, Trade and Tourism for those comments. Does the official opposition critic, the honourable

member for Crescentwood (Mr. Sale), have any opening statements?

\* (1520)

**Mr. Sale:** Yes, I do, Mr. Chairperson. Well, I would like to thank the minister for his opening comments. I simply say to him that in the Estimates in which I have taken part so far the debate has been largely constructive. I think what makes it constructive is that both parties try not to posture and try not to do political grandstanding in regard to the issues and the data.

I look forward to a positive debate, and insofar as possible I will try to learn the strengths and weaknesses of this department. I presume it has both.

I also look forward to being able to get into some of the background issues, which I think are important and on which I want to make a few comments, but before I do, I would also pay tribute to the civil service staff who work hard in all government departments, including this one. I would just say that you know that you are getting older when one of the younger adults with whom your son grew up shows up on the minister's staff. This is a sign of increasing mortality, I am sure. I echo the minister's comments in terms of the hard work of the civil service.

I want to start by simply underlining what I think the minister knows and what all of us in Manitoba know, and that is that there is a massive shift underway in the global economy. There are many things about that that I think in the long run are very dangerous for the survival of humankind. There are other things which are exciting and positive, but it is not a single unidimensional picture.

The shift has great potential in it, I suppose one might say, for humanizing the globe in which we live, as we become less fearful of those who have different cultures, different languages, different approaches to life. Our globe becomes a safer place, and insofar as Manitoba businesses and the department encourage Manitobans to encounter the rest of the world through trade and through education, through exchange, I think this is an extremely positive thing.

I had the privilege over the last five years of teaching organizational behaviour at the University of Manitoba to adults who are completing certificate programs. I taught some 750 Manitobans the fundamentals of organizational behaviour. I became aware, through that process, that we have a very highly motivated, highly skilled workforce that seeks to improve its understanding of how industry works and what strengthens it.

I also became aware, although I already knew this from some other encounters, of what a truly multicultural workforce we have, as well as the strengths that this multiculturalism brings, so I welcome the initiatives of the department to increase Manitobans' comfort with and awareness of different cultures and different approaches to making a living around the world.

I would say, secondly, that this massive shift of which we are all aware has been accompanied in Manitoba's case by a loss in our overall share of the Canadian population; not a large shrinkage, but roughly the equivalent of 60,000 Manitobans. In other words, were we to have today the same share of the population that we had 10 years ago, there would be 60,000 more of us in Manitoba.

We also lost a share of GDP over this period of time, approximately 0.2 percent of Canada's GDP, which does not sound like a lot, but when it is applied to a province of our size, it is around \$500 million. Again, were we to have the same share of GDP and the same share of population, we would have a stronger province in terms of people skills, as well as the productivity that went with that.

So, over the past decade, we have lost both employment share and GDP share. In an overall sense, while the last few months, the last year, I suppose, from somewhere in mid-'94 to early '95, we had very strong employment growth which I think all of us take pleasure in, although the government, I think, anymore than any other government, cannot take all the credit for that.

I think employment grows, waxes and wanes for a great number of reasons. Government is neither to

blame for all the losses nor take credit for all the gains, and I think the minister would concur with that.

But, apart from that past few months, Manitoba's employment situation is also essentially stagnant. We have retained our rank of second-lowest unemployment rate, which, traditionally, is where Manitoba has come for a long time. We trade places for third, historically. Generally, we are second to Saskatchewan, and that has been the pattern for a very long time. So we are still in that pattern, and it is essentially not a bad place to be, but it does not represent any great gains over either this government's period or over the last decade.

I am being as careful as I can, Mr. Chairperson, not to be particularly partisan in my opening remarks. I am saying a decade. Our party formed government for part of that time. The Conservatives or the Filmonites, depending on what the name is, formed government for seven of those 10 years now, or almost eight, I suppose it is now, of those 10 years, and in that period of time, we have had strikingly bad GDP growth, and I will share with the minister because I always like to source documentation and not to simply throw numbers around, so I will share this table, and I guess Hansard might like to have it, too, so they can get the numbers quoted accurately.

But from Statistics Canada - Catalogue No. 11-001E, March 9 and May 15, 1995, we looked at the growth from 1987 to 1994, '94 being the most recent date available, obviously, in gross domestic product at market prices, 1986 market price, so 1986 equals 100, for those who are not sure what market price and constant dollars means.

Manitoba's growth rate over that period of time, average annual growth rate, is 0.6 percent. Canada's average growth rate during that period of time is 1.87 percent, three times as high. The next province above Manitoba's growth rate is Saskatchewan at 0.95 percent, fully 50 percent higher than Manitoba's growth rate.

The bad news is that Manitoba is tenth out of 10. That is not tenth out of 10 by a small margin. It is tenth out of 10 by 0.35 percent below the next worst province which, unfortunately, is our neighbouring

province to the west, Saskatchewan.

To compare, Ontario was almost the national average, 1.64; B.C. far ahead at 3.37; Alberta far ahead at 3.32. We were at less than a fifth of that. So our GDP growth rate, in spite of election rhetoric and the minister's comments, according to StatsCan, unless we are going to dismiss Statistics Canada, has been shockingly bad over that period of time.

So I will just give the Chair a copy of this and if the minister would like to get a copy from the Chair, I am sure that that will be easily done.

\* (1530)

Let me just turn to the question of trade. The minister is quite correct when he makes the case that exports to the United States have climbed, but unfortunately in throne speech after throne speech and in remarks such as were just tabled by the minister, the balance of trade is never spoken of. I am sure that the minister's own staff who are responsible for coherent public policy in the area of Industry, Trade and Tourism knows very well that it is virtually meaningless to talk about either just exports or just imports. Neither alone tells you anything about the strength of your economy. You can be exporting till you are blue in the face if your imports are significantly higher and growing faster.

In terms of our balance of trade with the world, in 1988 we had a \$42-million positive balance. Essentially given the scale of it, it was a wash. That deteriorated from that point on until 1992, curiously, the year that the Free Trade Agreement and NAFTA began to really have an impact. By 1992 we had recovered from a very bad patch and had got back to essentially a wash again, a negative balance of \$19 million.

In the two years following that time our trade balance overall was minus \$653 million in 1993 and minus \$542 million in 1994. With the rest of the world, though, throughout this period of time we have had a positive trade balance in the half-billion dollar region growing steadily to the point where in 1994 it was \$736 million.

Unfortunately, the minister makes, I guess, the required obeisance in the direction of NAFTA. Trade balance with the United States of America has worsened from 1988 to 1994 more or less steadily. There was a brief improvement in '91 and '92, but overall it has been a steady deterioration.

In 1988 the trade balance was minus \$537 million with the United States. By 1994, the trade balance was minus \$1.279 billion, and, yes, our exports to the United States grew. They grew in a very heartening fashion in 1994. Unfortunately, so did imports. So overall our trade balance worsened by some \$140 million with the United States during that period of time.

Now, the Department of Industry, Trade and Tourism is not responsible for everything that goes wrong in the province or everything that goes right. But I think that it is unhelpful in the extreme when the department on whose credibility rests a lot of judgment of business corporations, when that department uses only one side of any statistic, when it speaks about exports to the exclusion of imports. No one who has any competence whatsoever in this field will pay the slightest attention because they will ask immediately, well, what were the imports? What was the balance? Exports do not tell you anything, so I would challenge the department itself to stop putting out numbers which talk only about exports. By all means, talk about the exports. Talk about the composition of the exports. Give detail about that, but provide the other side, which is the imports and the composition thereof.

Let me comment briefly on employment. I would share with the minister a document that was put out by the economics department of the Royal Bank of Canada, not a flaming socialist organization last time I checked. I think it donated somewhat more to some other parties. The Royal Bank has a newsletter, which is a very good newsletter. It comes out regularly, and it always has interesting stuff in it.

This month's asks a very important question. It asks the question: How come Canada until 1989 had more or less an unbroken record of real per capita disposal income increases, and yet, from 1990 to 1994 and a bit, Canada's per capita disposable income has fallen? I do



not want to go through all the mathematics of this, but essentially John McCallum, who is the head of their research department and an extremely well-respected economist, who had spent some time here in Manitoba and spent some time at McGill University, points out that the reason is that all of the declining per capita income of the '90s, I am quoting here, can be explained by a reduction in the share of the population that had a job. He goes on to take that apart a little more in the next few pages.

I think this is an area in which again public policy would be far better served if government, instead of defending itself against bad employment numbers and trying to take credit for good ones, did some solid research in the area of employment and published that information openly, so that Manitobans, Manitoba companies, Manitoba politicians could have a better understanding of what is actually happening in the employment area.

As I understand it—and I do not pretend to be an expert in the area of employment—but as I understand it, what has happened is that over the last few years the percentage of the workforce seeking or holding a job has fallen. That is that Canada's workforce is being increasingly characterized by discouraged workers who are no longer counted in the unemployment numbers because they are no longer seeking work; and it is being characterized by increased numbers of young adults, many of whom I used to encounter at the university when I taught there, who have never been successful in becoming technically employed.

(Mr. Edward Helwer, Acting Chairperson, in the Chair)

They may have held part-time jobs in restaurants or worked a minimum number of hours a week in a retail outlet of some kind, but they have never gotten into the workforce in a real way, so they are not counted when they are out of it. That is they are not part of the loop of workforce employment and unemployment. They are not in the numbers.

I know the minister is from a rural riding and I know that rural unemployment numbers are significantly better than Winnipeg's unemployment numbers, but I

would say that, at least for those of us who canvassed in the city of Winnipeg in the election we just finished, it was very distressing to meet the number that I met of adults over 45 or over 50 who had lost work, had sent out hundreds and hundreds of resumes and essentially had quit. They simply had given up because they could not find anything to do. They were willing to lower their expectations, they were willing to change careers; but they could not find work simply because the jobs were going to people over 25 and under 45.

In a sense, I would say why not? If an employer can get a well-trained person with more potential life expectancy in the job, given the wide availability of workers, why would they not hire the younger person?

On the other hand, the same is true. I ran into many, many young people who were either actively planning to leave Manitoba, some in fact were in the process when I talked to them, because they could not find work; or they had never been in the workforce so they were on the fringes. They were working a few hours here and a few hours there and waiting on tables here, but they were not in the workforce.

I was puzzled, as I am sure others in Manitoba have been, by the good unemployment numbers, not because I did not want to see good unemployment numbers, I do, but because they did not make intuitive sense to me in terms of what I was experiencing at the door, in terms of what I have experienced with my own family, my own children. I know how many resumes my son sent out; I know how many interviews he went through. I know he is a competent person with a good degree, but I also know it took him two years after his graduation to find a job that was vaguely related to his skills.

\* (1540)

I finally came across what I think may be part of the answer, and that is in a Globe and Mail article during the election campaign, actually, which pointed out that, had young people rejoined the workforce following the most recent recession at the same rate that they rejoined the workforce following the early 1980s recession, had they simply come back looking for work and been registered as unemployed, we would have a 13 percent

unemployment rate in this country, not a 9.4 percent unemployment rate. In other words, the participation in the labour force of young people has fallen very sharply, and that is pointed out in this article.

I guess I would like to challenge us all and challenge this department in particular to move away from the rhetoric, which I think confuses people as much as it misleads them, and move on to a much more transparent and open approach to dealing with what I think is a continuing crisis of unemployment in this province as well as in the country.

I would say that it confuses and misleads. The misleading is obvious. When you use partial statistics or when you use statistics which you know to be only telling part of the tale, people are confused because they know this is not the whole story. But it also is very confusing to people to have statistics being pushed at them which are so contrary to their experience.

I do not know a family on my street, and I live on a street of pretty reasonable homes, middle class, upper-middle, middle, somewhere in that region. There is not a family on the street that has not had an employment problem in the last five years with somebody either in that house or a child or a relative who has been laid off, lost their job, could not find work. The problem of unemployment is now a sense I think in the population of universal experience. Virtually everybody feels it. So when they are told that there is only 7.6 percent or 7.8 percent unemployment, they say, maybe, but that does not make sense. It does not make sense; they are correct, because it does not tell the whole story.

So I am looking forward to the discussions, because I am looking to see where we in opposition can play a constructive role in supporting useful development. I am looking for places in which the criticism can be validly made, and I am looking as a new critic and a new member to learn more about this department, so I hope we will have a constructive exchange, Mr. Chairperson. I will for my part try to make it constructive and I look forward to the minister's comments and his tutoring of me as an old hand at this business.

(Mr. Deputy Chairperson in the Chair.)

**Mr. Deputy Chairperson:** We thank the critic from the official opposition for those remarks. Under Manitoba practice, debate of the Minister's Salary is traditionally—

**Mr. Kevin Lamoureux (Inkster):** Mr. Chairperson, I was just going to ask if there would be leave to entertain my giving a few opening remarks.

**Mr. Deputy Chairperson:** Is there leave from the committee to allow the member for Inkster to make some opening remarks? [agreed]

**Mr. Lamoureux:** Mr. Chairperson, I first thank the committee members for allowing me to give a few opening remarks. Industry and trade is one of the areas in which I have been assigned to monitor. It is not, unfortunately, an area in which I am going to be able to put in as much time as I would like to. I do hope to ask a number of questions, possibly towards the end when we are on ministerial salary, depending on time and what time allows.

I wanted to pick up from where the member from Crescentwood (Mr. Sale) was leading his discussion towards the end. That is, of course, with the general feelings of desperation that are out there to a certain degree—the whole question of jobs. I believe that still in Manitoba, during the election and prior to the election, for the last couple of years, jobs really has been the No. 1 issue for people. When I look at jobs, I talk to individuals and they will say, you know, 10, 15 years ago, we thought we could get a job and that would be our career-type job. People felt fairly secure with that. You could go get a job, possibly with, let us say, Flyer or other companies and anticipate that you would be able to work there 20, 25 years or whatever it might be, retire and be given the golden handshake and the golden watch too, I guess, and retire and continue on in your senior years.

Today, that is not quite the case. I think the mindset has changed quite dramatically today from what it was 20 years ago. Young people today look at it in the sense that there are going to be job transfers, training, retraining. In fact, I have heard the number of six, that a person can anticipate having to take on six different types of work in one career. I think that in itself says a

lot in terms of how quickly things change within the economy.

A lot can be said about statistics. I was really listening when the member for Crescentwood (Mr. Sale) was making reference to what could be the unemployment rate. What is important is that we try to bring forward all of the facts to the table.

One of the facts that I find is really never talked about to any great extent is the whole hidden economy. The hidden economy is something that is growing, at least I believe is growing and growing quite significantly. I have seen documentaries in the past, and you can see quite a considerable amount of seepage into that hidden economy. I believe there needs to be more of a discussion on that hidden economy and what governments, both provincial and national, can do to prevent the hidden economy from growing.

I am very sensitive to the number of individuals that are unemployed. I would argue that during that last recession—and some might even say we are not out of that last recession, that if you were unemployed it was not a recession, but, in fact, it was a depression. The emotional and financial and family weight that is put on when someone goes through an unemployment scenario is phenomenal, and what it does for a person's self-esteem can never be underestimated. One has to give the benefit of the doubt for individuals that need some form of training or retraining or assistance in terms of trying to get back on their feet and back into the workforce. Yes, there is a role and there will always be a role for government to play.

During the election I actually had a tour of a few facilities, and one of the things that I found interesting about these three in particular that I went to was that they had indicated that, you know, we could actually hire someone today if in fact we had an individual that had the skills. I did a quick tally of how many jobs they were referring to, and I figured it would be between 20 to 30 jobs between those three companies that they were actually talking about. I said, why is it then that if it is just a question of skills why do you not hire or fill those 30 spots and train those individuals? One of the individuals responded to me and said, look, it does not pay for us to train someone. It is in our best

interest to actually wait until we can finally hire someone that has the skill. This way our bottom line will be that much greater, of course, the bottom line being that of profit, and profit is not a bad word. You know, it is essential that profit be there.

What I thought about was, well, here are 30, and I would anticipate that there are many businesses out there throughout the province that are in the same situation, that if in fact the workforce was better prepared in certain areas there could be jobs made available. If we do not respond jointly through government and private sector to meeting the demands of the jobs that are out there, then in many cases those jobs will go unfilled. The bottom line when we unfill a job is that it does nothing to assist our gross national product. That loses out on taxes. After all, I too like many others read the signs that the Conservatives put out in terms of save health care, education, and I think there was a third one to it—family services—there was a third one anyway. Create a job was the message, and I think that is a message which all three political parties would concur that the best way—oh, the deficit, the deficit was the third one.

Yes, the best way to provide social programs and to fight the deficit is to in fact get the economy in better shape, and one of the ways to get the economy in better shape is to respond to what the needs are. One of those needs is to provide training for jobs that are going to be there in the future. I do not believe government has really addressed that need to the extent that it could have.

\* (1550)

The other issue that I believe is necessary, again after the election I met with another company, and this company had indicated that it is a question of capital resources. Try and get some sort of social—not social assistance, well, at times, some might perceive it as social assistance through a bank. Try and get a loan, a private loan for a company for capital or expansion of any sorts. It can be extremely difficult. It is a bit confusing in a sense if you look at it.

Banks have done relatively well, billions of dollars of revenue in times in which the economy has not done

that well, and I think the banks have to realize more that those profits are going to be there, but you also have a responsibility to ensure that capital dollars are getting into the hands of individuals that do have ideas that can work. There is a broader role for banks to play than just receiving a profit, and that is to ensure that capital dollars are in fact being made available.

Likewise with the government. The leader of the Liberal Party has quite often made reference to the millions of dollars that leave this province every year through pension programs and the like, to go to Toronto and Vancouver, where there are stock exchanges that create jobs primarily in the province of Ontario, in the province of British Columbia. These are the millions of dollars that leave the province, the millions of dollars that banks have through capital resources that we need to ensure that our businesses, our entrepreneurs in the province of Manitoba are given access to. By giving access to these capital dollars, once again we will be creating jobs, and through creating jobs, we will be able to address all of the other issues that are out there in that much more of a concrete way.

With those very few words, Madam Chairperson, again I appreciate the opportunity to give—Mr. Chair, Madam Chair, I guess I am used to Madam Speaker already—Mr. Chairperson, I appreciate the opportunity to give a few opening remarks as I hope to ask a few questions later on in the Estimates.

**Mr. Deputy Chairperson:** I would like to thank the member for Inkster (Mr. Lamoureux) for those comments.

Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of the department. Accordingly, we shall defer the consideration of this item and now proceed with consideration of the next line. At this time we invite the minister's staff to join us at the table, and we ask the minister introduce this staff present.

**Mr. Downey:** I have Mr. Stephen Kupfer, who is the Assistant Deputy Minister responsible for Financial Services; Mr. Jack Dalglish, and Mr. Jonathan Lyon, who is a special assistant in the minister's office. Jack

Dalglish is in Financial and Administration Services of the Department of Industry, Trade and Tourism.

**Mr. Deputy Chairperson:** We are now on line 1. Administration and Finance (b) Executive Support.

**Mr. Sale:** I am not sure what it is, Mr. Chairperson, whether it is information or clarification. I suppose it is clarification. I do not know either of the gentlemen, so I do not know which is which.

**Mr. Downey:** This is Stephen Kupfer to my left and Jack Dalglish to my left and Jonathon Lyon to my left.

**Mr. Sale:** That one I know. And Jonathan Lyon, with respect, is not to your left.

**Mr. Downey:** He is as far as I am concerned.

**Mr. Deputy Chairperson:** We are now on line 1.(b) Executive Support.

Item (1) Salaries and Employee Benefits \$613,000 on page 97 of the Estimates book and on page 13 of the yellow supplement book.

**Mr. Sale:** Just so that we can proceed in as orderly a fashion as possible, I just let the minister know that I am working, or let the chair know and through him the minister, that I am working through the supplementary information and I am starting on page 2 of that.

This being Executive Support, I have a number of broad questions which I hope the minister will allow during this initial piece of the Estimates. Is that satisfactory, Mr. Chairperson?

**Mr. Deputy Chairperson:** Order, please. Just, if we might clarify, you can indeed run by the pages that you mention in the yellow book, but we have to run by the lines in the blue book.

**Mr. Sale:** Thank you, Mr. Chairperson. I have the Estimates book here and I understand that. I simply wanted, for convenience of staff and the minister, to let them know that I would be working through some of the overall stuff and that the first questions come from page 2.

**Mr. Deputy Chairperson:** Agreed.

**Mr. Sale:** There is a comment in the first paragraph under historical background, that the restructuring of the department has taken place over some years. I think the particular line is that in 1992-93 the department was reorganized to address internal challenges through a more innovative delayed structure.

Those are great words. As I said in my introductory remarks, I had the opportunity to teach organizational behaviour, so it is wonderful to hear about innovative and delayed structures, that they actually exist somewhere.

What I am asking is, what was the nature of that reorganization in brief, and not in a long sense? First, what was the nature? Secondly, following that reorganization, there was a reduction in SY for two years. Now the department has returned virtually exactly to its previous levels. I am taking that reference from the SY chart at the, I believe it is at the back of the report, page 66 of the report.

**Mr. Downey:** Mr. Chairman, the flattening of the department was to probably expose some more equal senior people within the department to the different disciplines which they worked in so that we refer to them as managing partners rather than directors or that type of terminology. It basically was to give a profile to the different staff within the department who were working directly with certain industries. The increase was as a result of the Call Centre Team addition which I referred to in my opening comments.

**Mr. Sale:** To the minister, you say that the increase is due to the Call Centre Team. Is the entire increase due to that one initiative?

**Mr. Downey:** The main part of it is. I will check further to make sure. If there are any additions I will bring it to the member's attention.

**Mr. Sale:** In that same initial paragraph the term "internal challenges" is used. What were the internal challenges that were being faced at that time and how are those challenges now?

**Mr. Downey:** Again, in my comments as it related to the flattening of the department it was to try and make sure that the different areas within the department could as quickly reflect on a two-way system to senior decision makers within both government and contact with companies, probably to speed up the process, again which a flattened decision-making process can in fact in theory I believe bring to causing some action to happen rather than to tie it up in a stacked decision-making process. Basically, the process was to try and speed up some decision making.

\* (1600)

**Mr. Sale:** I look at the org chart and it does not strike me as a particularly flat chart. It has, for example, between any one managing partner and the minister, three bureaucrats, albeit reasonably senior bureaucrats. I recall working for a couple of different departments of government and there were never more than three bureaucrats between department directors and ministers in those old charts, which presumably the minister implies are not particularly flat.

**Mr. Downey:** I did not get the question. I am sorry, Mr. Chairman.

**Mr. Sale:** In reviewing the organizational chart, Mr. Chairman, I do not view this as a particularly flat chart.

I used to be an assistant deputy minister in Education. I had departmental directors who reported to me; I reported to a deputy; the deputy reported to the minister. It is exactly the same number of layers in a department which was much larger, Education, than is this department, so I do not see it as particularly flat. Maybe the minister can shed some more light on that.

**Mr. Downey:** With respect I cannot say too much more about it. It is basically to try to, as I said, speed up decision making. I guess it is a matter of trying to make sure that at as senior level as possible they can be exposed to people that they are doing business with.

Again it is seen, I believe, within the system that this may be a little bit more reflective of what each section is doing as it relates to the strategic plan, which I again referred to in my opening comments.

**Mr. Sale:** Perhaps there were other changes made which were more—well, I do not want to use the pejorative term. Perhaps there were other changes made which had a major impact on the way in which the department does its business and that in fact flattening is not particularly descriptive. Were there some other changes that happened at that time that the minister has found helpful in shortening the chain of bureaucracy, or shortening the time of getting things done?

**Mr. Downey:** Not that I can specifically think of at this particular time.

**Mr. Sale:** Well, with respect, then maybe we should rewrite that first paragraph so that it describes more clearly what was done, because I was having trouble figuring what it meant and I am not any closer to understanding that now than I was.

If we could move on to the role and mission—the mission of the department is a nice, tight statement, having helped organizations create mission statements. It is a good, tight one; I like it. The problem I have with it is the reference that I made in my opening comments that the GDP growth of this province over the past decade has been .6 percent per year, fully .35 percent below the next worst province, which is our sister province of Saskatchewan, and less than one-third of the average annual growth rate of Canada over that period of time. The chart is referenced I think correctly, and I am certainly not in a position to contradict StatsCan numbers, so I wonder if the minister could comment on the degree to which the mission statement has been achieved.

(Mr. Jack Penner, Acting Chairperson, in the Chair)

**Mr. Downey:** Setting out a role and mission statement is one which, I think, over the long-term is basically reflective of what the overall strategy of the department is, to accomplish certain goals. Although the member is making reference to Statistics Canada numbers, I think in evidence which is coming forward, not necessarily on a page of statistics, but evidence that is coming forward from people who are in business, from people who are in the job of creating jobs and activities, we could refer to the call centre industry, we

can refer to the garment industry, we can refer to the transportation industry and name several industries that have continually come forward and said that they have an increased demand for people within their industries.

How do you tie the mission and the role statement directly to the GDP? I quite frankly cannot see that direct connection as it relates to what we are debating here at this particular time.

**Mr. Sale:** Mr. Chairperson, the linkage is obvious. The mission statement uses the phrase "stimulates exceptional growth for the benefit of Manitobans", and the best broad indicator of economic growth is per capita GDP or real income growth, but in any statistics or, rather, any economic report that I am familiar with, growth is always measured in reference to the GDP of the entity being measured. Sometimes it is expressed as per capita, sometimes expressed in terms of real disposable incomes, a variety of ways of expressing it, but somewhere in that equation is always the gross domestic product of the province. Again, I am not trying to take cheap shots here. I am starting to say the starting point of my understanding of our current situation is that our growth is very, very low in comparison to that of the rest of the country, and I would like to dig into why that might be.

So I would ask the minister to respond to the question in terms of the economic growth of Manitoba and the mission statement of the department.

**Mr. Downey:** Again, Mr. Chairman, I guess one of the things that I will make some reference to is, the policies of the Department of Industry, Trade and Tourism, as it ties into the overall government activity, have been in a major shift over the past, since we have been in office, to reduce the dependency on organizations that have been basically costing the government money, that they have not been as dependent on whether we talk Manitoba Mineral Resources or whether we talk Crown corporations that have not performed as well as what we said to the private sector, which I have to say right now are, I think, in the position and are advancing along the path which fits into the mission statement.

Let me again use another example, I think, which is important. The mineral sector in the province of

Manitoba, having gone through very difficult times of both low prices and, up until the time at which we were elected, policies that were not conducive to encouraging resource exploration and development, we have seen over the past few years major changes in the economic generation that is coming from those particular industries.

\* (1610)

The manufacturing sector—now again, to use some examples, the furniture and the window sector, the manufacturing of furniture and the window manufacturing industries, building products have been extremely positive on an expansion-area mode.

I do not have the specific numbers with me, but I know that in the last year prior to—not this year's agricultural production but the year previous to that, we had seen dramatic losses in the farm community with the losses of crops in the Red River Valley. Of course, the major producer of our wealth is the agricultural sector, which, I am sure, the member would have to agree with.

Again, yes, the GDP and the output of this province is the measure which is used, not the only measure but is one which I think is something that we are all driving towards. That is why I think the mission statement that we are following will in fact accomplish a goal of tremendous growth, tying it into the overall policies of making sure that the taxes are not one of the uncompetitive disadvantages that businesses have in this province.

**Mr. Sale:** Mr. Chairperson, I hope the minister will put on the record any alternative information which he has about GDP because I think it is vital to know where we start. I urge him to use a time series so that we are not picking numbers from year to year which of course bump up and down.

I want to just respond briefly. I do not want to get off in a debate about Crown corps, mining sector or sectoral industry, Mr. Chairperson, but I would simply say that McKenzie Seed was a very profitable corporation, well managed in the public sector. It has been sold. It is uncertain what its future will be. I hope

the protections that were built into the sale agreement are fulfilled. I will be asking some questions about that in due course.

To talk as though all Crowns produce losses and the private sector produces only earnings is to fly in the face of the Winnipeg Jets, for example, which is a private-sector corporation which has produced magnificent losses and Manitoba Hydro which is a Crown corporation that has produced magnificent earnings. So there are badly managed Crowns and there are well-managed Crowns, and there are badly managed private-sector firms and there are well-managed private-sector firms. The track record of Crowns in Manitoba is not a bad record at all.

The mining sector the minister made reference to, the minister of course knows the history. The North was largely opened up in terms of the modern North at least in the late '60s and early '70s, and the government at that time was not a Conservative government. I do not particularly want to take credit for the opening of the North any more than I am sure the minister wants to give it, but I would simply say that the mining sector is above all, of all of the industries we know of, a cyclical industry.

The price of nickel, the price of copper, the price of zinc, the price of all of the different more minor minerals that are mined in Manitoba from time to time goes up and down and the viability of our mining sector accordingly goes up and down. Deposits are found and deposits are exhausted, and so if any sector is cyclical it is the mining industry. Right now we are probably close to the top of a mining industry cycle. We may go a little higher but we are probably close to the top, and resource prices will probably start to go down in the next few years. That will not be this government's fault any more than the previous cycles were any government's fault. So I think comments on the mining sector should be put in the perspective of the nature of that industry.

Could the minister comment on the initiatives taken during the year immediately past which succeeded in capturing some opportunities? I am looking particularly at the operating principles, the first principle, to take initiatives to create and capture

opportunities. Could you just comment on some specific initiatives and specific opportunities which were taken and captured?

**Mr. Downey:** Mr. Chairman, I just will further add some numbers that I have from the Conference Board of Canada which may be helpful to the member. The new forecast from the Conference Board rates Manitoba's overall economic growth as the strongest among the prairie provinces and the fifth best in Canada. I think it might be helpful to indicate to him that there are some pretty positive indicators out there that we think are worthy of bringing forward.

The member refers to new activities and new initiatives as it relates to activities. I referred to some of them in my opening comments. I can talk about some specific ones as it relates to the health care industry or to the pharmaceutical industry more specifically. I can make reference to the call centre successes which are fairly impressive. Again, we have some activities that we talk about in the manufacturing sector, particularly in the furniture industry. We can go across the board I think and talk of many areas.

Then, for example, I think an area which I can make reference to is in the manufacturing sector as it relates to farm machinery and the numbers that are coming out of some of the areas of that type of industry. The manufacturing that the Franklin industries are carrying out with their new equipment brought in to produce truck cabs for Western Star are, again, new industries.

I think the value of work that is brought to Canada that would have been done in the United States on an annual basis is something—I am just going from memory here—in the neighbourhood of \$45 million annually of work that is being done here in Manitoba that would, if they had not have upgraded their systems to the capacity which they have done and entertained the sales opportunity for the truck industry, would have still been done in the United States.

There are any number of areas which we can talk about.

**Mr. Sale:** Mr. Chairperson, I thank the minister for those comments.

What I would be asking for is, and just so you have some notice, I would like a brief, and it can be tabular or it can be point form. I am certainly not asking for a great deal of detail, but if you could indicate the initiatives taken in the past fiscal year. Obviously, if there are current ones that you want to share with us that would be good, too.

I would like to have a list of the initiatives with some estimate of potential impact, whether the impact is measured in terms of employment numbers or in terms of, as the minister just cited, \$45 million worth of work that will be done here instead of in the States. That is certainly a very positive thing. Those are good jobs. I am familiar with the project. We would appreciate having a list of those initiatives with some sense of what the department thinks the impact is going to be or has been.

**Mr. Downey:** I will just make a brief comment. I will just go from recollection again, but I can get the specific numbers. I know we were asked for it during the election campaign, a list of projects which we were involved in with direct government involvement. We provided that. I think the numbers are in the range of 4,000 jobs created. I will get the details of that, because it was provided.

A very reasonable amount of millions of dollars were in fact invested by the province through a loan program. The leverage, which was in the hundreds of millions of dollars of investment in the province, is actually what was carried out. So we are fairly pleased with the programs that are in place.

It was not the government that did it necessarily. We, as I said, helped create the environment for them to do it. This is not meant to be any discredit to the member who got leave to make some comments at an opening statement. Again, I felt that the Liberal Party, in their comments, were not doing a service to themselves and to some of the industries which were looking for support.

\* (1620)

In fact, if some of the members would have been honest with themselves, I was being lobbied by one of



the individuals to help support an industry in his riding for which the project qualified. It helped, in a major way, new jobs and stabilize an industry here in Winnipeg that without the help probably would have expanded and moved elsewhere. I guess I was a little disappointed that an individual who was lobbying me for support for a program in his own riding did not stand up and say, well, I think we should temper what we are doing, saying we are going to throw all these programs out without really analyzing what in fact they were doing for the province of Manitoba.

That was not in the official opposition's party; that was in the party that no longer has status in the House. It was unfortunate because it did not do anything, I think, to help support jobs in ridings which are important to them and to us. So again, it is easy to stand up and criticize, but before you have all the information I think it is unfair.

I think the one that has really been dramatic in the creation of jobs is the whole area of call centre activities. We have seen tremendous growth in jobs in that area and I think with a minimal amount of dollars invested.

Again, I say this very openly and honestly, the garment industry, which was doomed by the way in many people's minds not to succeed after the Free Trade Agreement was signed and NAFTA, quite frankly they took a hold of it, and they have quite honestly demonstrated how well they can do in the whole global marketplace. Today, granted there have to be some training programs put in place to make sure people are qualified and equipped in that industry, but there are tremendous opportunities in the garment sector, and I take my hat off to them.

The people who own the garment industry, or who are producing garments and goods in that sector, have demonstrated to the naysayers that they in fact can do it, and there are many jobs in that sector which are available. Again, training and retraining of people for those jobs, I think, is important, and there are programs being worked on with the Department of Industry, Trade and Tourism to equip people to fit into those areas of work.

**Mr. Sale:** Mr. Chairperson, I agree with the minister and his comments, particularly in regard to the garment industry. It is not an industry I know a lot about, but I have had the same comments and certainly shared the same view as a layperson that free trade was going to be very difficult for them. It was in fact very difficult, but they made exceptional adaptation with some help, but not a lot of help, from government.

I would also say in response to the minister's comments concerning the views of the Liberal Party during the election that in large measure I concur with his comments. The NDP party has always viewed Canada as an economy that needed a partnership, that was a mixed public-private economy, that by its nature needed strong government, strong entrepreneurial spirit, strong labour and that we would prosper in that kind of a balanced environment. By the way, I think that the business writing in the world press that talks about business says that, too. That is the formula for success that Germany traded on, the European countries have traded on for years, that Japan trades on, that is strong and balanced roles for all the partners and appropriate programs from each. So I think that is certainly something that I would concur with.

I hope this government is committed to maintaining a strong role as a partner in that process and does not take the kind of neoconservative view, which is at least on the election platform coming out of Ontario in which Newt Gingrich north is poised to move into Queen's Park.

**Mr. Downey:** You are not going to question the decision of the people of Ontario, are you?

**Mr. Sale:** I would never question the decision of any people in terms of whom they elect. I think simply people elect with great hopes and may despair at their leisure sometimes.

Just for the record, the request I made, so that it is clear, would the minister table a list of the initiatives taken during the past—and I will leave him to choose the period of time—along with the employment levels at the point the initiative was taken, the either expected gains or the actual gains depending on the period of time that

we are talking about and the estimated gains on which the initiatives were taken?

If I could just clarify this a little further, in some cases I know in the grants, loans or other partnership agreements, under whichever program they take place, there are specific expected performance levels, Repap and others. So in the case of those, those would be the expected performance levels.

**Mr. Downey:** Mr. Chairman, I will do my best to get as much information as it relates to programs that the government was directly involved in which can, in fact, be tabled where there is not any confidential information that I am not able to table. I will attempt to give him the best story possible.

**Mr. Sale:** Mr. Chairperson, I thank the minister for that.

Moving on into the area of human resource development, you have as an operating principle, developing human resources to enhance productivity, foster motivational environment—I know that goes farther than bringing in somebody to psych up hairdressers.

Could you tell us what you have done in terms of human resource development again in a broad way, enrollment levels, graduates, employment rates? Are these programs certificate programs, diploma programs, or are they one-off special programs that have no certification?

**Mr. Downey:** I think, Mr. Chairman, the attempt here is to make sure that all the people who work within the Department of Industry, Trade and Tourism are fully aware and motivated to maximize their potential and the potential of the programs available to them to enhance the business activities that are carried out in the province of Manitoba.

There is a strategy that is being developed to do that. I have to say, I think, from what I am seeing and hearing, there is room for encouragement. I am encouraged by what has been brought forward. It has to be a team approach, not only within the department but within government.

**Mr. Sale:** Mr. Chairperson, I thank the minister for that. I was clearly misunderstanding the principle. Is the principle then aimed at your own internal staff and not aimed at programs for the broader community? It seemed that the other three principles were—well, no, I suppose the first two principles were aimed at outside groups. This is an internal operating principle?

**Mr. Downey:** Yes.

**Mr. Sale:** Thank you. I misunderstood the intention here. I thought it was an education function of which I had not been aware.

My next question is in regard to the strategic thrust area. Manitoba is a prime location for investment. I wonder if the minister could provide us with a list of the private-sector investments, by sector, over the last let us say two or three years, that is the normal industrial sectors and the capital investment and other forms of investment that have been made.

**Mr. Downey:** Again, I am not sure where it would be available broken down sector by sector, Mr. Chairman. I think the only thing that could be done, and I think it is available to the member, as well as any public statement that would be made by a company that is investing per se in Manitoba, so I would not commit to give him something that I am not able to achieve or acquire.

(Mr. Deputy Chairperson in the Chair)

Again, I would do my best to try and identify private investment whether it would be, for example, the investment that was made in Hudson Bay Mining and Smelting in the community of which the member sitting next to him has been the recipient of in a very positive way.

There was both public investment but also a major investment by HBM&S in the magnitude of \$180 million which we probably have heard publicly. Those are the kinds of expressions. As far as nonannounced or other private investment, I cannot assure him that I could get that.

\* (1630)

**Mr. Sale:** With respect to the minister's comments, I certainly do not want him to try to do something that cannot be done, but it is my understanding that Statistics Canada collects this information on a sectoral basis. The difficulty with the StatsCan numbers is that they are usually long in coming. So I am wondering if the minister has access to more current information than the published StatsCan data and if the minister would be able to share those data on a sectoral basis with the committee.

**Mr. Downey:** Mr. Chairman, to the best of our knowledge I can give a number that we expect to have some 2,000 company visits to the province looking at investment and/or expansion. To break it down any smaller, I cannot do it.

He is aware of the fact that we are looking at a record investment intention in the province this year of well over \$4 billion, which again I think is extremely exciting for us to see that kind of investment potential and capital in the province of Manitoba, basically, if not leading one of the leaders in Canada, outstripping other provinces. I think it augers well.

Let me just look at some of the actual things that are taking place out there when we look at the investments that are taking place in Louisiana-Pacific, again a major \$90-million investment, not of government money but private-sector money creating some 400 jobs. Those are the kinds of investment activities that are real.

I have made mention of some of the expansionary plans which are taking place. Palliser Furniture is another one in which we are seeing major investments taking place. We are seeing the window investment activities that are taking place, window manufacturings that are taking place. We have had at least two major expansions, one in the city of Winnipeg and another one in Steinbach. Those are major capital investment intentions.

If there is a public system of finding out what the investment actually is that is taking place that is more updated and helpful, I would like to provide that information.

**Mr. Sale:** I thank the minister for that response.

I will just share with the minister, with the committee, again, what I am trying to do here is to get an overall sense of the shape of what is happening in our economy. We know that the overall shape of western economies, Canadian economies, is changing rapidly and in a very significant way.

One of the clues to the degree to which we are adapting is the pattern of capital investment in terms of what sectors are leading, what sectors are trailing. Strategy for sound public policy would be to be investing in and focusing on leading strategies and perhaps paying somewhat less attention to declining areas. I am sure the department has some sense of that.

One of the key areas of being able to figure out whether it is working or not is what is happening in capital investment intentions. That is why I am asking for those questions. It is framed in the context that at least the data that I have suggests that we have not done well in GDP growth in the past period of time.

I hope that the Conference Board estimates the minister shares with the committee, which I am aware of too, are correct. There is nothing negative in that. I just know that forecasts are interesting but they are forecasts. Long-term trends tell us more about whether we have been making the adaptation we need to make. I am not feeling very confident on the basis of the long-term trends.

**Mr. Downey:** Again, I can give him my own synopsis, but I will try and get some more detailed information as it relates to where the investments are taking place.

The transportation sector is one in which there has been some major investment taking place and some positive results, when we look at the whole transportation sector. The farm machinery industry is one which is leading the way and again is seeing some major capital investment and positive results.

In the agri-food sector we are seeing some very positive investments taking place and intentions for further investment as we see particularly the Asian markets opening up to different eating habits. I referred to the garment industry which is both needing people and is seeing major capital investment taking

place. The whole telecommunications sector and electronics field is one which is very positive, and the computer sciences, that whole sector, again, tremendous advancements. Tourism, the actual numbers of positive tourism activities taking place in the province, particularly from the United States and from foreign travellers, again, seeing tremendous positive results.

There is one that has been brought to my attention from my colleague from the riding of Emerson (Mr. Penner) which I think is important to put on the record, the whole expansion plans and development of Friesen Printers in Altona. This is not just taking place in urban centres. It is taking place throughout the province with probably up to 80 new jobs and several millions of dollars worth of investment.

What it is doing is manufacturing a broad section of investor confidence. The mining sector alone last year saw an investment of \$45 million in the exploration activity, a record number of dollars and intentions to proceed, hopefully, to three operating gold properties creating tremendous numbers of jobs and needing capital investment.

I will try to quantify in the different sectors what is taking place so the member can, in fact, get a reading. That is where I have to be quite encouraged and, I say, openly excited. I think what we have seen in Manitoba with this government's policies over the last eight years is not continually going after the taxpayers but sizing down the size of government and living within our means. Providing the essential services that are expected to be provided has given us a strong base of which, again, and I will be a little partisan, the people on April 25 decided they liked the direction we were going.

So we can look at Stats Canada numbers, we can look at all of the refined systems that are used by the academics to come to debate with, but I say, genuinely, the general public out there are extremely positive.

The agricultural sector, again, I make that as a statement. We have seen some very, very positive activities taking place. Last year's canola crop, for example, was a real boost to the economy, two major

crushing plants in the province that have been working at full-out capability. In general terms, I feel a strong basis.

Let us use one other industry of which we have two plants. The member made reference to Repap, again, seeing some strong growth. The pulp prices in themselves came back adding confidence to those resource industries. The takeover of the Pine Falls Abitibi paper company by Pine Falls paper company, which the government supported, added stability to that whole community. A \$30-million loan that was approved to proceed to support those jobs in that community may not be totally drawn upon before the work they have to do. So again, there is a general economic recovery remembering that in our earlier years, of which we were in government to 1990, went through probably one of the worst recessions since the 1930s.

So again, I am encouraged by what has taken place and will try to quantify it to help the member with his positive way to think about Manitoba.

\* (1640)

**Mr. Sale:** Mr. Chairperson, I thank the minister for that response.

He has partly answered this next question, and perhaps he could just add the information on this next question to what he just promised to provide if he were able to do so, and that is the expected level of investment this year. I think he already gave me a figure on that.

My question under that is: Does this expected new investment include the \$111 million for the new arena?

**Mr. Downey:** Mr. Chairman, the number was \$4.1-billion investment intention. I honestly cannot give him that answer. I do not believe so, but, again, it may be part of the numbers. If it was, it would only back us off to \$4 billion instead of \$4.1 billion, so we are still in a record situation in my estimation.

**Mr. Sale:** That was not a question of whether it would change the record or not. It was a question of whether

the investment intention included public- and private-sector spending or whether it is purely private sector, and I gather that it is public and private.

**Mr. Downey:** Yes, it is public and private investment.

**Mr. Sale:** Would the minister supply the breakdown between public and private? I do not know if there are other categories, usually there are. In most of the statistics, the mining sector, the business sector, the various sectors are indicated.

**Mr. Downey:** We will do our best to provide that information.

**Mr. Sale:** Could I just clarify for the record the question of the planned investment in a new arena. Are any of the funds that are expected to flow from the province for this project located within any of the Estimates of this department?

**Mr. Downey:** Not that we are aware of, Mr. Chairman.

**Mr. Sale:** But decisions are being made as we speak, right?

**Mr. Downey:** No, Mr. Chairman, the budgetary numbers which are here are for the purposes for which they are spelled out in the Estimates book.

**Mr. Sale:** Mr. Chairman, I take the minister's answer, but the minister has a department that has in it a number of different sources of funding, not simply the appropriations, but there are channels and avenues that the minister and the government can access.

My question is meant to be quite specific: Are there any dollars over which you have responsibility as minister in this department and under the various acts for which you have responsibility, are there any dollars there of which you are currently aware that are planned to go to the arena?

**Mr. Downey:** Mr. Chairman, I think probably that question would be more appropriately asked of the Minister of Finance (Mr. Stefanson) as it relates to the overall project which is being talked about.

Again, there may be some areas of which, in any overall financial plan, if there were any areas of funds available in that decision, I do not want to put something on the record that is not accurate, and as I said, to my knowledge, no, there is not.

**Mr. Sale:** Mr. Chairperson, would the minister, in general terms, comment on the next strategic thrust, which is the access to capital question?

I just say, in background of this, there is a large debate that goes on. The Liberal Party has often been on one side of this debate and others have been on another side. There are frequently assertions made that business does not have access to capital, adequate access to capital. In particular, often small business and medium-size businesses are referenced as having particular problems in terms of access to capital. On the other hand, I know that the Crocus Fund and various other venture capital funds have very significant surpluses of capital and a lack of decent opportunities in which to invest it. At least that is their perception.

I know that the Steinbach Credit Union has for years and years and years carried a very, very large overnight cash balance with its depositor. I believe it uses the Royal Bank as its overnight depositor. The credit union movement in Manitoba as a whole has a very substantial net unallocated capital balance in its overall sheet.

So can the minister comment in a general way about whether there really is a shortage of capital or is there a shortage of solid investment opportunities?

**Mr. Downey:** I think there can be a fairly broad ranging debate in this whole area. It will be helpful to put some things on the table. I guess it depends on where you are coming from, and one of the things that was identified as it related to the Capital Task Force, which we had established last year, which I want to acknowledge publicly, was the excellent work that they carried out. Some areas particularly that were identified that have difficulty in obtaining capital were businesses that were probably looking for a million dollars or less. You get into the major projects of which you are in the probably two to three to higher

capital ranges are still difficult but not as difficult as what it was identified there.

I guess I am from the school which traditionally would have thought that is what the banking industry was in business for or the credit union industry was there to provide the kind of capital investment to proceed. As times have changed, we have seen maybe less activity, although the banks will not tell you that. This comment I am putting on the record is not in any way derogatory toward the banking industry, but I am listening to people who are out there who are looking for investment capital.

So we have through the task force identified certain areas. I do not believe it is a lack of people or businesses looking for investment capital. I think it is a matter of making sure the instruments are tuned to making sure they cover those areas, and I again talk about the million-dollar-or-less industry that is looking for money that is probably having the most difficult time.

The member refers to Crocus. I think that is an instrument that has been put in place. It is administered by a board of directors of which they have management hired. I would hope that there is an aggressive move out there for them to find, identify people who in fact can use their resources.

One of the principles behind the Crocus Fund, if I can remember the debate and the discussion and the development of it—I was not this minister at that particular time—was in fact to support employees of companies to buy a company from the owner who may be retiring or looking for an opportunity to sell. That, if I am recalling correctly, was the initial thrust behind it. Again, I cannot give an any more up-to-date report than that.

I say this on the record, I am a little disappointed that maybe there have not been more monies invested by the Crocus Fund. Again, I am not being overly critical. I just have to ask the question as to why they have not been able to identify opportunities, because I certainly know of one or two companies that would like to sell their business. Their employees probably would like to buy. Maybe we need a more aggressive marketing

program from the Crocus board and from the management.

As it relates to some of the small business, we have the Business Start program, which is guaranteed loans up to \$10,000 that has created several hundreds of jobs; and the Small Business Expansion Fund and again instruments which would help the very small businesses which are looking for investment capital.

Again, it is an area which we all have to continue to work on. I think the fact that we are now trying to develop a capital fund and encourage the pension funds, of which the monies are raised in Manitoba—on the record of saying this previously and I will say it again. Where the monies are earned and generated in Manitoba from public-sector jobs, whether it is working for government, whether it is the teachers fund or whatever, I would hope the managers and directors of those funds would see fit to—and we are in positive discussion with them—allow that capital to be used in Manitoba.

Again, I think it is important that we have to access all pools of capital to help use as a tool for the development of this province. I think the job that we all can play is to ask you as members of the Legislature any influence that you may have to encourage that to take place. I feel it is an area that people generate and earn their money. It is like the principles of the credit union. They were earning money within a smaller community in Manitoba, and what they saw as a need was to set up a system where that money did not have to flow to eastern Canada through the banking system to be invested but could, in fact, be kept in a system within their community to be reinvested in that community and safely invested.

It is a matter of making sure that people are I think putting their money into systems where they know there are proper instruments there to protect them.

\* (1650)

Another area that we—it does not fall within this direct jurisdiction, but I think it is a positive sign, and that is within the Rural Development section. We have a Grow Bond Program which—

**Mr. Sale:** I have heard about that program.

**Mr. Downey:** —can be further debated.

**Mr. Sale:** A couple of ads on TV I have seen from time to time.

**Mr. Downey:** Oh, yes. Did you like the ads, Tim?

The bottom line is, there are other instruments for other activities throughout Manitoba that can be used.

Again, I am going to be emphasizing, and the department is going to be emphasizing, a considerable amount of time and energy to make sure that we do have the capital funds in place to satisfy the growth opportunities that we feel are there. We feel there are tremendous growth opportunities. The tools have to be put in place, and, as well, the labour component has to be a major part of it. They will help the success of the businesses develop and expand.

**Mr. Sale:** We will probably get into a little more discussion of this in the particular line. I am simply trying to get an overall grasp of the department at this point.

I would just comment that much of what the minister says cannot be denied, that this is what we ought to be doing. But my sense, from a little bit of knowledge in the financial community, is that virtually all of the communities in Manitoba are net exporters of capital. I do not think that the business managers of the credit unions and banks want to do that; it is not to their career interest to have to do so. The fact that that pattern is virtually Manitoba-wide, that we are net exporters of capital from not just Winnipeg, but from many of the surrounding communities, most of the surrounding communities, and certainly in southern Manitoba, net exporters, suggest to me that there is a different problem. The problem is not a shortage of capital.

The problem is either that the opportunities are not well formed or the business plans are not well articulated or something like that is the problem. It is not a capital problem. Governments—and I do not mean that this is the only government that has done this—are

forever talking about the need for venture capital and capital funds. I do not sense that is a particularly big need, but I would appreciate it if the minister could table with the committee any number that might indicate the capital shortfall that you think exists, which would justify the creation of a venture capital or another capital fund on the part of the province or the public sector. If you could give us a sense of what you think that gap is, I would appreciate that.

**Mr. Downey:** Being the co-operative minister that I am, I will proceed to make sure that I give all the information available, and the first reference that I will use is the task force report that was carried out for us last year.

Again, identifying the most immediate need: It was the \$1-million-and-less capital fund. So I think he will find that report interesting. I am sure that any member of the task force report would be more than pleased to talk to him and maybe help him in his understanding. But that has been identified as a major concern and need.

**Mr. Sale:** Thank you for that response. I am showing some of my lack of knowledge here in that I have not seen that report. So if it is a public report, perhaps we could find a way of getting it, and I would have a chance to look at it. I am very interested in that issue.

Finally, in terms of this opening page, the last comment, meeting infrastructure needs of the new economy. Could you broadly identify what you mean by the infrastructure needs? Sometimes in your documentation it means human resources; sometimes it means hardwiring. What do you mean by infrastructure when you use the term?

**Mr. Downey:** I think it is a matter of making sure that when one is developing a transportation system or wants to develop a trucking industry or a transportation industry, you have to make sure the roads and the infrastructure are there to make sure that the traffic can get in and out of the system. The same applies for call centre activities. If there is a network, whether we are talking Internet or whether we are talking distance education, whether we are talking people doing business in outlying areas, faxes, private lines, there

was an \$800 million expansion expense from telephone systems to put private lines and fibre optics. That is what I am talking about.

As well, there is another major component which I should talk about and that is the need for investment in research, R and D, which we are as a country far lower than our competitors in the world. It is hard to encourage people to invest in R and D. I do believe there is—and with TRILabs there is one instrument which we are using, again working with the private sector to make sure we are able to go out into the world market place.

That is where we are. We are truly in the global market place. We have to have the infrastructure whether, as I said, transportation, whether it is knowledge, whether it is information to move and access in and out of the system very readily. Again, R and D is an area that fits right into this category as far as I am concerned.

**Mr. Sale:** Mr. Chairperson, I agree with the minister's comments. I assume that the minister's staff have a strategic plan in the department. Is there a strategic plan in your department, Mr. Minister?

**Mr. Downey:** We are always working on strategic plans and they have been very successful, Mr. Chairman.

**Mr. Sale:** Having again some experience in helping organizations do that it is not always positive, it is very difficult. What I am wondering is whether in that strategic plan you have identified the key infrastructure areas. I am assuming there is a strategy here, I hope there is, that says that as Manitoba attempts to meet the kind of challenges of the "new economy" there are key infrastructure investments, and we have a government strategic plan, in effect, to deal with that infrastructure question, though they are not all within your department obviously. Is there such a plan? Could you briefly outline what it consists of?

**Mr. Downey:** It would take me a considerable amount of time, Mr. Chairman, but I could give a basic overall—as we have pointed out there are six strategic areas which the department has identified. What in fact

are our strengths? Again I can talk in the agri-food sector for a minute, to make sure that when the development of an activity takes place some of the things that have to be done in the developmental stage, and that is to make sure that we have, whether it is a rail system for movement of product or a road system for movement of product. That is the hard side of that equation. When it looks at the development of a new product, we have a food testing lab in Portage la Prairie which is a supporting mechanism. Again, tied into the whole activity of any development—and the member should be well aware of it, coming from the university—is the backup of university and the technology that the people have to be trained—community colleges, the same idea, to make sure there are people there to carry out the activities.

\* (1700)

When I talk about tourism, we have a federal-provincial tourism agreement that has been in place to make sure that there is infrastructure in place to satisfy or to try to satisfy incoming traffic. There is no point of going into the international marketplace or into the marketplace advertising Manitoba is a good place to come to tour, and then the people when they get here find there is no infrastructure or nothing to satisfy their appetite. Whether they are going into a fishing experience or whether it is one of the arts experiences, you have to make sure the product is here. Again, building on that is extremely important. We generally would hope that when it comes to the private sector, the private investors would do that. There has had to be some encouragement in that particular area.

In the whole area of aerospace and a little bit about the activities as it relates to Akjuit and the spaceport, again there is a need to make sure we have the services available to satisfy that initiative. One of the services we need to make sure we have is CN Rail providing a service to the Port of Churchill, a very important ingredient for that to happen. I would say as well the whole area of—again I referred to it in my opening comments—the aerospace chair at the University of Manitoba on materials—I am not sure of the exact terminology, I have to go back to my comments—but it is the ability of materials to withstand the stress and the pressures and the flexes that take place within the



aerospace industry, again, a major investment. Those are the kinds of things that we are following up on.

Again, with the telephone system, it is a major integral part of providing Call Centre activities and communication linkages, fibre optics for either education and/or commercial communication activities is extremely important. That again, I made the reference to the private line system that has been invested in in rural Manitoba, so that our farm community could tie into the modern technologies of what is out there. Again, it is a major, important part of a strategy to make sure that we are moving into the next century with modern technology and we are not in any way hampered by not using modern equipment that is available.

**Mr. Sale:** Mr. Chairperson, my colleague from Flin Flon would like to pursue a couple of questions around the issue of the bayline. He is not able to be with us another day, so if the minister would agree to some questions around his last response in regard to the importance of the bayline, I would very much appreciate it.

**Mr. Gerard Jennissen (Flin Flon):** I am basically responding perhaps in some of the questions to the earlier ministerial statement that you made at the beginning. I am sorry, I am a bit of a rookie, so I am floating all over the place, and I hope you will bear with me.

I am glad that the honourable member for Crescentwood asked me to talk a little bit about the CN line. If we are talking about a strategic initiative up north such as the Akjuit spaceport, then of course we will need the CN line and VIA Rail.

I would also like to go back just for a minute, Mr. Minister, on Repap. You mentioned Repap as a success story; however, that is not quite what I am getting from some of the workers who are being laid off or feel they are being laid off.

Again, that harkens back to what you said earlier, the member for Crescentwood, about maybe we are only seeing one side of the picture sometimes and not both. I have been talking to some of the workers from Repap.

They are telling me that they have worked there for 25 years and now are in the process of being laid off. That concerns me greatly.

I was very happy to note that earlier on you said there was a Mobile Business information centre for rural Manitoba. I cannot help thinking would it not be great if we also had a mobile mammography unit for rural Manitoba, because I am sure that rural women are as important as rural businesses.

Above all, Mr. Minister, I wonder if you could comment a little bit on tourism, which I think has real potential in the North. Again, it is tied to that negative factor that the roads are not there. If the roads were there, or better roads—the roads are there but we need better roads—and if we had perhaps sort of a sense of vision where we could connect Flin Flon by road to, let us say, Lynn Lake and Leaf Rapids and have a northern round road, then I think indeed American tourists would come up north.

I am just wondering I guess in a sense why some of the departments are not talking to one another, because this obviously deals in this case with the Department of Highways and Transportation and the other case with the Department of Health. I would just like your comment Mr. Minister.

**Mr. Downey:** Mr. Chairman, I am not sure what a mobile mammography service has to do with the department which we are debating, and I would not be able to respond to it, but respecting the committee and the other members here, I think we are all very strongly supportive of making sure that all the health care capabilities are there for all the people of Manitoba, particularly when it comes to the identification and prevention and cure of cancer. If the member is trying to say that in some way we are negligent, I disagree with him.

Back to being a rookie, I am a rookie too. I learn something every day in this business, but I would hope we could stick to the Department of Industry, Trade and Tourism. I do not accept that we are not doing what we can in a maximum way to make sure all the health care needs of all the people in the province are being looked after.

More directly relating to the question as it relates to tourism, tourism is certainly no stranger to the North. I have to give a lot of credit to the private operators who have for years, whether it is fly-in fishing camps, whether it is tours to look at the great northern lights that we have in the North or whether it is any activity throughout the province—we have been strong supporters of tourism, and our policies I believe over the last year have shown it.

Again, my opening comments—and I will not repeat them—have clearly indicated we have seen strong growth. We are leading Canada as it relates to tourism coming in from the United States.

If the member is suggesting that we should be putting in new roads specifically for tourism, I think he is being a little bit unfair. I think we have to, when we look at developing any region, it is a matter of using a multiple of industries that will help support that investment. That is why we have seen the policies of this government encourage new development in the mining sector. Again, \$40-some million in investment in finding new mine potential is important. That is why we eliminated any tax on investment in capital in new mines until the mine is in a profitable position. That is why we, in fact, brought in a policy where 150 percent of exploration expenses can be written off against other income of a mining company. So it is a matter of a multiple use of an infrastructure system.

Tourism is a major one. It is a major industry for the province, a billion dollars to Manitoba, 22,000 people are employed in the industry. We are challenging the industry to double by the year 2000, to create a tremendous number of jobs. The world is travelling, and they want to travel, and I say there is an opportunity to entertain the international marketplace in a greater way. We hope to further expand our U.S. travel. It is not that we do not have a very positive tourism industry out there today. It is a matter of how do we continue to build on what we have.

Again, as far as expecting taxpayers to put in major infrastructure in roads specifically identified for tourism, I think, would be, yes, nice to have, but keeping the ones that we have upgraded and maintained, making sure there is an airport system in

place that will take people into some of the remote areas, I think is crucial. But on developing new roads, and I know the road the member is referring to, if there can be identified new mineral resources, forestry products and tourism to again be a multiple use of it, I think is extremely important. I do not know if the member would disagree or not. It is his call, but a multiple use of a road can further justify it rather than just a single use.

**Mr. Jennissen:** Just to clarify that, I guess all I am saying is that the potential is there. The North has the fish and the forests and the water, and it seems to be a prime location for tourism, but I still do not believe people are going to drive those roads to come north. I know a lot of Americans will not.

To get back on tourism again, I noticed the minister pointing out that a lot of American tourists come to this part of the world, and I am glad that American Airlines gives us some fairly reasonable freights for us to go back to Chicago, but for me to fly to Flin Flon is still \$622.80. And that cannot be very conducive to tourism.

**Mr. Downey:** The member is fully aware that it is not within the jurisdiction of this government to control the rates at which you are charged to fly internally and/or externally.

I would also like to comment that the information he brings to the table I will have further investigated as it relates to Repap. I have no indication that there will be any layoffs at Repap, and if he has some more substantive information that he is either prepared to table or provide me with names of individuals whom I should talk to, I would like them, because in fact we have the opposite information, that the industry is in fact more of a positive situation, and we are looking for some expansion of job opportunities.

\* (1710)

**Mr. Jennissen:** I would be very glad to give you the name of one particular person who has worked for Repap, I believe 25 or 23 years, and he is very worried about his job. As he understood it, Repap was supposed to go into a Phase 2 and creating 1,000 jobs,

and that has not happened, and he is concerned about his job.

**Mr. Sale:** I thank the minister for responding to my colleague's questions at this point, although they may be slightly out of order in terms of the appropriation, but I think they were sufficiently broad to qualify under Executive Support.

I need to ask for clarification, Mr. Chairperson. I want to spend some time on the airport authority transfer question. You may have staff that you want to have here at that point. Under what appropriation would you like to discuss the airport authority issue? It probably would also tie into northern hemisphere at the same time.

**Mr. Downey:** I think I do not have anybody that is available right now. I would try to deal with the questions and if I am not able to I will take them as notice, but I have a little bit of an understanding of what is taking place.

Again, we are not overly directly involved, I think would be the best way to answer the question in an overall context. It is the federal government that is very much involved as it relates to the airport authority. We are certainly conscious in a general sense of what is going on, but as far as any details as to negotiations and specifics like that, I cannot get him that information. If he gives me notice I may be able to find the information he is looking for.

**Mr. Sale:** To clarify, the honourable House leader was asking about time. I am learning this department and I do not have a sense of time at this point. For the minister, I am sorry, perhaps I should have but I do not. I am not intending to draw things out for the sake of it, I am trying to learn as much as I can and I am finding it hard to estimate time.

I would rather deal with the airport authority under one of the appropriations; I am concerned about the strategy we are following. I am particularly concerned about the extremely onerous and I think absolutely inappropriate strictures that the federal government is placing on this process.

I would like to get some of this on the record and if there is someone that the government would like to have here to help clarify, I am not asking to ask the questions at this point, I am merely trying to find out where I should ask them.

**An Honourable Member:** Under Aerospace.

**Mr. Sale:** Aerospace? Then that is 10.3.(c).

**Mr. Deputy Chairperson:** Is it the will of the committee then to move to 3?

**Mr. Sale:** I beg your pardon, Mr. Chairperson. For clarification, I am not asking to move now. I was simply trying to clarify where that would best fit. I am sorry for that confusion. Secondly, we are just about ready to pass the executive area, but I have a couple of questions about your senior staff. In the organizational chart Mr. Bessey is shown along with Mr. Silver and Mr. Anderson on a line above the deputy minister, Mr. Sutherland. Is the chart still accurate in terms of those persons?

**Mr. Downey:** Yes.

**Mr. Sale:** Are all of those staff that are listed above the deputy then holding the rank of deputy? Are they paid at deputy level? What ranks and classifications are they in?

**Mr. Downey:** Mr. Chairman, the two on the left, Mr. Anderson and Mr. Blackwood, would be in the range of senior officers. Mr. Silver does not get paid at all and Mr. Bessey would be in the deputy range.

**Mr. Sale:** What SO level? SO1?

**Mr. Downey:** It is SO1, I believe, for Mr. Anderson and Mr. Blackwood.

**Mr. Sale:** For both?

**Mr. Downey:** Yes, I believe so.

**Mr. Sale:** I am sure the minister is correct in that but if there is a change there, that is fine. I am simply

trying to discover what their rank is. I am sure they all earn their money many times over, Mr. Minister.

Mr. Chairperson, could the minister clarify whether Mr. Bessey reports directly to the minister as indicated in the chart, or does he report through the deputy?

**Mr. Downey:** Directly to the minister.

**Mr. Sale:** Could the minister describe the various roles that Mr. Bessey carries out on behalf of the government in an overall sense?

**Mr. Downey:** Mr. Chairman, we could talk, probably, about the job of the Economic Development Board secretary and the role in which that is carried out. That is basically a small unit of people who are available to the Economic Development Board of Cabinet as it relates to specific initiatives, i.e., the discussions and negotiations of major initiatives like the agreement with Faneuil, the Faneuil deal that was carried out.

In general terms it is a matter of high profile businesses which will have a major positive initiative to the province of Manitoba.

**Mr. Sale:** Would the minister table with the committee the formal roles that Mr. Bessey carries? For example, I believe he represents the province on the Crocus Fund. I believe he is currently responsible for monitoring or taking part in, I am not sure which it is, the discussions with MEC. I think he sits on a number of other boards, virtually, ex officio on behalf of the province.

**Mr. Downey:** Mr. Chairman, I will not have any problem in identifying the roles which Mr. Bessey has been carrying out. However, I should inform the committee that Mr. Bessey is leaving the employ of government within a short period of time and has stepped down from some of those capacities. I would have to check my records as it relates to the membership on the Crocus board. So what he has been doing and what he is going to be doing are two different things.

**Mr. Sale:** Thank you for that information. I do not know whether he is leaving government entirely. Is he

leaving the province's employment? Is that the intention?

**Mr. Downey:** Mr. Chairman, I do not know whether it is my place to tell members what Mr. Bessey's intentions are, but he is leaving the employ of government. If he wants to check with Mr. Bessey, I will give him his phone number. I know what he is going to do, but it is not my place to tell people.

\* (1720)

**Mr. Sale:** Mr. Chairperson, I take the minister's comment as absolutely appropriate.

This is just a minor point of clarification. On page 57 in the Supplementary Information Estimates book the term "Economic Development Branch" is used, and I cannot find the term "branch" anywhere else. What is the entity referred to as the Economic Development Branch? Is it just a typo? Is it the board?

**Mr. Downey:** Mr. Chairman, it was just a place for a word, and we had to find a word to put in there. That is the reason why we used branch.

**Mr. Sale:** So is the entity the Economic Development Board? Is that what we are referring to?

**Mr. Downey:** Yes, it is.

**Mr. Sale:** Okay. Just for my own clarification so that I am not looking for something that is not there.

On the organizational chart the term "Managing Partner" is used. Does this actually mean anything or is it a buzzword for something that we find more typically in chartered accountant firms and investment firms? What is the point here?

**Mr. Downey:** Well, without doing a lot of research, it means that those people who are in those positions get a pay cheque every month. That is one thing it means.

No, I think it is a matter of trying to make sure that the terminology that is there is to try and have them in a position, when they are interfacing with potential businesses, companies, that they are seen as people in

a relatively senior role with decision-making capabilities. As limited as it is, it is still a matter of giving a presence to that title that carries some major responsibility with it; on an economic-development front, a little different than what has traditionally been used, whether it was assistant deputy ministers, directors—directors of what? The managing partner of the aerospace industry, to me, means that that individual is very much integrated and part of the whole activities that are carried on. That is the meaning behind it, as I interpret it.

**Mr. Sale:** I think it is a good defence. I am not sure it actually means anything. I guess the term "managing partner" to me means someone who has signing authority, that has the capacity to commit resources in a substantial way. In the private sector, when one deals with a managing partner, you are dealing with somebody who has the ability to come to the table, make a commitment, perhaps not to bet the firm, but at least to represent the area that that person is managing and commit the resources of that area. If that is what it conveys then I think that is a useful term. If it means that this person can, without wandering up through the bureaucracy and getting Treasury Board's approval, make things happen, then I think it is a useful term.

**An Honourable Member:** Is there such a thing anywhere?

**Mr. Sale:** Well, if you have a special operating authority, in some cases, yes. If these were SOEs or SOAs, depending on your terminology, and really are that kind of an organization, then I think the terminology is appropriate. Okay?

**An Honourable Member:** Okay. Carry on.

**Mr. Sale:** All right. Thank you. So that is the second question. Is there then an intention to create any of these as special operating authorities or special operating entities within the current Manitoba understanding of those kinds of organizations?

**Mr. Downey:** Again, at this particular time the answer would be, I would probably be open to consideration if somebody could make a case for it as far as actively going out and aggressively doing it. At

this point I would say, no, but I am open. I say that genuinely. We are seeing a major change and shift in global trading patterns.

We are seeing shifts and major changes within industry in Manitoba and our job, quite frankly, is to be a customer-provider of service and interface with those industries. If we could do it a better way and if it could be shown that I could do it a better way with the department, I am very open to that kind of a discussion and would have to proceed through a process, as you have indicated, Treasury Board, structure of government has to give certain approvals.

I am open to it. I know some of the people who work within the system may come forward with ideas of how they could better provide services, so to sit here and say, no, I am not—to be quite honest, we are in a very changing world and a fast changing world out there and to say, we are going to fix for the next period of time, this is the way business is done in the Department of Industry, Trade and Tourism, I think I would be less than responsible.

Flexibility, customer service—if you heard during the election campaign, the Premier made a commitment of which I think we all have to be very cognizant and that is that we are going to provide a more customer-friendly government. That is what it is all about. We take taxpayers money to provide service, to maximize the use of that money. To say that forever and a day we have a fixed structure, I think, would be less than honest with the public.

I think we have to be prepared to present ourselves as flexible and effective. For sure we have the former president of the Manitoba Chamber of Commerce as part of our caucus, who, I am sure, after having observed and seen the way in which activities take place will have some positive contribution to make in helping us structure to satisfy the business community.

I know from past comments coming from different organizations like the chamber, there are ways which we can improve. I am open to those kinds of suggestions, and I would be less than honest—I do not have an immediate fixed plan right in front of me today that I am going to make specific changes—but again,

open to it. Maybe the member may, from his capacity, convince me that I should have changed to a special operating agency or to do something, privatize in some way that would be helpful to the industry.

**Mr. Sale:** Mr. Minister, I am certainly not advocating privatization of this particular department, but I will say in the spirit of, I think for me at least, a very useful discussion—although it may be boring for those who know the area better, I am finding this very helpful. Having been an assistant deputy minister it used to drive me bonkers to not be able to spend \$50 of a \$1.1 billion budget for which I was legally responsible. It was absolutely nuts, and I would say to you that it was your colleague, the former Minister of Education, currently the member for Roblin-Russell (Mr. Derkach), who seemed to not understand that micromanagement does not work, that if you want to manage something, you have got to manage the big things, not the little things.

Government is still bedevilled, this government is still bedevilled with micromanagement, and what I am hearing at least is that this department, however effective it may be, is still in fact being managed in a traditional way, though some of its terminology may be new, that the various sectors still have to get very senior-level approval for virtually all initiatives that are taken. That may be appropriate. Maybe you want to defend that, but I certainly did not find micromanagement to be either efficient or helpful in the public sector.

My dream was one day to be able to have a cheap airfare to Toronto so I could save the people of Manitoba 400 or 500 bucks on a trip to a meeting that I had to attend, but I could never get approval to go until about four days before. So I never could get a cheap fare, because I had to get approval to attend meetings on which I was actually the provincial delegate. Now that is nonsense. At least what I have heard from the bureaucracy over the last few years is there has not been a lot of change in that area yet. I hope there will be some time soon.

**Mr. Downey:** Well, I do not know whether the member is looking for a comment or not. It is a matter of, when you are in the business of providing public

service, one always has to be accountable and openly accountable for the way in which monies are spent. The micromanagement which the member is talking about, quite often the politicians get picked up and criticized for the smaller expenditures because people generally understand that wasting money at any size is not appropriate. Of course, I have heard many times, if you look after the pennies, the dollars will look after themselves—

**Mr. Sale:** Which is a fallacy.

**Mr. Downey:** Well, the member disagrees. Some people say you should look after them all. Again it is a matter of management style. In certain areas, quite frankly, I do not disagree. There are certain areas that more flexibility could be in fact brought to the table.

I would add one further thing, quite frankly, and this has nothing to do with the debate we are in specifically, but a little of my own philosophy on the table as it relates to this committee process. I think that there may be an opportunity to debate with government ministers policy issues, and the details of expenditure, which departmental staff are responsible for, probably should be the ones that are directly answering to the committee, but that is not the way the tradition of the committee has worked. The minister sits here and answers the question and the information is forwarded through.

\* (1730)

I am just putting my own personal thought out, being a rookie in this business, as I said. Mr. Chairperson, I do apologize to the committee for deviating a little bit.

**Mr. Sale:** I know that having sat on the staff side, you alternate between joy and cringing at the various answers that are given. I remember one particular minister on our side of the House who used to send staff into paroxysms of activity overnight in order to find some way of justifying what had been given, so I am well familiar with that.

I want to ask about two entities at the bottom of the org chart not reflected on this chart, MDC and MTC, the Manitoba Trading Corporation. In the throne

speech a couple of years ago the minister may remember the throne speech saying my ministers advised me that the Manitoba Trading Corporation will be activated and refocused with a new mandate to connect Manitoba businesses with emerging export opportunities, and later on in the Estimates there is a line for an appropriation of I think \$500,000 to put some more oomph into this corporation. There is a debit which I do not understand, and I will ask under the particular line, of \$200,000.

If the minister could briefly comment on his relationship to the MTC, indicate who the senior staff person is, responsible for it, and what the intentions are here.

**Mr. Downey:** Mr. Chairman, the chairman of both is Mr. Stephen Kupfer who is sitting at the table with me. Let me give a credit to the member for Crescentwood. I am pleased that he is seeing fit to go back and read the throne speeches of the past and he has been paying attention to what has been going on. I am encouraged by that, but I have to say that is why it was important that we got another mandate, because we had to deliver a lot of those things that were talked about in those throne speeches.

We are now in the final developmental stages and the direction which they are going to go. I talked a lot about trade and development. Those will be the instruments that will be used to further enhance the development of trade of Manitoba companies and the major initiative in the trading field. I say that that was a vision at that time. It is now coming closer to a reality. Mr. Kupfer is very actively involved in it and going through a process of putting it in place to be activated to do the things that we envisaged it doing, that is, enhancing trade, helping companies trade from Manitoba as we continue to expand and grow into the great global economy and opportunities that are before us.

**Mr. Sale:** That was a wonderful answer, and we will all live happily ever after. Is this the entity that is referred to as giving a focused identity, focused single identity to Manitoba's role in this area? Is that the intention, that you are going to bring the activities of the department under this thing?

**Mr. Downey:** That is correct.

**Mr. Sale:** Is there, then, any intention to, because the trading corporation is, maybe it is not an SOE, but it is close—it is virtually a separate corporation from government. It does have a corporate identity, I think—is the intention to transfer staff and resources from the current department to MTC and build a special operating agency of that type?

**Mr. Downey:** Those are all in current discussion at this particular time but no final decision has been made.

**Mr. Sale:** I thank the minister for that. It is somewhat at odds with what he said earlier in regard to special operating authority or special operating entity expansion plans. This sounds, and I am not prejudging the usefulness of it, but this sounds rather like the idea is that if you put a framework in place called the Manitoba Trading Corporation and you give it a corporate identity and significant resources, all of which may be a very good thing, you would then, logically, it would seem to me, particularly since Mr. Kupfer is the staff person responsible for this, logically, admin and finance, perhaps not, but at least the business services and strategic initiatives might well then become the subentities through which MTC does its work and might logically, therefore, be special operating authority as a whole entity. Is this on the table, Mr. Chairperson, as a plan?

**Mr. Downey:** Mr. Chairman, as I said, there is no final decision made on it. We are in discussion as it relates to that. As I said a few minutes ago, and I do not see it as being contrary to what I said, we are in a developmental stage of this program, of this instrument which we believe will enhance trade for Manitoba. As having a final and fixed stamp as to what it should be, it has not been decided. I have to say though, I am very open to how best we can establish it and put it in position to best satisfy the needs of the customers, which are the taxpayers and those people who are out there promoting Manitoba and their businesses.

**Mr. Sale:** I will ask some more questions on this in the particular appropriation under which I think MTC comes in the Estimates. Could the minister indicate what is happening with MDC? My recollection is that

it is being either wound up or partially wound up. Could he unpack that a bit for us?

**Mr. Downey:** Mr. Chairman, basically what the Manitoba Development Corporation is used for is the instrument in which government holds—

**Mr. Sale:** —shares like Repap?

**Mr. Downey:** No, that is not the case. What it does is any departmental activity that is carried out, for example, again that is the instrument to basically look after the Manitoba Industrial Opportunities loan programs, the program which we supported, the Pine Falls Paper Company. That is the instrument we used to be part of those actions.

**Mr. Sale:** Mr. Minister, I think that has been the traditional role, and it is one that I think began in the Schreyer years that has been used for that kind of purpose by a variety of governments. My recollection was that some major changes were being made to MDC. Am I incorrect in that regard?

**Mr. Downey:** Say it again, please?

**Mr. Sale:** My understanding was that major changes are being made to MDC in terms of its role or scope, that it was being partially wound down or closed or transferred or something.

**Mr. Downey:** Mr. Chairman, as the member is aware, there is new legislation that is being proposed. What it is doing is changing the make-up of the board. The traditional role of MDC was the board was able to go out and make loans outside of government. That is no longer the case. The role which it will play is what I have indicated. It will look after and administer the activities of government as they participate, whether it is the Manitoba Industrial Opportunities Program, but they do not have the capability of going out making loans on their own. The loans are carried out and approved through EDB or I, T and T within government.

**Mr. Sale:** I have the Order-in-Council that makes the new appointments here, and I congratulate Mr. Kupfer in his new role as chairman and director.

**An Honourable Member:** His salary did not go up.

**Mr. Sale:** Yes, I think probably it is "other duties as assigned" is how this one comes.

Will MDC be showing on its books this year any winding-up costs or writing off of existing past loans or activities? Will this change the accounting practices and will there be any one-time losses associated?

**Mr. Downey:** No.

**Mr. Sale:** The Executive Salaries and Benefits line has gone up by essentially \$101,000. I am wondering if that is just one staff person's salary, and if so, who it is?

\* (1740)

**Mr. Downey:** Mr. Chairman, it was when the employment took place of the deputy minister.

**Mr. Sale:** I am puzzled. There has always been a deputy minister in I, T and T. This sounds like another deputy minister.

**Mr. Downey:** No, it is the deputy minister. It was the creation of the acting deputy minister that was added—assistant deputy minister, I am sorry, who carries out that role.

**Mr. Sale:** Just a comment broadly that this department has a lot of management and relatively smaller numbers of staff. The term the armed forces uses is teeth to tail. This has a fair amount of tail, I think, and I wonder if the minister would comment on the number of senior staff in the department and the number of professional staff versus the overall staff totals.

**Mr. Downey:** Mr. Chairman, I took it as an observation more than I did a question.

**Mr. Sale:** I will just observe for the record that there are 19 managers and a minister. There are 60 administrative support staff managing a total of 106 professional and technical staff. That seems to me to be not the essence of a flat organization as was commented on earlier, so I will just simply put that on the record.



We are now on page 6, Schedule 4. I just have some questions on some of the grants before we move to the first subappropriation. I wonder if the minister could comment on the reasons for the very large changes year over year in five of these grants, the Centres of Excellence grant is down 20 percent, the Surface Transportation Technology has quintupled, the Manitoba Business Development Fund is down a half million dollars, the Canada-Manitoba Partnership is cut in half, roughly, and ARCOR, I guess, maybe those are winding up charges that are different, that are being gradually absorbed here. It is down more than 20 percent. So could the minister comment on those five major changes in the grants?

**Mr. Downey:** Could the member give us the five again, please?

**Mr. Sale:** Centres of Excellence, Surface Transportation, Manitoba Business Development Fund, Canada-Manitoba Partnership Agreement and Aging and Rehabilitation Products Development Centre—I would just like some explanation of the fairly significant changes in the grant levels in each of those.

**Mr. Downey:** Manitoba Centres of Excellence is a program in which we participate with the federal government. The federal government—it is in several phases and it is winding up, although I understand there will be a new additional phase brought forward. It is a joint program, and it was federal decision that has caused this to actually take place or to trigger.

Surface Transportation is the five-year agreement, again with the federal government, of which resources were not spent over the earlier part of it and have now been identified at the latter part of the agreement. That was the Business Development Fund—one of those dastardly cuts that Treasury Board helped us make.

**Mr. Sale:** I am sorry, could the minister repeat the Manitoba Business Development Fund?

**Mr. Downey:** It was a decision made as it related to discussions with Treasury Board as to being able to meet a target, and that was the reason for that decision. The Canada-Manitoba agreement is the tourism industry agreement which is in a wind-down position,

and the Aging and Rehabilitation Products Centre, ARCOR, which it is known as, again was a budgetary decision as it related to what would be possibly needed. Subsequent to this, of course, the decision has been taken by the board of directors to totally wind down the ARCOR business.

**Mr. Sale:** I am not sure whether it is appropriate to ask these questions now. Could the Chair clarify, is this appropriation part of some other appropriation? Is this an automatic pass? Could you clarify the procedural question here?

**Mr. Downey:** I think we could get into the actual Estimates line by line, and we can pick this up as we get through it. It would be more appropriate to ask the detailed questions at that time. It will appear again as we go through the Estimates book, and to be quite fair to the member, if we miss it, then it always can be picked up in the Minister's Salary. You have all ways of catching me.

**Mr. Deputy Chairperson:** Did the honourable member for Crescentwood have any more at this point?

**Mr. Sale:** I am prepared to move into 10.1(1), this is the one we are in now. I know that it has taken a long time to get there, but I am prepared to move into that, if I just check my notes here. Perhaps the minister could just answer a couple of more questions here, and then I am prepared to pass on 1.(b).

Who is actually carrying the responsibility for ARCOR at the present time in the winding-up stages?

**Mr. Downey:** Basically, the former chairman of the board is being put into the capacity of administering the wind-down of ARCOR.

**Mr. Sale:** This line will show up again under another subappropriation, so I will ask a couple of other questions about it then.

We have clarified—no, I am sorry, we have not clarified it. Who is actually responsible in the department for the airport authority process? I know you have a representative on the interim board. What staff area?

\* (1750)

**Mr. Downey:** The Managing Partner of Aerospace Industries, Dennis Cleve, sits on the NHDA board.

**Mr. Sale:** The third, just a broad procedural question. Mr. Eldridge, I believe, is still responsible for interprovincial trade and trade relations?

**Mr. Downey:** That is correct.

**Mr. Sale:** Thank you.

**Mr. Downey:** No, no.

**Mr. Sale:** No, no?

**Mr. Downey:** You said, interprovincial trade?

**Mr. Sale:** Yes.

**Mr. Downey:** No, I am sorry, it is Alan Barber who works within the department. Jim Eldridge is intergovernmental affairs.

**Mr. Sale:** I thank the minister for that. I thought Mr. Eldridge also carried the trade responsibility. So it is again Mr.—

**Mr. Downey:** Alan Barber, Research and Economic Services.

**Mr. Sale:** We are almost at the end of the day, Mr. Chairperson. Mr. Barber, then will he be present for the Estimates' line under which he is responsible? No? Yes?

**Mr. Downey:** He could be, but I cannot guarantee it, because he is doing a considerable amount of travelling as it relates to the interprovincial. I do not want to make a commitment that cannot be lived up to, but, again, I, as the co-chair, will be able to pull the information forward.

**Mr. Sale:** Just to let the minister know that I want to ask some fairly detailed questions about the interprovincial trade discussions around the MUSH sector, so-called. Lots of mushy questions. I am not

sure when we will get into that, it may be tomorrow, it may be on Monday, but I have just given the minister notice that I do want to ask questions in that area.

I have no other questions for 10.1.(a).

**Mr. Deputy Chairperson:** The honourable member for Crescentwood.

**Mr. Lamoureux:** Inkster. It is okay, Mr. Chairperson. We kind of look alike. That is fine. Actually I have a number of questions that I would like to kind of follow up on.

The first one, dealing with a couple of the points that I brought up, one of course was the whole question of capital and access to capital. The member for Crescentwood infers in his statements in questioning that he had posed to the minister that his being the critic through the party does not necessarily perceive this need for extra capital dollars being made available. I was pleased to hear the remarks from the minister to a certain degree in the sense that he does acknowledge that there is a need that is out there for businesses to have access to capital. You know, I have had some of the discussion that the minister has made reference to when he said, for example, we have large civil service groups, whether it is MTS or the nurses, and they all contribute to rather large pensions. A lot of that money, if not all of it, quite possibly, leaves the province.

I remember having a discussion with members of MTS in particular with respect to those dollars leaving the province. Quite often these dollars leave the province because it is maybe, they venture into an area through financial managers, if you will, that say, look, we can get a better rate of return, lower risk, that sort of thing, and this is one of the reasons why the capital dollars leave the province. I have had a number of different discussions, and the leader of the Liberal Party has had numerous discussions with different business people, entrepreneurs, and these entrepreneurs have indicated that it is very difficult to gain access to capital.

I am wondering if the minister can give more of an indication if he as the minister or the department

receives complaints at all or what they are doing just to find out the severity of the problem. Does the minister believe that in fact it is not necessarily a significant problem that has to be addressed by this government?

**Mr. Downey:** I appreciate the member's comments. I do consider it as a significant problem. We considered it significant enough that we set up a task force of private-sector individuals to deal with it.

Again, the member is aware of the task force report which has been tabled. It is available to him and, again, I want to indicate that we are taking action as it relates to the recommendations that flow from that capital markets task force organization and group. So, yes, we take it seriously. We believe that it is an impediment to future business expansion in Manitoba. The full access to available capital has been identified. We are dealing with it. Hopefully, over the next short period of time, we are able to see some successes as it relates to the development of a capital fund for the types and sizes of business which we talked about earlier.

**Mr. Lamoureux:** Mr. Chairperson, prior to the session getting underway, I had toured a pasta plant. In this pasta plant the owner had indicated to me how wonderful it would be if she could gain access to capital in order to purchase the fairly expensive machinery, but she was being somewhat frustrated in the sense that the bank was not necessarily as accommodating.

What would the minister indicate to someone in that sort of a situation that she should do? Is there something which the department, through different programs, can ensure that possibly this individual and her business can assist in terms of preparing maybe a better proposal if that is what needs to be done or to ensure that the banking institutions are providing opportunities for entrepreneurs such as this particular lady?

**Mr. Downey:** In the most generous way possible I will tell the member—and I am not being overly political or do not mean to be harsh or cruel to the Liberal Party. If the Liberal leader would have gotten the mandate to govern this province there would not have been any

reason for that individual to come to talk to that government. Because the election went the way it did on April 25 we still have programs and support and people involved in business development that we would more than welcome that individual to come forward and discuss with us the opportunities of either raising capital or the availability of capital through a program within government.

**Mr. Lamoureux:** Mr. Chairperson, actually I would challenge the Deputy Premier with the comments that he made in the sense that I would argue quite the opposite. The Liberal Party in the last election talked about ensuring that there were going to be capital dollars made available for individuals that want and have a good idea, compared to the current administration over the last seven years.

I listened as the New Democratic and the Filmon representative commented on this whole bidding war—well, you know the Liberals were not prepared to give money to businesses. If the Deputy Premier or the Filmon candidate would like to debate the issue of which party had a better policy platform, I do not make any qualms whatsoever in the sense that I am prepared to defend and ultimately argue that many of the businesses that are out there and policies that were directed from the party, the government should actually be looking to. Some of those policies such as training dollars—and there are many jobs.

Even the Deputy Premier made reference to those jobs in terms of the garment industry. If in fact there were training dollars being invested in people as opposed to possibly a bidding war between different provinces in order to try to lure a so-called Tupperware where the dollars go and so does the company, maybe the long-term outlook of the local economy would be in a lot better shape.

The member for Crescentwood (Mr. Sale) had very valid points when he talked about the GDP and the impact or what that says in itself. It is very easy for us to say, here is \$2 million or \$3 million to a company in order to bring in—

**Mr. Deputy Chairperson:** Order, please. The hour being 6 p.m., committee rise.

## EDUCATION AND TRAINING

\* (1430)

**Mr. Assistant Deputy Chairperson (Gerry McAlpine):** Will the Committee of Supply please come to order.

This afternoon this section of the Committee of Supply, meeting in Room 255, will resume consideration of the Estimates of the Department of Education and Training. When the committee last sat it was considering item 2. School Programs (a) Division Administration (1) Salaries and Employee Benefits \$244,100.

**Ms. MaryAnn Mihychuk (St. James):** Mr. Chairperson, I believe a question was asked in regard to who was responsible for marking the standardized exams that will be implemented in the very near future.

**Hon. Linda McIntosh (Minister of Education and Training):** It is defined in our plan, and it will be the local school divisions who will assume that responsibility.

**Ms. Mihychuk:** Am I to understand correctly that the home school division will be responsible for the marking of the home schoolers?

**Mrs. McIntosh:** As to the marking of the home schoolers, that is a decision we have not yet made. The other students will be marked, if they are in a school system, by their local school system. The home schoolers, the decision is yet to be made.

**Ms. Mihychuk:** I have two more questions in terms of home schooling. Can the minister share with us the regional distribution of home schools and which school divisions have the greatest number of home schoolers?

**Mrs. McIntosh:** We can provide you with that information. We do not have it here, so we will acquire it and bring it to you.

Just while I have the microphone for a moment I just wanted to provide a piece of information that was asked for this morning and that was the cost of the

copies of the videos. The cost is \$290 with second copies being \$116, additional copies of the same video.

**Ms. Mihychuk:** \$160?

**Mrs. McIntosh:** \$116, and they were developed in 1992.

**Ms. Mihychuk:** I have a few more questions in the area of nonfunded private schools. In the legislative review panel done I believe in 1993, certain concerns were raised about nonfunded schools in terms of—and I am going to be asking questions related to that. I quote: The Public Schools Act does not address the issue of nonfunded schools adequately, does not provide for any criteria on curriculum students must follow—on any curricula on curriculum students must follow, nor does it protect the children's interest.

Based on this information and on submissions received, the panel concludes basically that children in nonfunded schools are at a disadvantage. Is that still the situation, and what is the intent of the ministry to address this issue?

**Mrs. McIntosh:** Mr. Chairperson, the reference to disadvantaged in the report, I believe, was in that they may not be like the public schools, which of course they would not be because they are independent, and I suppose it could be a subjective word. What is an advantage and what is a disadvantage?

However, in terms of monitoring, and that is the question that is being asked, the department pays an annual visit to each of the nonfunded schools, and they monitor certain things within the school. They, first of all, ensure the safety of the facility, the physical setting, making sure that it is safe. They keep a record of all the staff who are working with the children of the school, the actual numbers of students enrolled, the kinds of curricula the schools are using, and they recommend changes in situations where it is deemed appropriate. They assist with the management of provincial assessments for schools that participate, and they report back on individual schools and provincial results. They check on the number of days the schools are open for instruction, and they respond to requests from the schools.

There are, as I said before, about 1,200 students in these nonfunded schools. They are primarily Christian schools. The 12 Mennonite-Holdemann schools, for example, are amongst the nonfunded. The accelerated Christian education schools are amongst the nonfunded, so there are those types of interests. As well of course, as I indicated, once our new blueprint is through they will also be taking our tests so we can assess and measure them on a comparative basis which I—I am interpreting inherent in your question is how do they compare with the public system, like how do these nonfunded schools compare? How do they measure up?

Of course, one of the whole fundamentals behind our blueprint is that we have stated we see the need to have measurable standards on a comparative basis, and this is one case where I think maybe the opposition might agree with us where measurable comparable standards are important. The difference in this might be that we feel it is important to compare everybody, even within the public system, not just nonfunded to public but that will come in.

The nonfunded independent schools, however, do on a voluntary basis participate right now in our reading assessment, as an example, and recently in the science assessment. I believe I indicated earlier they scored within 1 percent of the public school setting sample.

The Grade 4 students in the independent schools in terms of the voluntary participation in our reading assessment, the Grade 4 students in the independent schools demonstrated better results than the provincial counterparts. They did better. Their test results showed they had a much stronger foundation at the beginning levels of reading. That is just one example of the testing that is done now and the results that we get from it.

\* (1440)

**Ms. Mihychuk:** Is it true that the department does not recognize the standings granted to students from these nonfunded schools? Is that still the case, that they do not recognize the standings?

**Mrs. McIntosh:** That is correct.

**Ms. Mihychuk:** Is it the intention of the minister to look at this situation? It seems that clearly they are in a school situation which puts them at a disadvantage when they are entering secondary levels of education or when they are attempting to gain employment. Either the ministry needs to monitor and provide standings or not recognize these schools at all. My question is what is the ministry going to do?

**Mrs. McIntosh:** The nonfunded independent schools, as I indicated, will be required to write the provincial standards. Those provincial standards, of course, will be based upon provincial curricula. At that point, as soon as our blueprint is passed, they will be taking provincial curricula and provincial standards tests.

I do not know if the record will still hold that on the testing with the reading. Interest in looking at these results, that the nonfunded schools, the Church of God schools that are the nonfunded ones, the results were significantly better than both the provincial and the CLE and ACE schools in four out of four subtests. In the CLE and ACE schools the results were better in two out of the four subtests over the provincial results.

Maybe the higher overall results in those schools, this is at the Grade 4 level, may be because of factors such as smaller class sizes, factors such as those. The test results are not necessarily disadvantaging the students.

Once we get onto the provincial curriculum and standards testing, those results will be recorded as part of the record. They will be seen as a basis for a proper comparison between public, nonfunded, independent funded and all of those others. Everybody will have to write those curricula-based standards exams, tests and will be able to be compared and recorded as such.

**Ms. Mihychuk:** I did not make an opening statement; however, I do want the record to show that I, like I believe most members of our party and caucus and those that support us, do recognize the need for measurable standards, clear outcomes defined through the education process. I believe what we differ on is the assessment method. That would be the government's choice to use standardized exams at certain intervals through the system. I just want to say clearly that there is the need for clearly established

standards or outcomes, benchmarks which we wish to assess and monitor. I wanted to just put that on the record.

In terms of the private schools, the independent schools, sometimes there has been a latitude—there is a latitude granted for independent schools in terms of who enters the school. When it comes to children with special needs in particular, how can we ensure, or how is the minister going to ensure, given that public money goes into the majority of the schools, that there is not a form of screening that is going on in those private schools?

**Mrs. McIntosh:** Mr. Chairman, I just wanted to indicate and I appreciate the member's comments, and I would be interested—I know you are asking me questions and I am not to ask you—I would be interested at some point if you could clarify how you support the testing for standards in the school, because I am pleased to hear you say that. It is the first I have heard it said from this particular party, and I am delighted to hear it.

I do not know quite what you mean by you approve of the testing for standards, because you made reference to standardized testing. I am not sure that we have made it clear what we mean by that. When you say you are concerned about the way we are going to do the testing, I sense that you think we are talking about standardized tests in the traditional old way of standardized tests with multiple choice, regurgitating back facts and marking on a bell curve and, of course, that is not at all what we are talking about.

We are looking for the higher order results that standard tests are standards tests, not standardized testing—big, big difference. They are curriculum congruent. We are looking for higher order results. It is quite possible—I do not know if you were here yesterday when I used the example of the swimming badge—so it is possible that you have a standard that everybody could reach, and it is not, pick one of the following four answers and everybody gets graded on it that way.

In terms of the question you just asked now, we are talking about choices for parents. We believe in

choices for parents. There are various reasons why people would opt for a rigorous academic discipline setting or versus a setting that is different in some way from that by virtue of the fact that some parents make a contribution in terms of dollars to a particular school, and they have more opportunity to affect the way in which that school operates.

\* (1450)

Right now in the public school system, everybody pays taxes for schools, and that came up today in Question Period. People pay taxes. Senior citizens without any children in schools will pay taxes to support the public school system but not to support the private school system directly.

Parents then who have children and wish to access a public school do so without having to pay a user fee. They can go to a public school and they do not have to pay a user fee to go to that particular public school. Parents who wish to access an independent, partly funded school will be asked to pay whatever the amount is that the school feels it needs to function.

It is usually in the tune of some thousands of dollars per annum, and so because they pay the same taxes as everybody else in addition to that pay what for want of a better term I will refer to right now as a user fee of several thousand dollars a year.

First of all, it is an assist to us because we do not have to fully fund that school as a province. We only need to partially fund a portion of their operating; we do not fund any of the capital. If all those kids came back into the public system tomorrow, 11,000 students, we would have to go to the taxpayers for an awful lot of money that we do not currently pass on to the system because the parents pick up a portion of the cost of the education for their students. In doing so then they ask to be able to exercise some kind of choice over the milieu of that school.

So we will say to them, because you are partly funded, because we do give you a portion of your operating expenses, we ask that you would follow our rules in terms of curricula, qualified teachers, all of those things, but we do then allow them some

flexibility in setting the tone and atmosphere of the school.

We are now attempting in the public school system to allow parents who do not pay a direct user fee over and above their indirect taxation to also have some ability to influence the atmosphere in the school, although obviously it cannot be to the same degree in terms of saying this is going to be a school where everybody will have to have their heads covered for example, or hold to a particular dietary regime or have prayers at a certain in a certain religion, because in a pluralistic, public school system we cannot have the schools functioning as Jewish schools or Christian schools or Muslim schools or any other kind of school that is not directly related to the teaching of reading and writing and so on.

I do not know if that answers your question as to why the private, partially funded schools have more ability to create the kind of learning environment than, say, a public school where their parents do not make a direct user-fee contribution on top of their taxes.

**Ms. Mihychuk:** I will try and clarify by asking another question. Do funded private schools receive Level I funding for special needs students?

**Mrs. McIntosh:** They get specific funding for Level II and III. Level I funding is incorporated into the per-pupil grant because there are special needs children of course in private schools.

**Ms. Mihychuk:** That is what I am trying to get at. There are, and we are aware of, some schools that maybe do not have a fair representation of students with special needs. The report on the panel for education legislation reform noted that private schools which receive public funds and refuse to accept children with special needs, that should not be allowed. So this was clearly an issue.

We do know that there are some private schools that refuse to accept children with certain learning needs, not based on religion or garments or even money. The issue is that what they are doing is excluding students based on a learning need. This not only makes the public school system proportionately have more of

those students, it provides the independent schools or the private schools with the ability to perhaps come up with higher test results. If they accept only those that are at a certain academic level then, of course, the overall results will be somewhat skewed.

My point is that we, as the public, do fund private schools through Level I on a per capita basis. That type of screening is, I would say, unfair and the panel also felt that way.

My question is: What is the minister going to do about this situation? Is that still the case, and how are we going to address it?

**Mrs. McIntosh:** First of all, individual schools in the public system are not funded for Level I. The school division itself is given Level I funding based upon the per capita, statistically the percentage of students who are at that level in the school system. So in the public system there is no one school that gets Level I funding directly. The money is given to the school division based upon a statistical indication of the number of Level I students who might exist in the division, and then the division will decide where that money goes.

This applies, as well, to independent schools. The Level I, of course, applies to the full range of children from those less able to those highly able, and the private or the independent school is allocated accordingly.

We have done an assessment in recent years of special needs children in independent schools. The independent schools do have children of different levels of learning. When you take that 80 percent of the schools are these religious-based schools, such as the Church of God schools, and you have the parents in a community deciding to have their children in those schools, not based upon a rigorous academic but upon a religious base, everyone in that particular faith community having their children go to that school proportionately would have the same proportion of needy students as other aspects of the population.

You do not say because I go to an independent Christian school I, therefore, will not be a Level I, Level II, or Level III special needs student because

those parents are not choosing that school based upon the ability of the students there. They are choosing it for a faith concept.

I am not sure if that answers the member's question. If it is not exactly what she is trying to learn, then maybe she could pose it again and I will try to provide more detail.

\* (1500)

**Ms. Jean Friesen (Wolseley):** Mr. Chairman, maybe I could clarify it. I am reading directly from the minister's report of the Panel on Education Legislative Reform which was tabled in 1993 in February. That panel said that if independent schools receive public funds it is inappropriate to refuse to accept children with special learning needs.

There are two things that concern us here. First of all, is that statement true? Are there schools which do refuse? Obviously, the minister's panel believed that. Is that the case, and where is the evidence? Secondly, what action is the minister taking to deal with that issue in terms of the kind of reforms that she is proposing to look at with special learning needs? Thirdly, I actually did want to clarify, the minister said that Level I special needs funding goes to the school division which redistributes it to the individual schools.

I was not clear what she said where special needs funding went in the private system. It sounded as though it went to a commission of independent schools which then redistributed it rather than to individual schools. My assumption is that it goes to the individual schools directly from the department. So there are three parts to that.

**Mrs. McIntosh:** In terms of the last question you have asked, your interpretation is correct. In school divisions it will go to the school authority for those students, which would be the school board. In independent schools it would go to the school authority for that school, which would be the board of trustees for that school, which normally is one school, could be more than one but most often is just one board of trustees for the school. We insist of course that they have a board of trustees if they receive some of their

funding for some of their operating expenses from the public purse.

Private schools were reviewed, as I said, a couple of years ago to determine whether special needs students were in the schools and whether programs existed for them. It was upon that knowledge then that Level I, Level II and Level III funding was made available for private schools, for independent schools, because students with those needs exist in those schools. In the majority of those schools they exist in the same proportions that they do in the public school system.

When students apply to independent schools the member must remember that some private independent schools will have entrance requirements based upon the programs they offer. They will have some sort of adjudication to ascertain whether the program that they are offering and the student who is making application—whether the student can benefit or take that particular program, the special mission of the school, whatever the special mission of the school happens to be.

For example, if you have students attending specific religious schools, we have seen people who say, I would like to attend such and such a school which is a religious-based school, the people in that school will accept that student provided that student adheres to all the religious observations of the school, even if that student is not of that faith. You might choose to send your child to an independent Catholic school, and you would have to agree with the school that your student would accept the religious doctrine that permeates the school, that they would abide by all the criteria of the school that is part of that school mission statement. You might have a school where they say, well, the mission statement of our school are these rigorous academic standards and discipline, and the students coming in would have to be able to partake in that particular setting and be adjudicated on that basis.

At the present time, the independent schools are funded to the tune of 40 percent of the operating costs of public schools, a relatively small percentage based upon the actual cost of education which is why, of course, parents who use those schools have to then pay the user-fee of some \$4,000 or \$5,000, whatever dollars it is a year. So it is 40 percent of the operating costs of



public schools with no money allowed for capital. Now, that money is given and the parents are willing to top up all the rest of the cost of the education for the ability to have a mission statement for a school that would allow it to have a certain atmosphere or milieu or whatever it is they are looking for that cannot be offered in the public system.

The nonfunded schools are able to have greater liberty to flex the way they do things than the partially funded schools. The partially funded schools have some flexibility to do things their own way, but because they are partially funded, we insist that they follow certain basic rules and criteria. The fully funded schools, i.e., the public schools, the authorities, i.e., the province, sets the rules for everything and parents comply.

So I am just wondering if the member is asking if a private school ever were to reach the point where they were fully funded, should they then be forced to behave 100 percent like public schools. If they are partly funded, should they be made to behave partly like public schools, and if they are not at all funded, if they are truly independent, should they be allowed to be truly independent. That is the philosophy I think that most people in society see this on is that if you are fully funded from the public purse, then the public should tell you how to behave.

If you are completely independent from the public purse, then you should be as independent as you can be, although we do not let them be totally independent. If you are partly funded by the public purse, then you should have part-obligation to that public purse. That is kind of the philosophy that government takes, government before us under the New Democrats, government under us under the Progressive Conservatives. [interjection] Well, I do not think it is totally irrelevant to the question. I think the question you asked was would we change the rules? [interjection]

**Ms. Friesen:** No, I am not asking you to change the rules. I am asking you to provide evidence of the information provided in here. We have now heard for 10 minutes the minister give me, for the third time, something on the private schools.

\* (1510)

**Mr. Assistant Deputy Chairperson:** Order, please. Would the minister please finish her remarks.

**Mrs. McIntosh:** I have finished my remarks.

**Ms. Friesen:** Mr. Chairman, the question is based upon the report of the panel on education legislative reform. This panel was formed in 1990. In 1993, it reported that the panel believes it is not appropriate for independent schools, especially if they receive public funds, to refuse to accept children with special learning needs.

What I am asking the minister is: What is the evidence that they do this? Do the private schools refuse to accept children with special learning needs? If that is the case—[interjection] Well, I am asking the minister for evidence. Do they? Which schools have refused? What led the panel to—[interjection]

**Mr. Assistant Deputy Chairperson:** Order, please.

**Mrs. McIntosh:** Mr. Chairman, the member may wish to peruse Hansard tomorrow to see that I indicated not once, not twice, I think maybe three times, maybe this is the fourth, that we provide Level I, Level II and Level III funding to independent schools because our studies show that Level I, Level II and Level III students attend independent schools. That is why they are eligible for funding.

**Ms. Friesen:** Mr. Chairman, the panel believed that independent schools were refusing to accept children with special learning needs. Given that independent schools in their budget do get money for special learning needs at the Level I level, is there any evidence to support the claims that the minister's commission made? I am surprised by it. Is there evidence to support it? Was the commission wrong? Have things changed since then?

**Mrs. McIntosh:** As I was explaining to the member in response to her question about schools which receive public funding, explaining to her that some schools receive full funding, some receive part funding and some receive no funding, what I am asking the

member, she can maybe tell me, knowing the report the way she does, does the report say fully funded independent schools? Does the report say partly funded independent schools? Does the report say anything at all about the degree to which a school is funded being any sort of factor in the degree to which the school is allowed to set some of its own rules?

**Ms. Friesen:** I will read the full paragraph, and the minister will get the context. It is on page 33 of the panel on education legislative reform published in February 1993. The panel said: While it is reasonable for religious independent schools to give preference to children whose religion is the same as that taught by the school, the panel believes it is not appropriate for these schools, especially if they receive public funds, to refuse to accept children with special learning needs. The panel believes that a student who meets all the special criteria an independent school may have for admission, a student then should not be denied entrance without the school having conducted a thorough evaluation of whether it can provide an appropriate learning environment. The panel notes that some independent schools do accept such students. The students must be provided with the same support services available to special needs students in public schools.

Now, the assumption behind that is, some schools do it, some do not. And that is what I am asking the minister. What was the panel's evidence or what evidence does she have that some schools are not doing that? Has that changed since 1993? Are schools which do turn away students with special learning needs, are they the same—

**Mrs. McIntosh:** Assumption.

**Ms. Friesen:** Yes, it is an assumption. It is not my assumption. It is the assumption of the minister's panel, and I am asking for whether those conditions have changed and whether in fact schools that the minister has evidence of schools turning away students with special learning needs and receiving funds for Level I needs, does she plan to do anything about that? Is that a situation which would give her some concern?

**Mrs. McIntosh:** First of all, I indicate that the statement in the report you referenced did not come to the government with any kind of evidence such as the member requests. So they did not present any evidence with that generic statement. Similarly, and I thank the member for reading it into the record, because I think it was critical that that statement get into the record, because it does not address the level of public funding that goes to particular schools. It just says, schools which receive funding. It does not indicate whether they mean full funding, part funding. It does not indicate.

What I am trying to say to the member in terms of an answer is, it would make a very big difference to me if a school were fully funded from the public purse, as public schools are, as to the public ability to demand the school function in a certain way. When a school is only funded to 40 percent of the operating costs of the public school system, whose operating costs are higher generally than public schools, and no capital is given and no ability to apply for categorical grants, I ask the philosophical question of the member, should that allow the schools some discretion in admittance?

**Ms. Friesen:** Then perhaps what we need to ask is, if a school receives Special Needs I funding, as some independent schools do, and if that school then refused to accept children with special learning needs, would that give the minister cause for concern? Is there evidence, and how would the minister have access to that evidence, that such is occurring, because that is clearly the assumption that her own panel made?

**Mrs. McIntosh:** Mr. Chairman, the panel in that statement that was read into the record, and I invite anyone reading the Hansard on this to go back and refer to that paragraph, does not make that assumption. The member makes that assumption. That statement does not state that this is currently a problem in the schools. It says, if a school does this, then. It poses a hypothetical situation without clarifying the percentage of public funding and then makes a generic statement, period. We each read it from our own perspective, and the member's perspective on this issue is different from mine.

In terms of the answer to her question, we do not have any evidence, nor do we have any reports that the problem she is referencing has in fact been a problem. We have no evidence and no reports on this as a problem that has been brought to the attention of the officials in the Department of Education. I think maybe that is the definite answer that she was looking for.

I also have to tell you that you are also making an assumption in terms of the ability of special needs children to learn that I find most offensive, because you are assuming that a child who has Level I or Level II or Level III needs cannot perform to a standard of excellence. If you are talking about a school having academic entrance requirements and asking students to measure up to high standards, you are assuming that a special needs child does not have the ability. By your question, you are making the implication that a special needs child at Level I or Level II does not have the ability to measure up to a standard of excellence to qualify them for whatever.

I find that assumption part of the big problem that we have with the way in which children are succeeding because people place expectations on children. You just did it, ma'am, in a big way, repeatedly. Without meaning to, you made the strong implication that special needs children of certain levels would automatically not qualify to enter into a rigorous academic setting, and that is not correct. That indicates that you have a low expectation of those people, and by having a low expectation of those people, you create a self-fulfilling prophesy that is part of the problem that we are trying to address.

I have known students. I have known them. I have seen them go through their school system. I have seen them grow up, and I have seen what they are doing today. I have one friend who was a younger friend than me, but who was definitely attempted to be pigeon-holed at a certain stage.

I know that the board chairman in Winnipeg No. 1 will agree with this. You have to put high expectations on your students, not low expectations. You have to, insofar as you possibly can, even while you are trying to put extra funding in place to assist people who have

certain abilities or certain early assessments that indicate they are going to have difficulty learning in certain ways, you have to assume that they can achieve.

\* (1520

My friend was told early and pigeon-holed that he was a slow learner, that he would never make it through a regular academic program, and he was advised to go into a different kind of program. He was pigeon-holed and categorized and stuck into a little box and told he was this kind of a person. He was that kind of a person for a long time until his parents decided that he did not need to be that kind of a person.

That individual not only went on to get a university degree, he got a Masters degree and is a teacher now, and a darn good one because of what was learned through his own very negative experience about being labelled and then having everybody who knew him preach down to the label.

We have nine, right now, medically fragile students in schools who are working at grade level or above, and that was never anybody's expectation of them except maybe the faith of certain dedicated educators, parents and the environment in which they found themselves, so they said, you can do this. It may take you longer, you may have to work harder. We, who work with you, may have to bend over backwards to assist you, and you may be 21 by the time you get through this, but you can do it and you can excel.

So I just do not like the assumption in your question, because if we are saying that we have a school that has entrance requirements that ask for academic standards—

#### Point of Order

**Ms. Friesen:** I think the minister is misunderstanding the assumptions behind my question, and so her answer is dealing with issues of skills of children. My questions dealt precisely with selection processes of schools and the relationships to the funding processes of the department. They never, ever once mentioned the abilities of children, the role of children to succeed or the nature of special needs children. They dealt entirely with the selection process of a school.

**Mr. Assistant Deputy Chairperson:** The honourable member for Wolseley does not have a point of order. I would remind members that in making remarks to the questions that are being raised, that they do keep their remarks relevant to the line that we are on and stay within that framework.

The honourable member for Wolseley, do you have a further question?

\* \* \*

**Mrs. McIntosh:** I was answering a question about schools receiving Level I funding and then refusing to admit people based on the fact that they would be Level I students. It was a direct response to an indication of the member that Level I students would somehow not be able to meet entrance requirements. You never said it—

**Ms. Friesen:** Yes, I never said that, I never implied it, and the minister is going on the same tack as she did two days ago, which is jumping to conclusions about the implications of a question.

I think it would be fairer for all of us and more to the point if we stuck to the questions which are asked rather than impugning motives or—

**Mr. Assistant Deputy Chairperson:** Order, please. I have already ruled on this point, that it is not a point of order, it is a dispute over the facts.

I would remind the honourable members that they should stay relevant to the line that we are on. I would ask the minister to complete her remarks.

**Mrs. McIntosh:** We will go off reading assumptions into each other's statements, and I will not read assumptions into her's and I would appreciate the same consideration in return. I have addressed her issue. I have talked about the difference between funding and programs. I have talked about special needs, services in the schools. Perhaps it is time to move onto the next line.

**Ms. Friesen:** We were, before the break, also talking about home schooling and we noticed the very large

increase over the last decade, and particularly a very large jump in this last year. One of the concerns I had was the regional distribution of this and the impact it had on local school divisions. I gather my colleague has already asked about the regional distribution, and the minister, I gather, is going to provide that information.

Could the minister indicate whether she has had concerns raised with her by any school divisions, school trustees, about the impact of home schooling on school divisions? I know that there are some home schooling parents who also want to be able to use divisional facilities as well, and I wonder if the minister has begun to deal with this issue.

**Mrs. McIntosh:** No.

**Ms. Friesen:** Mr. Chairman, I have had an issue raised with me, and I know the previous minister has. I do not know if this minister has dealt with it yet. It deals with the issue of record keeping and record access in independent schools. The issue is, of course, that the department does have a protocol and a records management policy for public schools. It also has a process of record disposition for public schools which in talking to some of the divisions—I am not sure they are all completely involved in it yet. It is a huge issue in terms of space and storage and access for school records.

The issue that has been raised with me, and with the department, deals with independent schools and their policies. So I think my question would be, does the department intend to ensure that the independent schools adopt a similar protocol to that of the department in dealing with students' records, that is in terms of access, in terms of ability to see the records, use of the records, that kind of thing by family, by family members, by the students themselves?

**Mrs. McIntosh:** As you know, of course, this is a problem that has often been found in public schools, as well. I am sure you know that. Our new legislation which I really hope will be supported, when it comes through, by all members—I am getting increasingly optimistic as I hear now that you do support testing for standards. You do support parental involvement. You

do support a number of things that we were led to believe you did not, and this is really good. I believe you would also support, then, this part of our new plans and our new directions.

Parental responsibilities and rights, and this will, of course, apply to all schools—that parents notwithstanding any other act of the Legislature shall be informed regularly about the attendance, behaviour and progress of their child in school, have access to cumulative records and files on their child that are generated by the school or the school division and have the right to query any information contained in them, receive information about programs available to their child, be informed of any steps taken by school authorities that may substantially affect the rights or freedoms of their child, be informed of a code of conduct including consequences for misconduct for the school attended by their child or be consulted if a code of conduct is being developed or revised, assist school personnel in ensuring that their child complies with the code of conduct in the school, ensure that their child attends school regularly, consult with school authorities when requested regarding their child's educational program, et cetera.

I think point 2, about having access to cumulative files and records generated by the school or a school division and have the right to query any information contained in them, would address the point that you are referencing because with the right to query information also comes, of course, the right to ask for a corrective if there is information in there that is not correct about the child, for example. If there is a flaw in the record, then by seeing the record you have the opportunity to point out the flaw, the perceived flaw in the record.

\* (1530)

**Ms. Friesen:** Well, I am glad that the minister added to that the right of access because that is the issue at stake. It is the ability to add or subtract from a record information which is believed to be true or false. I understand in the public school record management system the records are the property of the school division and that there are quite specific rules governing what can be added and what can be taken away, how long the record has to be kept, who has

access to the record in the period after the student has left school.

Again, as I read the protocol for the public schools that has been developed by the department, it seems to me a good record management system. I am wondering if that is going to be applied to the independent schools. It sounds to me as though it goes beyond what is implied in this rights and responsibilities of parents and school divisions.

**Mrs. McIntosh:** Protocols are currently being developed for those types of things. It probably would be best to come under the line of Schools Administration.

I would like to read as well though the rights and responsibilities of students because students also under our new Renewing Education: New Directions—and there is that word "renew" again. It was not a word I just started using because the member thought I was upset because she did not like the word "reform." Renew was always in here.

In our Renewing Education: New Directions, the action plan, we also have that students have a right to have their records treated as privileged for the information and use of school and department officials as required to improve the instruction of the students or their accommodation in school. In addition, records are not to be available to any other person without the written permission of the parents or the students if they are 18 years or older. So we are also having a privacy attachment to that so that you do not have the records just available to any old person who wants them. I think that is the other part of having the records be available, that privilege not be abused by people who may want to take advantage of knowing what is in those records.

The protocols for the question she asked are not yet fully developed. They are being developed now. We will have more information when we get to the Schools Administration line.

**Ms. Friesen:** Mr. Chairman, the reason I am asking it here is because independent schools is the issue. As I say, I think the existing protocols for the department

are good ones, reasonable ones, from both the students' and the parents' perspective. They may, in terms of storage and retrieval, place I gather fairly heavy burdens on some school divisions.

The issue here is the application of the same protocols and expectations to independent schools. The minister, I assume from her response, is going to be applying in the new educational legislation the same principles to independent schools. Maybe that is the first question. The second one is, what recourse is there for a parent now in the independent school system who has disputes over the use and content of records?

**Mrs. McIntosh:** Have we had problems in that regard?

**Ms. Friesen:** Mr. Chairman, yes, there has been one issue raised with me and I know it was certainly raised with the previous minister. It may not yet have been brought to this minister's attention.

**Mrs. McIntosh:** Mr. Chairman, we will get that information, because you indicate the previous minister had some knowledge of some specific example there so we can bring that back to you.

**Mr. Gary Kowalski (The Maples):** I wanted some clarification on the way that Level I funding is done in the public school system. I just want some clarification. Is it by the actual number of needs in the division or is it taken province-wide, an assessment is done as to the number of children who need Level I funding and ergo it is extrapolated to each division?

**Mrs. McIntosh:** Specifically Level I, you are referring to? Okay. Level I is provided to school divisions through block funding. So you would get in your regular block grant, your per capita. Included in that would be Level I funding, and it is based upon the traditional number of Level I students, say, a certain percentage of the student population would be Level I. That money now just flows. The best way to put it is, the staff just handed me a note which I think sort of makes it an easy example.

If you had 180 children in your division, you would get \$43,700, and you would not necessarily know that

those were Level I children. You would have just 180 children, \$43,000 based upon historical evidence that a certain percentage of the student population is Level I. It saves everybody having to apply every year. They get the money and they can then disburse it.

**Mr. Kowalski:** I am a little bit confused from my previous experience in that I remember the person in Seven Oaks School Division, Louise Evaschesen, doing plans for individual and funding would flow as a result of the plan that was submitted. Now, I assume that is for other levels. Can you clarify that for me?

\* (1540)

**Mrs. McIntosh:** We have three ways of funding special needs students and there are the three levels—Level I, Level II, Level III. Level I, the program for them might be a small group instruction for a major portion of the school day or individual instruction for a significant part of a school day, and those are people who are trainable mentally handicapped. They have the ability to learn and be prepared for certain levels of endeavour in the workplace. So that is done through block funding. You assume you are going to have a certain number based upon historical precedents and you just flow the money accordingly.

Level II, you are funded \$8,520 for Level II per individual identified, identified individual. Then you will have your individualized instruction for a major portion of the school day for those types of individuals and those would be the severely multihandicapped, some who are severely psychotic, deaf, hard of hearing, very severely visually impaired.

Level III, you would get \$18,960 individually per identified need. That requires really profound treatment. That requires additional specialist support that is beyond the level of intensity of Level II. Some of those were people who prior to this were institutionalized. Some of these people we are now, through our Children and Youth Secretariat, putting extra money into the entire system for these types of children.

The Department of Health has recently given \$450,000 over to the Department of Education because

the system accommodates these people. That money only goes to public schools, of course, but that will go into assisting with this.

**Mr. Kowalski:** The calculation as to what proportion of the student population would need Level I funding, or would be Level I need, when was the last time that was done? What was the manner in which it was done to ascertain that certain geographical areas would not be disproportionately affected by that assumption that in every student population a proportion of students that need Level I funding would be consistent throughout the province?

**Mrs. McIntosh:** Mr. Chairman, the Province of Manitoba has a multistakeholder committee of school teachers, school trustees, school superintendents and departmental staff. That committee provides advice to the government on finance on an annual basis, so they continue to review the divisor that is used in the funding formula for Level I and Level II.

Last year or the year before, very recently, they indicated that Level II and Level III funding should increase because there were higher needs in those areas and that is why you see the funding for those two levels having increased. It is called the Advisory Committee on Education Finance. It is a very large committee and it represents people from all stakeholder organizations and a wide variety of arenas.

**Mr. Kowalski:** I am wondering, would it be possible to get a list of the members of that committee, not immediately today, but I would be interested to see a list of committee members?

**Mrs. McIntosh:** Right now, the invitation just went out last week to each of the member organizations to ask them to name their person.

We could probably get a list of who is on it right now, bearing in mind that because each member organization chooses their person those names might change. We can get you that.

**Mr. Kowalski:** When did it go to a block funding formula for individual students for Level I, or has it always been block funding?

**Mrs. McIntosh:** In 1988.

**Mr. Kowalski:** I have a question on Level II and Level III. The funding is justified by the assessment of individual students. Are the funds then tied to the student? Do the individual school boards have autonomy to put those funds in their general revenue and use it, or are they tied to the individual student?

**Mrs. McIntosh:** They are tied specifically to the program for that student. They do not go into general revenue.

**Mr. Kowalski:** I have one last question on this line and it is related to standardized testing. I have to appeal to the good will of the committee. I cannot be here as often as I want so sometimes so I have to rely on Hansard to keep track of what is going on.

One concern I have is in the standardized testing or testing of standards, whatever phrase you want to use. Experience from the United States has shown that what has happened in some jurisdictions is that those skills that are more easily tested become the skills that are then accented in the curriculum because they are easily tested. What has been done in the plan to assure that will not happen in Manitoba?

**Mrs. McIntosh:** I am really glad you asked the question because it gives me an opportunity to clarify I think a generally held misconception about what we are doing here. I appreciate the chance to get it on the record. I would hope that in turn you could start helping spread the accurate knowledge of this out there because I think some people have been—I do not mean here in this room—but some people have been attempting to leave an impression, consciously, that is not correct.

We are not testing in the way that they do in those schools you described. We are looking for foundation skill areas. We are looking for the ability to problem solve. We are not asking, can you do something by rote? We are saying, can you problem solve? There are ways in which you can test problem solving, because you look for critical thinking skills; you look for creative thinking; you look for reasoning and logic, deductive reasoning, the types of things that used to be

taught at the university level by psych 101, those types of things. You look for them now right at Day One of the learning experience. Learning how to learn, those are defined. We have written those four down as clearly defined skills that we will be looking for under problem solving.

Exercises and examples that are used for testing purposes will be looking not necessarily for two plus two equals four, although we may ask that question. We will also be looking for, does a person understand what two is; does a person understand what another two is; do they understand that two can be one plus one or four minus two; or a plus one means something different than a minus one and all of those things that involve computation, mathematics, the study of numbers. It could be applied in—all thugs wear motorcycle jackets; he wears a motorcycle jacket; is he a thug? They have to do that kind of logical going through thoughts, and that has not traditionally been the way those tests that you are referencing have been used.

\* (1550)

Problem solving, though, is just one of the things we will be looking for. We have the four foundations. Problem solving is one. Literacy and communication is the other. By that, we just do not mean, can you read a page or can you spell certain words correctly? We are asking, can you use language in all its forms in learning experience across all subject areas? So no more will you enter a class and have to transmit a message and let the method of transmission for that message be unclear, because your communication will be assisted and improved as you transmit.

So reading, writing, listening, speaking, viewing and other ways of knowing, sketching, diagramming, dramatizing, these are all vehicles and tools for learning. They all come under literacy and communication in our provincial curricula.

When you read to be looking for different things, there are different ways of reading. You will read a scientific text in a certain way and you will absorb the content of that text for specific purposes. You will read a novel, a work of fiction or a great masterpiece in a

different way for pleasure or for an understanding of a certain era and a certain society. Similarly, you will read a business report for a different reason. You will do different things with that knowledge and communicate that knowledge to other people in different ways because of the topic and the type of reading that you have done. So we will be looking for those things in literacy and communications.

Under human relations, which is our third category, we will be looking for, and this is a very important skill, particularly as you enter into the kind of society we now have and the society that will continue to grow in this direction, under human relations we will be looking for a developing and the understanding and appreciation of self–self-esteem, self-confidence, things that are really at the root of education in so many ways; developing good work habits; including responsibility, adaptability, entrepreneurship, management of change, accountability, developing an understanding and appreciation for our society's diverse population; developing tolerance, teamwork, leadership, learning how to develop a sense of global interconnectedness.

We do not live in a little world with walls around ourselves. I remember that was a big thing during the Free Trade debate. Do we live in a little world with walls around ourselves or do we live in a global world, global society, global economy? Those are three then—literacy, communication problem solving, human relations—and the fourth, technology.

Technology is using technology to learn so we have it as a tool for the learning experience. We see that now starting in kindergarten in some divisions, right into computers right off the bat in terms of trying to understand their capability and their use. They are writing software programs now for two- and three-year-olds, fascinating stuff, and then making connections among the groups of society, technology and the environment.

So those four categories are the things we are going to be testing. So it is not at all like the testing that you have described, and I quite agree with your description of them, in other jurisdictions. Although we will also be testing for those skills, they are not part of our foundation.



**Mr. Kowalski:** Yes, but even in those four foundation skills, will the emphasis be on the ones that are easier to measure, easier to test? For example, literacy, for years we have been designing tests that test literacy. We do not have the empirical knowledge, the history of testing for human relations and human skills. So, therefore, the emphasis in the testing will be on those things that are easier to test, even within those four foundation skills.

**Mrs. McIntosh:** I think the member has two components to his question. In terms of the ability to evaluate these tests, I should indicate that some of them will be tested by the provincial testing programs, so there will be people who have acquired the expertise in evaluating who will be looking at these and marking them. Some though will be done by the classroom teacher because the testing is going to be shared.

There will be a diagnostic component which any good testing must always have, and the diagnostic component will be on a percentage basis. Grade 3 level for example will be purely diagnostic; Grade 6 will have a percentage, 25 percent, which will be the measurement of standards. Similarly, Senior 1 will be 35 percent; and Senior 4, 50 percent of a final evaluation.

So the work done during the course of the year of course will still play a very prominent role which is again very important, because maybe you are too youthful for this—no, too youthful for what I am about to remember or you have the youthful appearance of someone who should not be able to remember what I remember, which was sitting down to write 100 percent pass-fail exam at the end of the year based upon the year's work, and heaven forbid that you should have stomach cramps that day or whatever else you might have that would distract you from the test because a whole year's work, pass-fail, on the one exam.

That was good if you were a quick study and could cram like crazy the week before the exam and where you could maybe pull off a really big mark without having had any experience during the year of having developed work habits, any of the things that we look at under human relations and responsibilities. Similarly, it can be very bad if you were a good student

who worked hard all year and had all the good work habits and everything and just fell to pieces in an examination room because the lights were wrong or something in the room, because then your whole year's work would do for naught.

So we are saying a blending of both is required to do a proper assessment of whether or not the student has been able to measure up to a particular standard for the expectations at any given level. Have they developed those work habits? Have they developed those four foundation skills? Some of those things can only be assessed based on the annual work. Some of them can be assessed through testing so we can get a comparative level, so we can do the kinds of comparisons that the official opposition was worried were not taking place between independent and public schools. I hope that answers your question.

**Mr. Kowalski:** The skills that the people from, I forget the terminology, but the provincial testing body or from the province then will be doing then will be separate skills that the classroom teachers will be doing? In other words, like human relation skills, will that only be done by a classroom teacher, and literacy skills will be done by the provincial testing body? My concern about that would be then that those skills at the provincial testing body would be seen as more important than those by the classroom teacher; or, in both cases, will we have the classroom teacher and the provincial testing cover the four foundation skills?

\* (1600)

**Mrs. McIntosh:** We talk about partnerships and everything being interrelated. I first have to say that I personally cannot see anything happening in isolation from anything else. Everything to me impacts upon how one experience always impacts on another. But most of the human relations would be done locally because that is where the classroom teacher has the ability to observe and to foster the acquisition of some of these skills. The rest would be shared, as I have said, you know 35 percent, 65 percent, those types of things.

When we look at some of these things—I will just give you one example that sort of crosses into both

areas. With mathematics, for example, we used to test mathematics and the student would rely upon the authority in the classroom—teacher, textbook, the mathematics tables on the back of exercise books—I do not know if you remember those. You rely upon those things. Those were not bad.

What we are saying is if you want to make it better you have to see mathematics as reasoning, and to a certain degree you did have mathematics as reasoning. It was always separated out as, well, today we are going to do problems. That was usually not looked at as developing a reasoning power but rather as just mathematics.

We want to see people drawing logical conclusions, acquiring an ability to draw logical conclusions as a result of mathematics, justifying answers and solution processes. I mentioned before the deductive reasoning, the inductive reasoning where you can follow a progression of thought and draw a logical conclusion or determine that the conclusion identified is illogical. Those have not been pinpointed as expressly as we are pinpointing them as part of mathematics. They have always sort of been there inherent in mathematics. We are saying, pull them out, look at them, identify them and assess the students' ability in them. That is a shared responsibility with classroom teacher and departmental markers.

**Mr. Kowalski:** I hope the minister and the department, in any way they can, can send out the signal that because the human relation skills out of the four foundation skills are the ones being done by the classroom teachers, it is not because they are any less important, but it is because it is better done by the teacher. I think that message has to be continually sent out, otherwise it is along the lines I started off with.

Human relations skills, because we do not have as much experience and history about testing these, they are not as easily tested. That and the fact that they are going to be done by the classroom teacher may be viewed by some as being less important.

I think I accept the minister and her department's assertion that they believe it is a foundation skill. That signal I think has to be sent out repeatedly that these

skills are just as important as the technology skills, the communication skills and that.

**Mrs. McIntosh:** The member is correct. He is correct in assessing the importance of this particular foundation skill. I just wanted to clarify that embedded in the outcomes of all the curricula we will be setting will be each of these four foundations. It will be inherent in every outcome. When I say shared you will see that ability to reason being reflected even in the marking that is being done by the provincial people, because it will be inherent in the outcomes of all of the foundation skills that we are going to have permeate the entire curricula.

Just as I say, ability to communicate will be seen as a part of every subject area. When you are studying science you will also be taught communications consciously, not subconsciously but consciously. Similarly, the human relations will be consciously taught in science as well as—it is not just going to be taught in isolation from everything else. It cannot be. It has to be a part of everything. I hope that is clarified. I appreciate your comments and I thank you for them.

**Mr. Kowalski:** Again, as elected officials and politicians you know we represent the public's viewpoint. I think sometimes we try to be experts on everything. I know assessment as a field of study in education, people have spent years on this and have an expertise.

I think our responsibility is to use that expertise wisely, to make sure that expertise is being used for what the public wants from the educational system, that is, in the end to know that after 12 years of education, the students of Manitoba will achieve the optimum potential that they can along the way, that it is not a surprise at the end of 12 years.

I know that we could talk ad nauseam on assessment. They have gone from performance-based, outcome-based assessment where the past couple of years now they are moving away from it, where they say it is not only the fact that little Johnny could go and figure out a substance in the classroom, but can little Johnny go out in the field and do it in the real world? It is always a developing area.

What goes along with assessment is the outcome. I think that something maybe in Manitoba we could talk about more is the outcome that we want at the end of Grade 12, at the end of university and that. What is the outcome we want?

I think business, society, politicians, parents, we have to decide, what do we want out of the education system, so at Grade 12 we are saying, we need a standard. What is the standard for what purpose? Do we want good citizens? Do we want good employees? Do we want people who could think and synthesize material? I know in some jurisdictions that was the start of their reform, to figure out the outcome.

My last comment, just one that I always found interesting was the Australian benchmark system of assessment. I wonder if any of the minister's staff is familiar with that system? It was a system where from the time a child entered school to the time they left after 12 years they continue on a continuum, a benchmark. Each year the parent and the teacher and the student knew where they were on that continuum to expected results at Grade 12. Has that been looked at at all?

**Mrs. McIntosh:** I thank the member. I am impressed with what he just said. I think maybe you were probably a pretty good school trustee.

I do not know if we have actually looked at the Australia model *per se*, although some staff may have, but what we have ended up with is something similar to what you are talking about in terms of the continuum from kindergarten to Senior 4 in the curricula development and everything all the way through. What we have arrived at is something not unlike what you are describing. I am not familiar with the Australian benchmark that you describe, although it sounds like there is merit in it.

We do see education as a thing that does not stop on June 30 and start again on September 1. It does not stop at the end of Grade 1 and then start again in a completely different way in Grade 2. We also hope that in those periods of time that a student is not involved in active education, i.e., attending classes, et cetera, that what the system is able to do is give them the ability to learn how to learn so that learning

becomes a lifelong experience and the continuum that you described goes with that person throughout life.

I know that good teachers have always wanted that as a goal for their students. It is something they feel so good about when they see former students go on and succeed and go on to higher levels of learning or self-initiated learning and write books, become doctors, do exciting things, start companies. Teachers get very proud because they like to think they had a handle in that, and I like to think they did too.

Learning how to learn—staff just handed me a note saying, Manitoba's four checkpoints at Grade 3, Grade 6, Senior 1, Senior 4 are similar to the benchmarks of Australia and other jurisdictions using benchmarking. So there is a continuum there, a similarity.

\* (1610)

I hope as a result of all of this and all of the things we are doing that the accountability of the educational system to the parents and the students and the ratepayers will be enhanced, because in addition to the things I have identified we are trying to build an accountability so that people can say, well, these are the outcomes we were looking for, do we have them?

The system which always has been accountable has not really had a very good reporting tool to give that feedback back to those who care about education along with them. So we are going to complement standards testing. We call it standards testing as opposed to standardized testing at the school level with tools and procedures, portfolios, demonstrations, exhibitions, observations, teacher observations. They will be developed by the school, the division, the classroom teacher, those affected by the work that we do to give students and parents an accurate and balanced and well-rounded profile of student growth and student achievement.

**Mr. Kowalski:** I just have one last comment. I have to share a personal thing. As a police officer when you see some young person you have arrested a number of times and you see them 20 years later and they are doing fine you get the same feeling of satisfaction, I will tell you.

**Mr. Assistant Deputy Chairperson:** Item 2. School Programs (a) Division Administration (1) Salaries and Employee Benefits \$244,100—pass; (2) Other Expenditures \$62,500—pass.

2.(b) Education Renewal (1) Salaries and Employee Benefits \$1,225,200—pass.

**Ms. Friesen:** Mr. Chairman, I have a few questions on here, although I recognize that there are areas for assessment and evaluation and for specific curriculum details later.

I am interested here in the increase in staff. I notice that in 1993-94 we went from zero staff years in '93 to nine staff years in '94-95, and we are expected in 1995-96 to have 16 professional staff in this division. I wonder if the minister could tell me whether those—they must be permanent staff or they would not come under staff years.

I am looking I guess for a description of what has happened over those three years, what those staff are doing and particularly for the 16 staff what the implications are of the change from nine staff. What is going to happen in this coming year that has required the change from nine to 16?

**Mrs. McIntosh:** The education renewal staff are integrated into the department. They are not—again, because we believe that everything does interrelate, they are integrated through the department. What we have in its Curriculum Frameworks initiative we have information writer, desktop publisher, and we have curriculum consultants, admin secretaries, et cetera. Some of these are not filled at the present time, but those positions are there.

The Curricula New Media Integration Initiative, under there we have media consultant, courseware developer, courseware writer, research assistant and admin secretary.

Under Library Linkages we have a project co-ordinator.

Under Standards Testing we have the curriculum consultants, statistical analysis, word processor and

then we have some casual workers. Some of these are filled and some are vacant, some are bilingual, some are not identified as bilingual.

Those staff years—oh, it says what appropriation they are under, and, of course, we are looking at that right now.

**Ms. Friesen:** Mr. Chairman, could the minister give us an idea of how those are distributed? She gave me four areas: Curriculum Framework, curriculum media, Library Linkages and the testing unit. There will be 16 staff, so how will those be distributed?

**Mrs. McIntosh:** Staff have handed me a note that indicates Curriculum Frameworks initiative will be under development. The Curriculum/New Media Integration Initiative will also be under development. Library Linkages Initiative will be under implementation. Standards Testing will be under assessment and some of those will be in SPD and some in BEF the French language group.

I have the second part to your other question which I did not give when I was giving the four categories we are talking about, in terms of the accomplishments to date. To date the accomplishments for those are the mathematics curriculums framework which will be released within a few weeks. They have completed the draft of the general learning outcome statements for Senior 2 to Senior 4 and general and specific learning outcome statements for our kindergarten-Senior 1 mathematics in collaboration with the western consortium partners.

They have pursued interprovincial agreements for the Senior 2 to Senior 4 relating issues relating to the minimum time allotments, reconciling jurisdictional priorities and project time lines. They have drafted a kindergarten to Senior 1 outcomes document for review by Manitoba educators. They have begun development and integration of illustrative examples to demonstrate the richness, breadth and depth of the K-S1 outcomes.

They have reported on the mathematics curriculum framework project to Partners in Education at orientation sessions on education renewal across Manitoba. They have delivered a three-day regional

training session on Grades 5 to 8 mathematics for 80 middle years educators.

Under the English language are its Curriculum Frameworks. As lead province in the western English language arts project they have completed the report on western English language arts, the curriculum congruency and policy issues for ministry approval. The report contains philosophical and educational beliefs for English language arts, pedagogy and assessment, areas of commonality and clearly defined policy issues. The Ukrainian curriculum, they are working on a joint development with Alberta, the CAL project, the development of mathematics software with Nelson Canada as the business partner for Senior 1 to Senior 4.

Alberta has written, and we have given permission for Alberta to use, copied in its entirety, complete with the Manitoba logo, our own developed Parents and Partners, which was produced by the people here in our department. We have given permission for the Province of Alberta to begin to use our material verbatim, and they will pay for the copies, of course. We will not be printing it for them.

\* (1620)

We also have pilot projects for Distance Education. We have had two rounds of applications and approvals on that. As well, we have had printing of the documents that have been released. Those are just a few of the indications of the work that has been done so far to indicate about where we are and that we are on schedule and on track. The only place where we might have to move a little slower, than our own deadline, would be in working with the other provinces that have asked to come in on this with us.

We have agreed that a western consortium, a Western Protocol, western curricula is good, and as I indicated the other day, even the Yukon is in on that. So we may have to slow our pace down a little bit to allow all the other provinces to come in and work with us, but not much. I mean, it is not going to delay us very much.

The other thing that might cause us to have to pause a bit, of course, is the Pan-Canadian thrust, where now

the other provinces coast to coast have asked to come in with us on certain things to develop national standards. That might mean we have to take a bit more time with our own initiative, still playing a lead role, of course, but the thrill and the excitement of being able to develop a Western Protocol and a western curricula and have western standards and Pan-Canadian standards is worth any amount of pausing we may have to do here because of the incredibly wonderful opportunities for Canadian students with those kinds of initiatives.

We are both pleased and proud that we are seen as leaders in this area across Canada and are most willing to provide any assistance that any other province has asked for and are delighted that we have British Columbia offering to take the lead in one of the areas of joint endeavour, the Yukon offering to take another and New Brunswick expressing all of its desire to be included.

So those are good things coming out of this initiative started by this government with solid direction given in the very initial stages by those who care the very most about the students we educate. Those, of course, are the parents who have the most depth of unconditional love. Not that the rest of us do not care, but that is a different kind of caring, and we appreciate all of the work they did at the Parents' Forum. We are glad they gave us this direction, and we are very pleased that in the knocking on hundreds of thousands of doors across Manitoba in the spring, we heard continued and enhanced support for what may, in the final analysis, be something that all Canada benefits from.

**Ms. Friesen:** What I was actually asking was, how are the 16 staff to be distributed amongst the four areas that the minister outlined? For example, how many staff of the 16 staff will be in the Curriculum Frameworks section? How many in the Curriculum Media section? How many in the Library Linkages and how many in the Testing and Evaluation?

**Mrs. McIntosh:** Let me just do a little running total as we go here. Under the Curriculum Frameworks initiative, 13; under the Curriculum/New Media Integration Initiative, seven; under the Library Linkages Initiative, one; under Standards Testing, four;

plus an unidentified number of markers and, as well, some casual term appointments which we have not calculated into that and some, of course, in SPD and BEF which are not included in here.

I think, when you were counting 16, maybe, because I was giving you the categories of work there, like information writer, desktop publisher, but under information writer, we have two, and under desktop publisher, we have three.

So the 16 would be the types of work, but under that, would be having more than one person working in that type of work in some cases.

**Ms. Friesen:** I see the difference you are making.

The Curriculum Frameworks new positions, I notice that they were advertised in the paper more than once, and I wonder if the minister could perhaps tell us whether there are difficulties in attracting people to these positions.

**Mrs. McIntosh:** I just want to indicate there are a total of 25 SYs in the area, just for your information.

Yes, they were only advertised once. We will be doing an assessment or a search for the assessment position because we want to broaden that search. So you will see advertising for that occurring. We had 850 applications for the curriculum and 1,700 applications in total. So there was a fair bit of interest in people wanting to be part of this initiative.

**Ms. Friesen:** How many positions still remain vacant?

**Mrs. McIntosh:** All of these positions, at the moment, are being interviewed; that is, the positions are not being interviewed, the people who were applying for those positions are being interviewed. The competition closed May 12; people are being interviewed. We expect to have final selections made soon. We do have some positions with people functioning in them, but by and large, the vacancies are in the process of being filled now.

**Ms. Friesen:** I notice that in both years, '95-96 and '94-95, and, to a lesser extent—no, actually nothing in

'93. There are quite high numbers for professional fees. I assume this is for contracts, and I wonder if the minister could give us some idea of what was expended on contracts, \$839,000, I think, in '94-95 and the anticipated \$688,000 in the current year.

\* (1630)

**Mrs. McIntosh:** Yes, the professional fees include the hiring of researchers and writers and developers that developed specialized services that are not available within the division on education renewal.

**Ms. Friesen:** Mr. Chair, could the minister table a list of those contracts?

**Mrs. McIntosh:** We do not have them here, but we can get them for you, and we will do that.

**Ms. Friesen:** Mr. Chairman, could the minister indicate why there was not available in the department the skills to research and write curriculum?

**Mrs. McIntosh:** Yes, I just want to indicate just as a further clarification that the professional fees also include the stipends that the teachers receive for sitting on the committees. So their honorarium are included in those fees.

I just want to clarify, I believe I said to provide specialized services not available within the division on educational renewal. So when the member asks why we do not have the skills, it kind of gives a different—it is a different word—services and skills are not necessarily the same because the department staff are very skilled in a lot of these things, but we need sometimes to have things such as graphics.

Sometimes there is just an abundance of work and requires extra hands to come in and assist, but particular services such as inserting graphics into a particular curriculum may not be a service that we have integrally in the department and not one that we wish to go and put in on a permanent basis because of cost implications but that we can go out and sort of rent for a bit and then not have the ongoing cost and the maintenance of having set up a whole graphics department, for example, which we really could not

afford to do and would not need to have in place on an ongoing basis but might have to have for a particular moment.

I was just handed a note saying the professional fees, in addition to also paying teachers for sitting on the committee, which we would not maybe have a contract for—well, maybe we do, but I do not think we do; we just bring them in. It also pays their substitute costs and everything else when they are out. So a portion of that money will go to that. There may not be a written professional contract.

**Ms. Friesen:** Do I understand that not only are the teachers' substitutes paid but the department then pays an extra honorarium for the teachers on a daily basis?

**Mrs. McIntosh:** If they are here during the school year, their substitute costs are paid. If they are here in the 165 days that people do not teach, they will get paid for those days that they work. If they are on a contract and they are paid on an annual basis, it may be that they are being paid by the division and us. I do not know, but, you know, some divisions are paid on a 10-month basis, some are paid on an annual. Some receive an annual salary. They are not paid on a daily basis, so they may in fact be double paid if they are paid an annual salary as opposed to a 10-month contract, but we only pay their substitute costs during the close to 200 days that they actually teach.

**Ms. Friesen:** How many contracts were there in the past year for the 839?

**Mrs. McIntosh:** That is the information we will have to seek out and bring back to you, because we do not have it here with us right now.

**Ms. Friesen:** Perhaps, then, I should clarify what I am looking for. I would be interested to know the number of contracts, the nature of the contracts, that is, what professional services were being used and for how long, and how many of those were teachers.

**Mrs. McIntosh:** Just for clarification, do you mean teachers who are currently employed as teachers or teachers who are retired—currently employed as teachers?

**Ms. Friesen:** Yes, Mr. Chairman, currently employed teachers.

I wanted to ask about the information writers who are to be employed in the Curriculum Frameworks section. There are information writers, and there are curriculum consultants. I wonder if the minister could define what their role is going to be in the development of curriculum.

**Mrs. McIntosh:** The information writers are responsible for copyright checking, for proofreading, for editing, those kinds of old-fashioned grammar teacher type things. The curricula writers, of course, will be looking at writing the content and the material, the information that we wish to transmit to the students' minds.

**Ms. Friesen:** Mr. Chairman, there have been considerable concerns expressed during this whole process of educational change for the what appears to both teachers and to some parents and to those who are observers of education that what has happened here is that Manitoba is throwing out a process of curriculum development which was very collaborative with teachers and with practising master teachers, that things went through, in Manitoba, quite an extensive testing and evaluation process, that master teachers were involved.

I think that the partners in education, particularly those parents and those where there are school councils, felt that there was a collaboration, that there was local input, that there was time allowed for the development of curriculum and that it was done from a Manitoba basis, frequently employing Manitoba consultants to write Manitoba-based materials.

What I think people are seeing happening is that a process that seemed suitable, involved people, where people felt that they had a contribution to make, not just in the classroom but to the overall progress and development of educational standards and educational content in Manitoba, I think people see that as being thrown away.

I wondered if the minister would like to comment on that, because what she is outlining is a somewhat

different process which involves some teachers but appears to have left behind the collaborative process which, I think, Manitoba teachers valued.

**Mrs. McIntosh:** We certainly wish to keep Manitoba teachers valuing what we are doing. We also wish to have nonteachers value what we are doing, and the curriculum development model that we are talking about is still a highly collaborative model. It is not one that precludes involvement from anybody in the educational milieu.

We still intend to use classroom teachers. We still intend to use master teachers. We do wish to reserve the right, however, to use a rocket scientist to help us write a book on rocketry. We still wish to reserve the right to use a highly specialized expert to provide material on his area of expertise, and we think that that is not a bad thing. We think it is something, in fact, that has been promoted and presented to government for over a decade, and we see at different stages of development any number of people with their abilities coming in to assist with the development of curricula.

Certainly, we do not intend to exclude the people who deliver education in the classroom from this process, so the structure may be slightly different, the responsibilities may have been given different weight, but at each stage of the development cycle, educational partners are going to be provided with opportunities to be involved in the development process.

Our educational partners include classroom teachers, master teachers, principals, administrators, parents, university scholars, college instructors, industrial representatives, business and trades representatives, scientists, medical people. We will not be saying any more than, it is just going to be done by one committee. The people who will be working on each of the curricula will be people who are experts in that area for content and experts in pedagogy for the method of presenting that content. So I think it is a very good collaborative nature, and I think it is being enhanced by the addition of specialists in the areas that we intend to teach.

You will find a lot of schools now doing things such as bringing in symphony musicians to assist with

master classes in band classes in the schools, for example.

You will find them bringing in established authors to help with creative writing classes. You will find in many schools medical doctors being brought in to discuss biology, particularly reproductive biology, and so these experts have been used on an informal basis in this way for many years.

\* (1640)

What we are saying now is, we want to have that opportunity to respond to concerns that have been brought to government on a repeated basis in that area, and we wish to address them. By no means does it exclude teachers from the process—not at all.

We have the Western Consortium Development in which we are looking at common outcomes. An illustrative example: the Manitoba team on that, on the Western Math Project, in terms of developing the outcomes, the Manitoba team there consisted of 12 members, which included eight classroom teachers. Of the 12 members, eight were classroom teachers, and that type of structure, we think, does not preclude teachers, witness the example that I have just given.

**Ms. Friesen:** Could the minister tell us who the other four people were or what their professions were?

**Mrs. McIntosh:** Yes, the Manitoba team had three français representatives on it. It had a director and three consultants and eight classroom teachers. That was for the Western Math Project Development of Outcomes, and they participated in many, many days of meetings and, I think, have done a very good job. There is a very large percentage of that committee being classroom teachers.

**Ms. Friesen:** What I was looking for was the expertise of the other four people. Eight were classroom teachers. Four were?

**Mrs. McIntosh:** The curriculum director, two mathematics consultants, and the three français representatives came out of the eight-classroom-teacher portion of that team.



**Ms. Friesen:** Eight classroom teachers, one curriculum director, two maths consultants, and who is the other person?

**Mrs. McIntosh:** We are going to have to check and find out who that last person was because I do not have it here.

**Ms. Friesen:** In what way does that Manitoba maths curriculum team differ from earlier ways of producing curriculum?

**Mrs. McIntosh:** It differs in this way, in that they are looking at: outcomes; standards; it is western; and it covers the whole scope from kindergarten to Senior 4. So the continuum that the member for The Maples (Mr. Kowalski) was discussing is inherent in this, and it has illustrative examples throughout it. So you have got common outcomes, standards, illustrative examples, the Western Protocol, the western development as a region of Canada and, very, very important, the kindergarten to Senior 4 scope.

The thing that I wanted to point out to the member is that while that is different, I think she can see, in terms of the make-up of the committee and just by virtue of the question she just asked, that it is really not that much different, this particular committee, from what has been in place. So when I say that what we are about to do does not preclude us having heavy involvement from classroom teachers, and I use this as an example to illustrate, I think it proves the case, that while you can do things differently and you can exercise more choice in whom you have on the committee, it does not mean that you are not going to include classroom teachers if that is who you have that can do the best job. We are not going to preclude them.

So I use that as an example to try to allay the fears that I think some people have out there that because we have said we want to be able to use experts, we want to be able to choose master scholars, master teachers, we want to be able to tap into the industrial segments of society, it seems to me, there was a fear then that teachers would not be included, and I am saying to you, not necessarily so; that fear need not be as high as rumour has it to be.

Staff has just indicated to me that we will now be doing parallel work to develop an independent study and teacher-initiated courses as well. So those are other new thrusts on the horizon that I think have exciting potential.

**Ms. Friesen:** Mr. Chair, I am glad to see that classroom teachers and curriculum consultants are involved in this, and I wonder if the minister would give us an idea whether this is perhaps not necessarily—will this be a model for other curriculum development procedures? Will those kinds of proportions, not in exact numbers, but will those kinds of proportions be maintained in the development of other curriculum?

**Mrs. McIntosh:** In all probability. I mean, I cannot, at this stage, say absolutely yes or absolutely no, but in the western and national projects, I think it is quite likely that that would be the case.

In fact, it is more likely that you will have more teachers included in the process. Their inclusion will probably see them more equitably represented because they will be nominated by superintendents, so you know that the superintendents will be looking for their best and brightest in terms of putting forward—I should not say nominated, but they will be assessed through superintendent nominations, and that will really emphasize their acknowledged performance-related and evaluated performance-related expertise. Because you will be getting a reference from the person ultimately responsible for doing the teacher evaluations and performance assessments, you could be pretty certain that we will be getting forward a name that has a solid record of achievement in terms of this type of work. So chances are, there will be more representation—could be.

**Ms. Friesen:** Mr. Chair, I am trying to get at the differences between this process of curriculum development and the old process. The minister talks about the introduction of experts, and I am only familiar with the development of the social studies curriculum, but it seems to me that outside people have always been involved in the development of social studies curriculum. Is that an unusual example? Surely that, in the past, has always been the case. So, again, I

am wondering what will be different about this process. If teachers are to be involved, if the same kind of outside, quote, experts, or whatever you want to call them, have always been there, if the curriculum consultants are there now as they were in the past, what is different about the composition and the process of curriculum development?

\* (1650)

**Mrs. McIntosh:** Mr. Chairman, we have some fundamental differences here, and it is a two-part response I am giving to the member, to identify the differences which in terms of allaying the fears of teachers who thought they were not going to be included, I am almost glad the member cannot recognize, because somebody has been telling the teachers that they are not going to be involved anymore. I do not know who or why anybody would do that, but somebody has been telling the teachers that, and they have gotten themselves very upset. I will be intrigued and glad, I am able to say, that the differences were so negligible that they could not even be spotted by the opposition critic, and that should allay their fears as to the exclusion—

#### Point of Order

**Ms. Friesen:** On a point of order, it was not that I said I could not spot any difference. I was asking the minister to outline how she thought the changes had occurred and what the changes were.

**Mr. Assistant Deputy Chairperson:** The honourable member does not have a point of order. It is a dispute over the facts. The honourable minister, to conclude her remarks.

\* \* \*

**Mrs. McIntosh:** I am sorry. The question I was responding to was the one I heard about: We have always had experts available; what is the difference between this and the other? I thought that you were indicating you could not see the difference, but I apologize if you could see the difference. I will still answer the question as to what is the difference because that was the question.

The differences are these:

First of all, the committee used to always be just teachers. While those teachers may have done some consultation with masters in the field, what we are saying now is that masters in the field can actually be on the team. That is a major difference.

Secondly, we are concentrating the time down, where work on a curriculum would be begin and sort of be worked on over the course of a long period of time. You know, we take a day here and a day there over a lengthy period of time. We are saying, get together for an intense concentrated period of time. That is a bit different. That will be occurring.

The other thing that will be occurring that is new is the review panel. You will see selected representatives from educational partners reviewing, in a panel, and providing feedback to the department. That is new. That will happen before any field testing.

At the same time, what is different is that the standards tests will be developed along with the curriculum, so you will see two parallel activities occurring in concert with the same players. That is new.

What we will have in the end is something that is new in terms of content of material presented to students in the classroom. Various stages, I think, we have been through before, research, development, the writing of outcomes, the development of standards and the time lines on those are—the research, of course, is ongoing. That will never cease, but the development teams, we are asking them to do their work in about a two-month period. We are asking that they be freed from their other duties to concentrate on this exclusively over the course of a couple of months rather than intermittently over the course of years.

The curriculum products last time were different than they will be. We will see curriculum products which used to include goals and objectives now including outcomes and standards. We will see a teacher support document, which was sometimes in a guide, sometimes separate. We will see implementation documents and teacher support documents which may be more than

one level. With curriculum products, you very seldom saw parent support documents, although there were some. With the new curriculum, there will be parent information documents for all core subjects. They will not just be, you know, some with some and some without.

The curriculum process, the partners will be expanded. The Manitoba process did not involve other provinces. It involved teachers in Manitoba. Now it will involve not just teachers but perhaps nonteachers who bring some particular thing to the process that will make it better. It will be further expanded to not just Manitoba but to collaboration with western provinces and with the territories so we can get common learning outcomes for core curricula.

At this point, it looks as if that is a possible extension, as well, to a Pan-Canadian involvement.

Right now we have development consultants working with the provincial area steering committees and working groups, or a curriculum writer, but instead of that being the case, we will now find that different provinces can take the lead in different subject areas. We have already indicated that Manitoba has been asked to take the lead in developing the language arts, the English language arts, Alberta in mathematics, the Yukon in social studies. I believe British Columbia has asked if it could be the lead province, and it has been agreed that it will be the lead province, in science.

So there you have, interestingly enough, provinces of all political affiliations working together—crosses party lines. This is not a partisan issue. This is a learning experience. You have two New Democratic provinces eager to be part of this.

You have all four subject areas that are currently in development for June of next year, from June of 1996 release. That is different from before because before you would find that development occurred on a cycle, with different subjects staged at different points in the cycle in any given year, so you never knew it was going to be coming at you.

The stages of the cycle are different. If you are asking, what is different, why is this different, the

stages of the cycle are different because now, again, we come back to that the stages are going to include outcomes and standards. You will have, where you used to have division and revision, included the curriculum steering committee and the writer—and it took two to three years to complete a four-grade span—now we are saying, this will be done in nine months to a year through a western consortium or a Pan-Canadian consortium. So the time frames again are concentrated, shortened and more relevant. You do not get curricula that the first part of it is three years old by the time you get the last part completed. It would be more relevant. The flow of thought will be more concisely expressed because you have a concentrated time line.

Right now, you have a pilot or field test of one year, including the revision. Under the framework development in the new ways, the outcomes will be used as the basis for Manitoba framework development. All those standards will be developed at the provincial level, with the involvement of individuals whose expertise is in curriculum and development and assessment and evaluation, in six months to one year.

Those time lines that were identified for all sorts of aspects surrounding this are being met.

\* (1700)

You used to find that, you know, after the pilot, the full implementation of any new course would depend on the extent of the revision, and it sometimes would not come into place for three years. So, again, how timely is it? Maybe it was very timely. Some things are eternal, but some things need to be more current, and so, again, we will see that in six months to a year.

The fine-tuning portion, the assessment, the results, feedback from the system, again, we have one year simultaneous with the first-year framework implementations. The implementation will be done right across the province so that you have that common front again.

The fine tuning will take place on an ongoing basis. It will never cease. It will always be there ongoing as

a maintenance procedure. It will be based on standard test results that will come back in from the field and, also, on general feedback from the field, like, what are we learning as our assessments come back. We see what used to be a four- to seven-year cycle, in terms of curriculum development, from conception to what will now be a maintenance stage, now being able to be done in about a three-year span from conception to maintenance stage.

So in terms of the time lines, they are much tighter, more condensed, and we will be asking for people to be freed to devote a concentrated period of time to this and not just be a couple of days here and a couple of days there, a week here, a week there, with other things in between interrupting their flow of thought.

**Ms. Friesen:** That is a very full discussion. I think it will be useful to have all of that in one place, in fact, for people to look at.

A number of questions occurred to me out of that. One is the difference in the department's mind between goals and objectives, and outcomes and standards. The minister indicated that one of the differences is that old curriculums looked at goals and objectives, whereas the new curriculum looks at outcomes and standards, and I wondered if—I know that is the new vocabulary, and I know those kinds of outcomes and standards, that vocabulary is used in British Columbia, it is used in Quebec, both of which have very much outcomes-based education plans recently introduced and very full on a K-12 basis. But it seems to me, is it simply not new vocabulary for what was implied, what was understood, what was dealt with by classroom teachers in terms of goals and objectives? Is not the goal essentially what is implied by a standard?

**Mrs. McIntosh:** We are working with very concise definitions. We have, and I will just read the two definitions that we are using. We say outcomes are concise descriptions of the knowledge and skills that students are expected to learn in a course or grade level in a subject area. So it is very specific.

Standards, we are saying, again, a very explicit definition, standards are descriptions of the expected levels of student performance in relation to grade and

subject-specific outcomes. We then go on in our action plan, where you will find these definitions, to talk about the relationship between outcomes and standards and performance levels, and I will not go through them. They are contained on page 6 in *Renewing Education: - New Directions*, the action plan, and it is in the blue box there, and you will see them talking about those relationships and how they are expected to become enhanced.

So those definitions are slightly different from definitions of goals and objectives, although I agree with you in principle when you say, was this maybe not something that people were sort of doing without having these specific definitions, maybe automatically doing, and maybe they were. In fact, I think there were many teachers who were automatically doing this, and the difference is that we are saying, now we all will. We are defining it now, and some of these things that we are talking about are not new magical things. Some of these things we are talking about are things that have stood the test of time and are things that really good educators have always been doing. What we are now saying is that these things are being put down as things that will be done by everybody and not implied or understood, like, no hit-and-miss about it, like a for-sure.

The goals and objectives that we used to have, they were written in such a way that the students would be exposed and there were few ways of knowing if the students actually succeeded. Like, they would say—I am paraphrasing—but, you know, the student shall be exposed to great literature. That type of thing, which does not really as an outcome indicate that the student should have a knowledge and appreciation and an ability to recall, to make suitable application of some of the great masters works of literature, for example.

I still to this day can recite the speech from Portia, and I am sure a lot of people can. I do not know—and I can apply it. I know the meaning of the words can be quoted in certain situations as very applicable reference. That is just a little teeny tiny example from my own past, but goals and objectives did not really reference skills and knowledge directly. This does. So I do not know if that clarifies it for you or not, but we can talk more about it.

**An Honourable Member:** Can we take a 10-minute recess?

**Mr. Assistant Deputy Chairperson:** There has been a request for a recess. Is it the will of the committee that we take a break for—

**An Honourable Member:** Ten minutes.

**Mr. Assistant Deputy Chairperson:** Agreed? Agreed and so ordered. We will resume at 5:20 p.m.

*The committee recessed at 5:08 p.m.*

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**After Recess**

*The committee resumed at 5:22 p.m.*

**Mr. Assistant Deputy Chairperson:** Will the committee please come to order, and then we will resume the Estimates for the Department of Education and Training. We are on item 16.2, line (b) Education Renewal (1) Salaries and Employee Benefits \$1,225,200.

**Ms. Mihychuk:** Mr. Chairperson, in the area of Education Renewal, my question is: Much of the focus it seems to me is on the tests and the assessment tools that are being developed and the tests that are going to occur. Can the minister tell us how much it will cost to produce these exams that are now going to be used across the system?

**Mrs. McIntosh:** Initially, I am going to be giving you incremental costs here, '95-96 \$177,000 and then in '96-97, again an incremental cost and this will include now the four subject areas, it will go to \$1,500,000, and those would be taking '94-95 as the base year, the incremental costs to the end of '97 of switching to a standards testing system, and, of course, that '96-97 year will be all four grade levels, all four subject areas.

I just wondered, before we go on, I had been asked if I could table some information yesterday, and I have got that information. The member for Wolseley (Ms. Friesen) had asked about testing. Maybe it was the day

before yesterday. I am not sure. What school divisions were doing in the area of testing. The staff has been able to contact 28 out of 48 divisions. So it is not a full survey, but of the ones they were able to contact, 28 out of 48 and the norm reference tests 50 percent—I will table this for the member—of the school divisions surveyed indicated that norm reference tests—those CTBS and the CAT—are used at Kindergarten to Grade 3 levels in their schools.

Other tests at the early years for Kindergarten to Grade 3, four school divisions or 14 percent of those surveyed indicated that they administer division-wide testing in the early years levels K to 3 in subject areas of mathematics, science, social studies and language arts, and they are administered in classroom settings as opposed to larger groups.

Staff also then attempted to get some information across the country, and they have some information here which would be accurate till the end of December 1994, and then there will be some change there, in particular Ontario, because Ontario, for example, has announced reforms recently. So this information is till the end of December '94, and then they will be changing what they are doing.

In British Columbia they begin testing in all core subject areas in Grade 4. In Alberta they begin testing with Grade 3 mathematics and language arts. In Saskatchewan they begin testing in the core subject areas at Grade 5.

In Manitoba, we have suspended curricular assessments. Assessments were done in Grade 3 until 1987 in maths, social studies, reading and writing, and standards tests will be administered at Grade 3 in core subject areas. Ontario, none at the present time in Kindergarten to Grade 3 levels, although the reforms they have just announced will show a different method. Well, I mean, it depends what happens today, but those are the plans right now.

Quebec, Grade 3 français and English. New Brunswick, none at the K to 3. Nova Scotia, none at the K to 3. Prince Edward, no answer. Newfoundland, they have Grade 3 science, Grade 3 maths, Grade 3 writing. Northwest Territories, there is no answer from

there. The Yukon, none at the Kindergarten to Grade 3 levels.

As I said, it is not a complete survey. They were not able to contact all divisions, but of the 28 they did contact, those are the results that we have obtained. I will just table that for the member.

\* (1730)

The other piece of information that I promised the member for Crescentwood (Mr. Sale) I would table, he had questioned the New Zealand situation. He had indicated that he did not believe there had been a problem with their credit being refused and asked if I could table information to verify that. So I just picked up some information that we had that verifies that and I will table that as he requested for the committee.

**Mr. Assistant Deputy Chairperson:** I thank the honourable minister for that. The Clerk will copy and distribute it to the members of the committee.

**Ms. Friesen:** Mr. Chair, my colleague was just asking about the cost, and I wonder if there is a breakdown of that. If we take the—well, I guess the most distant estimate we have is '96-97 when all four tests will be in operation, and the minister is estimating \$1.5 million. Does that include the development of the curriculum which will be tested in the implementation of that or is that simply the physical production of the test, that is the research that goes into the test, the writing of the test, the distribution of the test and the marking of the test? Is there a breakdown of each of those? I know that one of the concerns of school divisions, for example, is that the marking of the test is going to be offloaded onto the school divisions. So this breakdown of costing, I think, could be useful for people to have at this stage.

**Mrs. McIntosh:** Yes, that only includes the standards testing cost. It does not include the curricula. The curriculum is on another line. It does also include the pilot which was not referenced in the question but which is a very important factor and a cost item as well. The breakdown in the other areas is not available right now. The other thing it does include as well is it includes two sittings for the semestered senior levels.

So where they have a semestered sitting they have the two sets. That includes the costs for that as well.

**Ms. Friesen:** I think what concerns divisions and parents and teachers at the moment is who is going to do the marking and how will that be charged. I am familiar with the system they have in British Columbia for marking their final exams, and it is very elaborate, very thorough, but very expensive.

Teachers are seconded and brought to a centralized location. In the last case, for example, it was Victoria. These are teachers who apply to be markers, who are selected on the basis of ability, who serve a three- to four-year term and then are moved on. The week that they spend in Victoria is paid for by the province, that is, their replacements are. They sit around tables of about this size with five or six teachers marking, for example, literature and history exams where it is not multiple choice or short answers. It is essay exams. Their standards are developed by the passing across of selected essays. Every fourth or fifth essay is marked by two or three people. It is thorough. There is no doubt about that. It is expensive.

I think the concerns of people are both that the exams be fair and thoroughly marked, that if you are looking at provincial-wide standards, those in fact be seen to be provincial-wide standards in the same sense that, for example, the marking on a provincial basis in the ways that I have suggested might indicate that kind of provincial-wide assessment base, you are being marked by teachers who have been selected and who are from all parts of the province, who are familiar with the curriculum and who are testing their own judgement against each other as the marking progresses and holds opportunity for discussion.

As I said, it is perceived to be fair, and it is perceived to be thorough, but it is also very expensive. I am wondering where Manitoba is going to be on that continuum, if you want to call it that, of thoroughness, fairness and cost.

**Mrs. McIntosh:** It is a good question, and we too wish them to be fair and thoroughly marked. I do not think we have any disagreement on that. We do not have the process developed fully yet for standards testing. Right

now, we use teachers to do the marking up to Senior 4 levels, and we pay. We do not offload the cost onto the divisions currently. We use a comprehensive system as well, and we have not fully developed our process yet.

I do not know who has indicated to teachers that we might change our method of payment—you indicate their concern—because we have not made any such announcement, but as I say, we do use teachers to mark the Senior 4 exams. We do pay the teachers.

We do use a comprehensive system, and we have not yet fully developed exactly what we are going to do with the standards tests, so I do not have an announcement to make on that yet. That is going to be all part of the full development of that whole new development plan.

**Ms. Friesen:** Does the minister anticipate centralized marking of each of the four levels?

**Mrs. McIntosh:** Training for the marking will be done by the department, for starters. We will not just be sending a how-to booklet and asking them to figure it out. The markers will be trained by the department, and they will be trained in a consistent manner, so that their method of approach will be emanating from the same source in terms of us training them. We will be monitoring, looking at quality control procedures as we develop.

We do not envision, at the present time, bringing everybody together around a big table, as you described having in British Columbia. It will probably have more of a regional overtone than what you have described, although that final decision has not been made. We do expect divisions will be playing a part, a role in this. They will not be excluded, but the direction will be given centrally in terms of the training, school divisions being ultimately responsible for the students they train. We will have some responsibility in this whole area of marking as well, but the direction will come centrally.

**Ms. Friesen:** Will the divisions be responsible for a portion of the cost of marking?

**Mrs. McIntosh:** This may be referenced at some point in the Action Plan actually, but we do indicate that we

want to see divisions assuming some responsibility for all aspects of marking. Now whether that carries through into money, that decision has not been finalized, but we do not see them as being removed from this process.

**Ms. Friesen:** When does the department anticipate that these guidelines will be available for the first year, for example? When will we know where the costs are going to fall?

**Mrs. McIntosh:** Those protocols will all be developed prior to the first standards test. I do not have a specific date, but in the order of things, of course, there will be the curricula development, the standards testing going along with it, and presumably then, not long after those two things are in place, we would be able to indicate the details that the member is referencing.

\* (1740)

**Ms. Friesen:** One of the problems, I think, that school divisions and schools are encountering at the moment is the multiplicity of existing plans. There is a new plan for curriculum, new plans for graduation requirements that are coming. There are still, I believe, professional development days in existence for the Skills for Independent Living which used to be a compulsory course and now is no longer. We have, I believe, still some elements from the ministry's directives of 1988-89 which are still being put into place in schools.

At which point do we encounter an entirely new system? Where does the dividing line come? Is it the class that enters in, what, 1996?

**Mrs. McIntosh:** The children starting school this September will come in, and as the programs are developed, those time lines dovetail quite nicely with each other, because they will find that they will be able to be on the new system from the day they start.

Students who are currently in the system and sort of, say they are Grade 10, they will be operating under the system that they are used to until graduation, with the stream coming up behind them being the ones that will be, as you say, fully in the new system.

The others will not be fully in the new system. Those kindergarten children will be the only ones fully in the new system from the date of their first day of formal learning.

**Ms. Friesen:** When can we expect a new set of graduation requirements?

**Mrs. McIntosh:** Staff has just passed to me a note that I think can answer your question.

Those students who entered a high school program of studies in September 1992, or prior to September 1992, but who have not completed the 20 credits required will have until June, 1998. All students who entered a senior years program of studies, that is Senior 1 to 4, in September, 1991, as part of the Answering the Challenge, the voluntary limitation, or in September 1992, '93 or '94, when full implementation of Answering the Challenge was required may graduate by meeting the requirements of either Answering the Challenge or New Directions.

We got a response back. We got feedback from the department's educational partners. As a provision for students graduating under Answering the Challenge in June '95, '96, '97 or '98, the compulsory requirements for Senior 4 are language arts, one or two credits, Senior 4 courses, two or three credits, depending on the number of Senior 4 language arts credits. Schools and school divisions will need to make decisions regarding which graduation requirements will apply to this group of students. This flexibility is available to schools in planning for this group of students until June of 1998, but then all students, as I said in my previous comments, who begin school in September '95, will be expected to meet the full requirements of New Directions. They will be the first class to stream fully through with New Directions.

So they have made accommodations in the planning. Thank you staff for this. They made accommodations in the planning for students who are in the transitory period.

**Ms. Friesen:** Could the minister table a version of that, so that that is available to send to people who are unsure of where they fall in these categories?

**Mrs. McIntosh:** All school boards, all board members and all school divisions have been notified and been sent that information, but if you would like it, as well, we would certainly provide it to you. We will get a clean copy because we have this one scribbled all over, but that information has been forwarded to the school officials and board members who will be having to advise schools and parents and students, but we would be pleased to provide you with a copy, as well.

**Ms. Friesen:** Which class will it be, which will be the first class to graduate without not necessarily having Canadian history in senior levels?

**Mrs. McIntosh:** All students will be required to have Canadian history. They will not be able to go through New Directions without having more Canadian history than they currently get. They will be getting it earlier and in more concentrated doses, so it will be impossible to go through a New Directions program without an improved Canadian history and earlier exposure to it.

I am not sure if that answers your question, but there is no way you can go through a New Directions school continuum without getting Canadian history.

**Ms. Friesen:** As I understand the New Directions document, the last time and the only time that a student gets Canadian history is at the Grade 6 level. In Grade 9, they have a version of social studies, current affairs, that deals with Canada, and then after that, it becomes optional, and that, as I am sure the minister knows, is an area of concern for a lot of people.

**Mrs. McIntosh:** Yes, that clarification of her question which asked which class of students will be able to go through the New Directions without taking Canadian history, which was a different question than the clarification, I appreciate the clarification because now I understand she is talking about the last two years of school and not all of school.

I think the member understands, and it would be really, really good to see it acknowledged. I would appreciate an answer, to you, yes or no, if you understand this. Do you understand that the number of hours of history that students currently get, going through school on a compulsory basis, will still be the



number of hours of history they get under New Directions? It is just they will get it in the first 10 years of schooling rather than over 12, and in the last two years, they will have the opportunity for extra credits in history over and above the number of instructional hours they currently get. Do you understand that?

\* (1750)

**Ms. Friesen:** No, I do not understand that in the sense—I understand what the minister is saying, and I understand the argument that she is trying to make. I do not have any evidence that that in fact is what is going to happen, and I think maybe the minister is assuming that social studies and history are the same thing.

But as it stands in the curriculum at the moment, under New Directions, Canadian history is taught at the Grade 6 level for a portion of the course, not the entire course but a portion of it. There is a public affairs Canadian Studies program at the Grade 9 level. I believe both of those remain unchanged under New Directions, and what New Directions does is to make optional the Canadian history course in the Grade 11, which at the moment is a compulsory course.

So I am very willing to look at evidence of where there is to be extra hours and extra content, but in the documents I have seen so far, there is no evidence of that.

**Mrs. McIntosh:** The member and I can go through this for many, many hours. I guess the bottom line that I think she is trying to find out, which I am pleased to answer for her, and I am also pleased to go through the other things too if she would like, is: Will there be a strong emphasis on Canadian studies, Canadian geography, Canadian history? Do we value those? Do we think they are important? Do we plan to have them as a vital component of the New Directions?

The answer to that, of course, is, yes. Right now, the member knows, we have renewal going on. We have a social studies program which, unlike previous courses, will not have geography separated from the history of the region, or history separated from the geography of the region. I mean, why did we have the

voyageurs? We had the voyageurs because we had the rivers. We had the furs. We had all of those factors. They are linked, and the member knows that.

We are having that kind of research right now. Yukon Territory is taking the lead with social studies, but it is a question of consortium. We are all together in it. The research into the scope and the content of Canadian studies, of Canadian history, of Canadian geography is currently being done, and those expectations of student achievement are going to be enhanced as the compulsory kindergarten to Senior 2 outcomes are identified and the standards are developed and identified, and that we will have, in 10 years instead of 12, you can call it social studies if you like, you can call it whatever, it is going to be knowledge about Canada, its regions, its peoples, its history, and that will be taught to an enhanced level in a 10-year period instead of a 12-year period with the opportunity for extra history at the Senior 3 and 4 level.

The member knows that is how it is going with the last two years, being years in which students are going to have a much wider range of options than they currently have. Parents have told us, and I know parents have told her that too because they cannot just be telling members on this side of the House without telling members on the other side of the House—I just cannot envision that the hundreds of people who have told us are not also telling you—that they want to see students in their last two years of school being able to do a variety of things, take apprenticeships or get a head start on apprenticeships while they still take their language arts and mathematics. They want to see students be able to begin to prepare for either the workforce or post-secondary instruction, and those things are happening.

We will have enhanced learning in the kindergarten to what is now called Grade 10 level, and we will have condensation in terms of condensing down the same amount of work covered in a shorter time span so those last two years can be freed for enhancement.

It is a different way of doing things. I cannot believe that in working with a western consortia who values the history of our peoples, regions and geography as much as we do that we will not come out with a curricula that

will be extremely good. In terms of the first question she asked, what year will the old system of spreading history out over 12 years and not having a concentrated effort in the first 10 years occur, 1997 will be the last year of spreading history out with major gaps sometimes in high school levels over those 12 years, but 1997 will be the last year that we force it to be spread out.

**Ms. Friesen:** Mr. Chairman, the minister uses the terms history and social studies interchangeably, and the point I am trying to get across is that they are not interchangeable, that certainly Canadian studies can include some history, but it will also include literature, geography and a great many other things. It is currently taught at the Grade 9 level.

In addition, students always had the benefit when they graduated from a Manitoba high school of having a full year course at the Grade 11 level when their level of ability to absorb abstract concepts is much greater than it is at Grade 9 or Grade 6, and that they can prepare for citizenship through the use of a historical study. Those are the arguments which are made and have always been made for senior high Canadian history.

What concerns a lot of people, and I am sure the minister has seen the many petitions on this, is that is going to become an option for some school divisions, and given the difficulties of staffing in some areas, given the financial crisis which some school divisions face, there are great fears that in effect the school divisions will not have an option, that they might lose a history teacher and not be able to replace them so that it then becomes something that is for a variety of reasons denied to the students of that area.

So it is a number of factors coming to, I think, fruition in Manitoba that give people great concerns that students at the senior level will not necessarily have the option of the study of their own past. They may well be familiar with some of the literature, they may well be familiar with some of the geography from Grade 9 if they remember that, but there is something which is being lost, I think, and I have great concern about that, and I know that the minister has probably

seen many of the petitions which have dealt with those concerns as well.

So my question is, I am prepared to believe that the minister wants this program, wants to expand the amount of Canadian content in the existing curriculum areas, but my impression of New Directions is that that is all it is going to do. There is nothing wrong with doing that, but it is not a replacement for a senior high Canadian history.

**Mrs. McIntosh:** Mr. Chairman, I do not even know where to begin. I have so many thoughts going through my head here in response to the points that were brought up. Well, maybe just start here. I want to just make an observation that has been made, and we have many examples that I can provide in terms of research on this, and that is, the member says the students are not capable of being able to learn the content of the history that they get in Grade 11 at earlier grades, and that they do not have the ability to think in abstract concepts and those types of statements again downgrade the expectations that are put upon students in other countries and other places.

So I do not agree that students do not have the ability to think in abstract concepts until Grade 11, and I also indicate that the thinking skills that we are going to be incorporating, being made integral to the whole learning experience, will bring forward the development of those skills. You can, and other jurisdictions have, and there is plenty of research and I would be happy to read some of that into the record, Mr. Chairman, if I may.

**Mr. Assistant Deputy Chairperson:** Order, please. The hour being six o'clock, committee rise.

## HEALTH

\* (1440)

**Mr. Chairperson (Marcel Laurendeau):** Would the Committee of Supply please come to order. This section of the Committee of Supply has been dealing with Estimates of the Department of Health. We are on item 1.(b).

Would the minister's staff please enter the Chamber at this time. We are also by leave dealing with the Health of Manitoba's Children report.

**Mr. Dave Chomiak (Kildonan):** Considering the minister's comments, I just want to take us back to the recommendations on page 135, and the minister talked a bit about the history of the children's dental plan, et cetera, but there is a specific recommendation in here that says that in those areas where dentists are unavailable or cannot be recruited, the use of alternate and complementary dental personnel should be considered. I am just wondering what the status is of that particular recommendation.

**Hon. James McCrae (Minister of Health):** Mr. Chairperson, earlier today I agreed to hand out our Interdepartmental Protocol Agreement between the ministers of Education and Training, Family Services, Health and Justice for the Co-ordination of Services for Children/Adolescents with Severe to Profound Emotional/Behavioral Disorders. I will do that now.

With respect, Mr. Chairperson, to the oral and dental health of Manitobans and specifically Manitoba children, we have some existing programs which I will briefly outline for the honourable member.

We have the community water fluoridation program. That is facilitated by Manitoba Health. There are 61 treatment plants in Manitoba serving 83 Manitoba communities and they are optimizing the fluoride content in the water. This is reaching more than 750,000 Manitobans and is considered the most effective, preventive measure against dental decay. That is one of the things that is making a great difference in oral health in this particular generation.

Secondly, there is a weekly school fluoride rinse. This rinse program is offered to all rural Manitoba schools funded and facilitated by the department. Approximately 65 percent of rural schools are participating.

Thirdly, there is resource distribution. Educational materials are available through the department for classroom and for group presentations.

Fourth, there are the community grants in 1994-'95. There is \$40,000 to the nursing caries committee, a northern rural community facilitated lifestyle education and resource development project to address nursing caries or what they call baby-bottle caries.

The Swampy Cree Tribal Council received in '94-'95 a \$10,000 grant for community dental health projects. A smaller grant to the Manitoba Dental Association of \$2,100 has been made available for resource development.

We support the first free dental visit program aimed at children under three years of age. This involves a free check-up and education session provided in dental offices. This is something for which I think there should be commendation to the Manitoba Dental Association because what it does is at an early age, it makes children and their parents mindful, mindful of oral health issues and also helps bring about a comfort factor level for the young potential dental patient.

In the developmental stages are the following items. There is an oral strategy document for our province being prepared. There is, of course, liaison with the Child and Youth Secretariat to review the recommendations of the Child Health Strategy document that was recently released. Here again, the Youth Secretariat is at work, Mr. Chairperson.

There has been mandated a plan to establish a preventive oral health strategy, and this will bring all the stakeholders to the table to discuss oral and dental health needs for all Manitobans. All private associations will be involved. Educators and allied health workers and the public will be involved.

The provincial strategy document will be discussed, and children's, youth, aboriginals, and seniors needs will be targeted. Issues involving access to care and professional regulation will be addressed, as will professional associations' new responsibilities in public health.

It should be noted that the equipment and supplies formerly utilized by the Children's Dental Program have been distributed to communities throughout the province for utilization in dental treatment programs.

Recipients of this equipment included hospitals, health centres, educational facilities and personal care homes.

To date, three communities have attracted new satellite dental offices by having the available equipment to offer to a practitioner.

So we are able to offer a variety of programs in our province dealing with oral health, dental health.

\* (1450)

Of course, this is an important aspect of health and we look forward to continuing our work in developing further strategies that are in the development stages now.

We look forward to the work of the Youth Secretariat and working with other Manitobans to develop a healthy, preventive oral health atmosphere in our province.

**Mr. Chomiak:** I thank the minister for providing me with a copy of the interdepartmental protocol agreement. Can the minister indicate who is on the provincial co-ordination of services committee? Does he have a list of individuals who are on that committee?

**Mr. McCrae:** We will obtain the names for the honourable member.

**Mr. Chomiak:** Mr. Chairperson, I am just reading through this protocol. It differs in form, a little bit, from what I am most familiar with, having reviewed them in other jurisdictions. I want to understand how this process works. We have the provincial co-ordination of services committee which basically, from the way I read this protocol, it is the entry point into the process.

This may seem like an overly bureaucratic question, but I think it is significant, and that is, the protocol indicates that submissions to the committee can be made by contacting the particular representative at the various departmental offices. It just seems to me that the entry point—if the individuals enter, say, a Child and Family Services office in whatever location of the city, who will be there to direct them, as the case may be, or

how will they be entered into the system and determine that they are appropriate to enter into the system? Who will do that?

**Mr. McCrae:** I do not think the honourable member was asking a bureaucratic question. I think that what we are trying to do is steer clear of too much bureaucracy, so his question is important.

This multisystem process is initiated at the local level between the various caregiver organizations or groups who are being given copies of the protocols. All the people in the field are being made aware of the various co-ordinating bodies and groups so that you cannot just say you are going to have co-ordination without letting people know how it is going to work. That is being done by making the protocol agreement and how it is supposed to work available to all the caregivers in a form that will bring about the result that the member is looking for.

**Mr. Chomiak:** That does help answer the question. In terms of form, is this protocol presumably signed off and now actually functioning in the system throughout the province?

**Mr. McCrae:** It is signed off, Mr. Chairperson, in the sense that there is agreement that this is the direction we should be going. It now remains for us to implement by way of making sure training happens in areas where that is required. There is agreement and now it is getting everybody singing from the same sheet as it were.

**Mr. Chomiak:** I am only aware of one other protocol of this kind in Manitoba and it relates to education for individuals who are beyond school age, if I recall correctly. Are there any other protocols that have been entered into or being negotiated at this point, in this area, in the field of children's health?

**Mr. McCrae:** Mr. Chairperson, the project respecting medically fragile children works essentially the same way.

**Mr. Chomiak:** Just returning again quickly, I hope, to the area of oral health, one of the recommendations on page 135 is that regulations of alternative dental health

personnel be reviewed, et cetera. This has been talked about for some time. Can the minister indicate whether we are anticipating any change in any of the regulatory authorities concerning dental health in the near future?

**Mr. McCrae:** Mr. Chairperson, the honourable member is right. There has been a lot of talk about the regulation of professionals. The Law Reform Commission, as the honourable member knows, has released its report on that issue. Just by way of background, not to drag this out, but by way of background, the Law Reform Commission was something that was going to be wound down at one time, and when we took office in 1988 in that very first session—I remember it well because I was the Attorney General—one of the first pieces of legislation we brought in was to reconstitute the Law Reform Commission, which was being wound down at the time.

\* (1500)

We put legislation before the House to guarantee the independence of the Law Reform Commission, and since that time the commission has done some important work, and before that time as well, but important work in the area of professions. That includes legislation for judges and that type of thing. I think the most extensive project the Law Reform Commission has ever been involved in has to do with the regulation of professionals, and that is the report that I am talking about now.

The commission has released information on dental auxiliary self-regulation and the issue of private associations serving as both the licensing body and an association for members. The Manitoba Dental Association, I am told, prefers that the status quo be retained. On the other hand or on the contrary, auxiliary groups have lobbied for a long time for self-legislated regulatory privileges.

Some of the information I have is more detailed than I think the honourable member was looking for. The point I think I should make, even though many of the professions dealt with by the Law Reform Commission are health related, the Minister of Justice has been the designated minister because the commission itself

comes under her responsibility. Her department and other departments have been working on reviewing the Law Reform Commission report. It was a very important one; it took a long time to prepare. We are all reviewing that report with a view to which direction we might go in the future with respect to the regulation of health professional organizations.

**Mr. Chomiak:** Mr. Chairperson, turning to recommendations regarding smoking, there has been virtually unanimous support for actions to deal with smoking, particularly to prevent young people from becoming smokers. I wonder if the minister has any update as to the status of this situation, particularly in regard to children and youth and particularly in regard to the whole question of enforcement that seems to be one of the key issues surrounding the activities of youth and smoking.

**Mr. McCrae:** While we are preparing to answer the honourable member's question, I would like to ask him a process question if I may. Was it tomorrow that the honourable member wanted to discuss SmartHealth, or does the honourable member want to wait until it comes up next week under the appropriate line? If the honourable member wants to discuss SmartHealth tomorrow, that is all right. We will have appropriate staff here for that.

**Mr. Chomiak:** Mr. Chairperson, I appreciate the minister raising that. My sense is, subject to the discussion with the member for Inkster, we will continue throughout the appropriations tomorrow and probably will not get into SmartHealth until Monday, right on the particular line of SmartHealth which I think is 2.(c) if memory serves me correctly.

**Mr. McCrae:** Mr. Chairperson, with respect to the question about smoking raised by the honourable member, on October 31 of last year, the nonsmokers health protection act was proclaimed. The act allows for prosecution of people who sell tobacco products to minors. It also protects the public from exposure to environmental tobacco smoke by restricting smoking in public places.

A general information campaign about these legislative changes was conducted in January and

February of this year. This included notification of all restaurant owners in Manitoba about the legislative changes. Public health professionals are also working with the communities to create awareness of the health hazards of environmental tobacco smoke.

Health Canada has four inspectors in Manitoba who specifically respond to complaints about the sale of tobacco to minors. All tobacco retailers in Manitoba have been informed about the penalties for selling to minors.

Manitoba Health has also been working closely with Manitoba Finance on the smuggling issue. To date, smuggling of tobacco products into Manitoba is being controlled through a vigilant surveillance system.

Finally, Manitoba Health has been co-ordinating provincial initiatives funded by Health Canada under the tobacco demand reduction strategy. This amounts to approximately \$1 million in grants to communities over the next three years. All these things probably are important to do, in any event, but they have been made even more important because of the actions of our federal counterparts. This is an area of some criticism that I feel is deserved by the federal people.

I remember the first opportunity I had to meet the new federal Liberal Minister of Health, it was, I guess, February or March of last year, on the very day that the federal Liberals decided to let the smugglers run our health policy in Canada and our tax policy. It was that day that I met the Health minister for the first time. It was not the most auspicious beginning for a federal-provincial relationship. I know the federal Minister of Health was very embarrassed by the whole situation.

I hope the federal government has improved since that time in the sense that it is the government and not the smugglers—I guess, on the basis of concerns about the province of Quebec, and aboriginal concerns and whatever, the federal government decided to wilt and crumble and turn over tobacco tax policy to criminals.

I think, from a policy standpoint, allowing criminals to make the most important negative health decision in the history of this country was the wrong move. That was the way that decision was described, as a negative

health decision and it was a very, very important one because of the damage that it does to all the programs. Then everybody talked about putting funds together to really do something about this problem and spend all these dollars to do advertising and all the rest of it. It is almost like arm wrestling with yourself. That is about how productive this has all been.

In any event, in Manitoba, I am told by the Minister of Finance (Mr. Stefanson), the last I heard is that our strategy is working reasonably well and we have on the smuggling part anyway, although we do not win all our battles, we think that—judging by revenues at least, we are able to keep, it appears, smuggling to a minimum. That is important. Any smuggling will be too much.

I needed to say that because I felt so badly for the federal minister who really was not able to carry out the function of a federal Health minister on that occasion. It is always a dangerous thing to allow criminals to take over for the government.

\* (1510)

**Mr. Chomiak:** The two recommendations on smoking, namely that a drug and alcohol education unit of health be delivered on a mandatory basis, and that Bill 16 be enforced and necessary regulations developed with a clear strategy, where are we in the status of those two recommendations?

**Mr. McCrae:** With respect to Recommendation No. 54, that the drugs and alcohol education unit of the health education curriculum, I am advised that it is not at this time delivered on a mandatory basis, to address smoking within a preventive framework.

I say at this time, because we really only received this recommendation a couple of short months ago. Bill 16 is in force but, like so many other bills that constrain people's behaviour, it is only enforced on the basis of complaints received.

**Mr. Chomiak:** Is the minister aware whether there have been any convictions under Bill 16?

**Mr. McCrae:** We will obtain that information. We are not certain if there have been any.

**Mr. Kevin Lamoureux (Inkster):** I appreciate the minister providing copies of the Health of Manitoba's Children. I actually had my first opportunity to read through parts of it since this morning, and I have found it to be extremely enlightening. In fact, I would go as far as to say it is probably one of the best prepared reports that I have encountered, and I extend my compliments to all of those that no doubt put in a considerable amount of effort in bringing forward this document which will hopefully be well utilized by this government.

I can speak for my part that it is my intention to refer to this, no doubt into the future, as a document that has a lot of substance, and if the government were to take action on a number of these things, no doubt we would see a lot of things happening that would be very positive to the children of the province.

(Mr. Frank Pitura, Acting Chairperson, in the Chair)

One of the big issues during the campaign, and I think the issue which in all likelihood the Liberal Party leader was most successful at getting on the agenda, was the whole issue of child poverty. In what reading I have done of this, it again illustrates the importance of us addressing that particular issue amongst everything else that is made reference in it.

On the conclusions on page 125, I was interested in the one recommendation where it makes reference to the need to convene a youth health forum that would basically look at, review and possibly come up with some recommendations for the government. I see it as actually a very positive way of trying to ensure, even though this document itself is very thorough, some sort of feedback, and I would solicit the Minister of Health's opinion on that particular recommendation. What his intentions are to do from this point, realizing of course that he has had this document, if you take out the 35 days of a campaign, only for a few weeks. I do not expect that he has achieved every recommendation in there as of yet.

That one particular recommendation, in the conclusion, I am interested in knowing if the Minister of Health does intend on acting on that particular recommendation and, if so, when would we anticipate

something? Even if I can make the suggestion that I have attended the parent councils, parent forums that the government has put through with respect to education and I was quite critical in the past in terms of the timing of them being called, and so forth.

I do believe that, and you can virtually guarantee representation throughout the province by allowing, for example, and I just use it as a suggestion, that in each area, each provincial riding, if you like, 10 delegates coming, whether it is to the Convention Centre or a school facility in which they can be provided copies of this particular document.

There are fairly extensive lists of individuals that have the experience and credibility to be able to comment on such a report and that we take advantage of that, not too far in the distant future, because I would anticipate that the government is going to want to start taking virtually immediate action on some of the recommendations that are there. Others, there might have to be some other form of a time schedule put into place. I would think getting some sort of that public feedback should be something not too far in the future. I would ask the minister for his comments on that particular recommendation.

**Mr. McCrae:** I thank the honourable member, too, for his very supportive comments respecting the document the Health of Manitoba's Children and the work that went into its production. The recommendation he talks about is the one about a youth health forum to review the recommendations in the report and to serve as an ongoing resource to Manitoba Health. Indeed, there were some 50 people involved in the production of this report and their work involved very, very significant consultation throughout Manitoba. We have a good thing going in the sense that that consultation, combined with the success that the honourable member referred to of his leader and others in raising the issue of poverty amongst Manitoba children, we have laid, I think, all of us, a very strong foundation for further efforts in that regard by way of a forum or by way of further consultation.

I am assured that the consultations that will flow as a result of this recommendation and this report will be very, very significant. We have not got it all tied down

as to what it is going to look like, but we expect some pretty major attention to be drawn to this particular issue by virtue of our efforts this coming fall, and the honourable member, of course, is welcome to be part of any effort like that. I think that if he concentrates his efforts and those of his colleagues on the issues of children, children's health, poverty amongst children, then their time and mine as servants of the public will have been well spent.

\* (1520)

I feel very, very strongly about issues related to children, probably more because children find themselves in the circumstances they do less because of their own fault than other people do. You know, you get older and maybe you have to take some responsibility for whatever your lot in life happens to be. When you are younger, or a young child, it is a little sad to think that there are children who are quite disadvantaged and it is no fault of their own whatsoever.

So, for that reason, I agree with the honourable member, and in a whole lot of other reasons, too, but that one for sure that we have to bend every effort in the direction of achieving some of the ends envisioned in this report.

There are indeed other very good reasons for doing it besides the fact that our hearts do go out to the children, I am sure. But they are a wonderful investment in the future if the investment is well placed, and this report helps us to focus and give some direction to the type of investment we ought to be making. So I welcome the participation of the honourable member in the discussion and in further discussions, and I expect that in the fall of this year he will see some very significant discussions happening around this issue.

**Mr. Lamoureux:** Recommendation No. 96 is an issue in which I have long been somewhat of a strong advocate, and that is the whole question in terms of the roles of our schools. I have always believed that we do not utilize some of the spaces, some of the potential resources that are out there that could be incorporated into our schools.

In fact, I talked about the idea of having a pilot project, if you will, where we would see different departments actually within a school facility so, for example, you might have nursing, Family Services, Justice all working together within the school, as opposed to having, here is a social officer, a health-care worker is dealing with this family in many different ways, or a particular student. There is no co-ordinated approach.

When I see in Recommendation No. 96 that in fact we seem to acknowledge that the schools do have that primary delivery, if I quote right from it, primary delivery site of community-based child health care programs. I think it is something which could and should be acted upon once again in the not too distant future.

When I look through the many different recommendations that are there, is the minister looking at the possibility of announcing potential pilot projects on any of the current recommendations that are there, again, knowing full well that he has only been dealing with the report realistically for the last three weeks as the Minister of Health? Are there areas, in particular, recommendations—and I do not need a detailed response now, but rather here are the recommendations in which we believe we can act upon short-term, mid-term, long-term type thing and the idea of pilot projects. Do we see anything in the not too distant future for some of the recommendations?

**Mr. McCrae:** I do indeed, Mr. Chairperson, see some initiatives coming forward as we get our Youth Secretariat more and more established. It is established now, but it has work to do in the sense of bringing more of an understanding of this particular approach amongst mainly four departments—Health, Family Services, Justice, Education and Training—together. That is a major part of the mandate of this secretariat.

We did make, I think, some important signals and first steps on March 17 when we released this report on the same day. Monies were transferred from Health to Education and Training to provide nursing services and also to provide some training for teaching professionals in the system with regard to certain children in the system. So some beginnings have been made. I think



they were auspicious and important in the sense they signalled the intention of the government as to the direction it is going to be heading.

I do not have a lot of detail for the honourable member, as he already knows, but it may include such ideas as experimental projects or pilot projects that can show to us the efficacy of a certain approach and that could later be applied throughout the system.

While our minds are open, we are also given some direction in the Child Health Strategy report, which we already know we do not really have to pilot because there are sufficient population health data referred to in making these recommendations. I do not say no to any of those ideas the honourable member is raising. I do say that we are in a fairly formative stage yet, but we are determined to move forward.

As I said in answer to one of the questions from the honourable member for Kildonan, I believe that the first steps will be the slower ones. Then as we can see results happening and we can get the so called buy-in from the various components of the Health, Education and Family Services departments then we will see progress snowball later on.

(Mr. Chairperson in the Chair)

I think there is a necessity because we are changing the way we fundamentally do things. The first steps will take a little longer and the subsequent steps will happen with more rapidity.

**Mr. Chomiak:** Mr. Chairperson, turning to page 133 and in reference to the Child Protection Centre, the Child Protection Centre, I am aware, does some outstanding work. There is a recommendation that an abuse treatment co-ordinator be funded on a full-time basis at the Child Protection Centre.

Can the minister provide me with details as to the funding for the Child Protection Centre and the number of staff years involved? I believe it is funded from Health.

**Mr. McCrae:** You know, it is a sign that we are getting into more integration when the honourable

member asks me a question like that, because, unfortunately, it is my fault, or whomever, not the honourable member. This is a Family Services question the honourable member is asking, and, yet, it is appropriate that it be asked here because we are now talking about more integration.

We will either do it one of two ways. We will ask the Family Services department for the information to pass on to the honourable member or honourable members can raise it in Family Services Estimates. Whichever way the honourable member wants it is okay.

This is the kind of change we are both going to have to adjust to as we begin to think more multi-dimensionally.

**Mr. Chomiak:** Yes, I would appreciate it if the minister could provide me with that. I was under the impression that it was actually funded through, and I guess I was wrong, I thought it came through Health.

\* (1530)

The recommendations on nutrition, I have a myriad of questions. I am going to try and go a little more quickly so I can cover more territory. The nutrition questions, I just wonder if the minister can capsulize for me. There has been a study now by the dieticians and nutritionists the minister has received. That report came out, I believe in February, dealing and covering some of these areas. We have the recommendations on the Health of Manitoba's Children. I am wondering what the status is of the nutrition recommendations and, in particular, the one dealing with food supplements for prenatal women as it impacts quite directly on health.

**Mr. McCrae:** Again, we say it as part of a list of things that we should be working on in the area of the health of our children. We talked about nutrition, and so I am glad the member has asked a specific question about it. The leader of the Liberal Party during the campaign, recent campaign, talked about a free breakfast or a free lunch program—I forget which, breakfast, I think it was—to be made available for every child, and I disagree with that approach in the same

way that I disagree with the universal approach to the delivery of dental health treatment services. I do not think that we can afford that sort of approach.

There are so many families that are able and willing and do on a regular basis ensure that the nutritional needs of the children are met. I agree with what the leader of the Liberal Party was trying to put across, that kids need to get proper nutrition, or they are not going to learn, they are not going to thrive. I just could not see why the universal food or meal program should take the place of a caring family environment which nurtures in that way. That is a difference in approach rather than in substance, because basically we all agree about nutrition.

In July of 1994, Health Canada announced the Canada Prenatal Nutrition Program designed to reduce the incidence of low birthweight infants, a matter raised by the honourable member for Kildonan (Mr. Chomiak) and his Leader on frequent occasions. Financial assistance will be provided to nonprofit organizations who deliver community-based nutrition services to economically disadvantaged pregnant women. Components may include food supplements, lifestyle counselling and referral to other agencies. Allocations to this Canada Prenatal Nutrition Program are as follows: 1994-95, \$186,000; 1995-96, \$186,000; a significant increase in 1996-97, up to \$444,800; and for 1997-98, \$433,500 on an ongoing basis.

This program is implemented through the existing structure of the Community Action Program for Children and is to be managed provincially through the joint-management committee. Manitoba Health has two representatives on this committee. Other departments include Family Services, Education and Training and Health Canada. A subcommittee of the joint-management committee responsible solely for the Canada prenatal nutrition program includes two representatives from Manitoba Health and one representative from Health Canada. Reference is made to this prenatal nutrition program in the report of Nutrition Services Review from October '94 and the Child Health Strategy in March of '95.

Probably more to the point the honourable member was raising too, although I think the last answer was

very, very relevant too, I mean all these answers are relevant to these questions but he did ask specifically about the Nutrition Services Review. In October of 1994, the Nutrition Services Review Committee released its report, titled Nutrition Services in Manitoba: A Review, 1994. The committee comprised community and government members and was chaired by a community member.

The report—and I think the honourable member got this report very early in the process—identifies the nature and scope of existing nutrition services in the province, what is known about the nutritional state of Manitobans, and what evidence exists concerning the effectiveness of nutrition programs.

The report suggests five main areas in which action is required: policy, planning, evaluating and monitoring, promotion of health professionals, healthy growth and development and food security, education of children and adults, intersectoral collaborations and enhanced service delivery. It makes 43 recommendations, some of which are directed at government, including Manitoba Health.

Approximately 800 copies of the report have been distributed across Manitoba to the public, community organizations and government. Staff are studying recommendations for their policy indications and to determine the feasibility of and requirements for implementation. Report findings and recommendations are being discussed with provincial and federal government staff at central and regional levels, including the Child and Youth Secretariat.

The report has been instrumental in the development of the Manitoba Child Health Strategy, the Canada prenatal nutrition program and regional health associations. It has also prompted the development of an inventory of nutrition services in Winnipeg. That kind of thing is very important, I believe, as we make plans.

Discussions are continuing at the community level with representatives from professional associations, the University of Manitoba and other organizations, including organizations like the Heart and Stroke Foundation of Manitoba.

**Mr. Chomiak:** If possible, I would like a copy of the document Nutritional Sources in Winnipeg for information, if that is at all possible.

**Mr. McCrae:** We are not sure today if that document is yet available, but we would be wanting to share it with the honourable member.

**Mr. Chomiak:** I thank the minister for those comments. I am very pleased to see that the prenatal program nutrition is moving ahead. I agree we are in an era where we have to target these programs. It just seems to me that functionally it ought to be, and I know it is much more complex than this, but it ought to be relatively simple to move relatively quickly on a number of these programs, such as the vitamin D deficiency in aboriginal kids and the question of targeting low birthweight moms, et cetera. It seems to me that we could probably move fairly quickly to have a four- or five-pronged program fairly quickly as a result of all of these reports and recommendations. We actually have the infrastructure in place. I am wondering if we are looking for something to happen relatively quickly in that area along those lines.

\*(1540)

**Mr. McCrae:** It seems to me that it is generally agreed that we can identify, as the honourable member says, fairly quickly the need that ought to be targeted through nutrition program initiatives.

I think there is agreement in the department that we should be moving as quickly as we can to address that. It makes so much sense to me, too, and like everybody else, do not forget that departments and agencies in the past have been directed by governments of one kind or another, and it is only in recent years that everybody seems to be smartening up. I think maybe departments have been probably pointing ministers in this direction for some time, and now we have ministers and members of legislatures and parliaments all willing to start looking at these things that the health people seemed to know about all along.

**Mr. Chomiak:** I am just moving on to page 132. I must apologize, I am not using the recommendations per the number. The copy that I am referring to seems

to be an earlier version—actually I think it was the version that I got the day, March 17. It does not have the numbers beside it, so I apologize. When I say we are on page 132, I hope I am not confusing anyone.

Okay, the recommendation at the top I think is something that everyone agrees with, and it is clear that it is a recommendation for a headstart form of programming. I note that in the earliest planning document concerning this committee, that is, the Healthy Child committee—and the very earliest documentation was in fact tabled in this Legislature—much was made about the headstart program. Of course, not surprisingly, we see recommendations suggesting implementation of a program like this. I was also struck by the fact, when I attended a meeting, Mr. Ferguson at one time made the point, and I was struck by this, that he often feared that even if we got the kids by the time they were two years old, in some areas we were too late.

So I am just wondering, again this is one of these that is fairly fundamental, fairly significant—what are the department's plans? I mean, it seems it certainly strongly suggests a headstart kind of program. Where are we in the planning phase for this particular recommendation?

**Mr. McCrae:** Just for the member's information, the secretariat has identified zero to three as a target group because we agree with what the member said about that very early start.

I should tell the honourable member that my understanding of the history of the headstart concept is that it originated in the United States, so you have got to be careful, I guess, sometimes when you are looking at those sorts of things, but like our Bill 3 legislation here on drinking and driving, we borrowed from Minnesota, but Minnesota borrowed it from the Scandinavian countries, so it is all right.

Federal funding to Manitoba for aboriginal headstart, and I compliment the federal government for being involved in this sort of thing, was initially allocated as follows: year one, \$854,000; year two, \$3 million; year three, \$4.4 million; and year four, \$4.6 million and ongoing funding after year four. When looked at in a

long term way that is a very good investment, I would suggest. With the recent federal budget reductions, these funding levels will be significantly reduced.

When you look at those numbers in national terms and they talk about reducing them, it is not a significant amount of money. This is the big criticism I have of the federal budget, that it lacks priority setting. If they had said that, you know, this is an area—I might not get after them if they were going to cut somewhere else, even in health, I might not get after them so much. These numbers are not big in federal terms, and yet here we see some cuts, and I do not think it is a very smart way of budgeting.

Aboriginal headstart projects will be designed, managed and controlled by aboriginal people. In September of '94 a provincial interdepartmental committee was established to make recommendations to Health Canada and to participate in collaborative development of the initiative. On September 30, 1994, federal Health Minister Marleau announced a grant of \$50,000 to an aboriginal headstart steering committee located in Winnipeg to develop a national model to implement this initiative. This steering committee is an independent, stand-alone aboriginal, community-based group chaired by Ms. Josie Hill.

Manitoba will participate in this initiative upon invitation by the steering committee and Health Canada. We will be doing that. As yet, the amount of money that Manitoba Health will have in the project is not known, but we are committed to the project.

**Mr. Chomiak:** Can the minister indicate whether those figures, those budgetary figures that he provided, were Manitoba or national figures?

**Mr. McCrae:** I asked the same question. Those are the numbers for Manitoba coming from Ottawa.

**Mr. Chomiak:** So we have on the one hand, we have the federal initiative which appears to be in the process of being downsized, and we have provincial involvement in regard to the federal initiative. What other activities are taking place from an overall provincial standpoint to deal with the overall issue of what we are calling the headstart program?

The reason I say that is, for example, there are some types of headstart programs already in existence in Manitoba. One would presume they will be weaved together or expanded or brought in somehow. In other words, I guess the question is where is the province in this regard in terms of some of the specifics?

**Mr. McCrae:** Mr. Chairperson, we do have—I call it a menu of some four pages—listing all the programs that we are engaged in for the kids in Manitoba, and I will try to have it here tomorrow. How it should all mesh or integrate or whatever the honourable member—he was searching for the words, too—is a role, I suggest, that our secretariat will be playing as we engage in that activity to make sure those four pages of programs are getting the results they should be getting, that departments are not sort of stumbling over each other, kind of targeting the same people, when all those departments may well serve these people, but we want them to serve them well, too.

**Mr. Chomiak:** Mr. Chairperson, I look forward to receiving that list because I certainly am not as familiar in the area as I should be, but I am aware of some programs, and it will be most interesting how we build upon the existing programs and tie it in together and expand to where the services are obviously necessary and everyone frankly agrees on in terms of the application of these programs. I will probably have more questions tomorrow as a result of receipt of those documents.

\* (1550)

Having said that, I was going to move on to page 131, speech and language. The speech and language area has been one that has come up from time to time in the House.

Can the minister indicate whether or not the additional four equivalent full-time speech language pathologists will be up and running as well as the one full time to be funded at Children's Hospital? Will they be in effect for this fiscal year?

**Mr. McCrae:** These three recommendations, Mr. Chairperson, are ones that have been singled out for requiring specific review, with a view to looking at

other services that are in effect to see if we are providing services appropriately in the first place. So the answer at this point to the honourable member's question is that it would be in the negative.

**Mr. Chomiak:** I am not entirely clear on the minister's response. Is the minister saying that the implementation of these recommendations is pending a review of services being presently offered, to see if these services are provided in some other form or means in the province?

**Mr. McCrae:** I believe that is the correct way to put it, yes.

**Mr. Chomiak:** That is a very interesting issue. It seems to me that the report very strongly recognized a deficiency in this area and made some very specific recommendations to try and address that deficiency. It seems to me, effectively, is it the department or the Youth Secretariat saying, we do not believe that the recommendations or that the data are accurate that have been forwarded to us on which the recommendations have been made?

**Mr. McCrae:** I do not know if that is the way the department or I would answer that. I think what I said was, though, that it does call for additional resources to be directed at a particular problem. The department at this point—and not having thoroughly reviewed the issue as a department now as opposed to a committee—as a department, we always review committees' recommendations no matter which committee it is. We still do that because ultimately no matter what is recommended, we will be judged by what the department and the minister lend support to. That is what we are going to be judged by.

While we have not provided an additional four equivalent full-time speech language pathologists in Winnipeg, we are saying that we need to look at these three speech and language recommendations, look at what is going on now and ask ourselves, are we applying resources appropriately?

If we find on our review that these are the recommendations that should be followed, then that

would be the proposal we would be making. That is what I am trying to explain.

I have perhaps a more complete response to make about speech therapy. Speech and language assessment and therapy have continued at the children's centre with the addition of one speech language pathologist in 1994, which brought their complement up to seven equivalent full-time pediatric clinicians. The Health Sciences Centre currently employs seven pediatric speech language pathologists.

Other options for preschool children requiring speech language pathology services include the Society for Manitobans with Disabilities. They provide outreach services to children in daycare centres. Nonprofit organizations might provide funding on an individual basis for private speech language therapy services, and services may be obtained on a fee-for-service basis from private speech language pathologists.

Departmental staff are currently reviewing and developing options to address the recommendations in the Child Health Strategy, and that is basically where we are at. As I say, and as the member for Inkster acknowledged (Mr. Lamoureux), in real terms we have really only been working with this report for a very short period of time. So we have not dismissed any recommendations along this line, but I also acknowledge we have not gone ahead with that either.

**Mr. Chomiak:** I accept and I recognize the minister's answer. Just that the response initially was a little different than on some of the other recommendations, and I was trying to ascertain whether the department was going a different route in this area. [interjection] No, I recognize that is not the case, now the minister has clarified.

When we talk about the comprehensive approach to children's health and when we talk about co-ordination and when we talk about entry point, I guess if a parent has a child with a specific problem, presumably the entry point would be through the school system if that child is in school. If not, what would be the options available to the parent in terms of the diagnosis and the treatment of that particular difficulty?

**Mr. McCrae:** Mr. Chairperson, the Children's Hospital, the family doctor or a public health nurse could be the other entry points.

**Mr. Chomiak:** Would it differ for a parent living in Winnipeg and one living outside of Winnipeg?

**Mr. McCrae:** Mr. Chairperson, not really different, other than the fact that due to geography the Children's Hospital is farther away. They can be referred to the Children's Hospital by the other primary caregivers.

\* (1600)

**Mr. Chomiak:** Mr. Chairperson, does the department and minister have any idea of the time lag relating to initial contact with the system and ultimate assessment and treatment of speech or language difficulties?

**Mr. McCrae:** The waiting time for this particular thing can vary, depending on the severity, nature, priority attached to the circumstances, all the way from immediately up to a year's wait.

**Mr. Chomiak:** Mr. Chairperson, the minister indicated there were seven, basically, pathologists on staff at the Children's Hospital. Is that the sum total?—because you had initially mentioned seven and then seven again. Is it seven that are actually engaged in that?

**Mr. McCrae:** Seven in total, Mr. Chairperson.

**Mr. Chomiak:** Mr. Chairperson, the minister indicated there had been an increase in staff. So that we have gone from six to seven since last year. Is that correct?

**Mr. McCrae:** Yes.

**Mr. Chomiak:** Mr. Chairperson, I presume that the department is aware of the fact—

**Mr. McCrae:** The increase was in '94. There has been no increase in '95.

**Mr. Chomiak:** Mr. Chairperson, is there any kind of a screening program in existence for these kinds of

difficulties? The equivalent that I am familiar with would be the audiology screening that is done.

**Mr. McCrae:** There are two ways, Mr. Chairperson, through referral by a primary caregiver as a result of the matter being brought in, or brought to the doctor or public health nurse; or there are public health nurses—when they, in their offices or in their work—in doing other work—what they call the Denver Developmental Screening Test, then certain deficiencies might come across, then a referral is made. So it is in those two ways.

**Mr. Chomiak:** Is any consideration being given to a screening-process to take place at the school level?

**Mr. McCrae:** It is something that could and would likely be looked at, but I am advised that these kinds of problems usually become known before school time.

**Mr. Chomiak:** Notwithstanding, the minister has indicated that these recommendations are being reviewed by the department.

One of the issues that keeps arising over and over again in Manitoba is the training and provision of programs in speech and language pathology. In fact, a recommendation recently went to the University of Manitoba to establish a graduate program. I believe the board of governors rejected that proposal.

Is there, and I understand that this issue is being reviewed, and the question is being prompted by the couple speech- and language-trained people that I know of who have graduated from the States and are practising in the States and not coming back to Manitoba because they feel there are not sufficient positions here. I am just wondering if the minister can advise where we might be going in this area.

**Mr. McCrae:** The problem, I think, has as much to do, or perhaps more to do, with the issue of the fragmentation of speech and language therapy services. It does not really have to do with—maybe the honourable member will probably not accept this, but that is all right—I think it has more to do with the fragmentation than an unwillingness to make the dollars available to address the problems that no one is

saying do not exist. We are saying that they likely do. We agree with this report about the problem, but if we could unfragment the system and get it better functioning, we might be able to do a better job with little or no more money. However, if more money is required, in my experience as a Health minister in a year and a half, coming on to two years, money has not seemed to me to be the problem for some of these types of programs.

Although we hesitate as a government to throw money after a problem that can be solved in some other way, I think that is probably a fair comment to make. We want to see if it can be solved in some other way. If that cannot happen, then we would obviously view this situation from a resource point of view.

**Mr. Chomiak:** Mr. Chairperson, I appreciate that response. I wonder if the minister might, because it is not specifically identified in the report, outline what he means by the fragmentation of services, illustrate for me what he is referencing.

**Mr. McCrae:** It is a little bit difficult for me, but I will try. Because I am the one who has the voice around here, we are at a disadvantage sometimes that way.

When we know that services are delivered by a number of agencies and we do not have a clear enough picture as a department as to how efficiently that is being done and how regionally or geographically those agencies are delivering services, when we do not have a good handle on that, then we are not really in a very good position to take on programs ourselves in addition to those other programs or find a way to assist those other agencies to deliver their programs better. It is that kind of thing, I believe, that the department is talking about here when we talk about fragmentation.

We do not wish to take over all these other organizations, but we do want to know the dollars that we or the government is making available to them to provide services to Manitobans, are getting the maximum benefit for the dollars being spent. I think it is a discussion like that that we are talking about.

\* (1610)

**Mr. Chomiak:** I appreciate that response from the minister—[interjection].

**Mr. McCrae:** Just to lend some credence to what I said, we put together a new way of dealing with technologically dependent children through a better integrated approach. That was one of the first things we did. This is another kind of program that may well lend itself to our approach that we used for technologically dependent children.

**Mr. Chomiak:** That prompts two questions from me. Firstly, can I have a description of the new program for technologically dependent children? And, secondly, does the minister have an inventory similar to that of the four page inventory that was being prepared on nutrition? Does he have an inventory of the speech and language programs and the like that he could share with us?

**Mr. McCrae:** The second part of the question, we will get that. I do not think it will be four pages, but we will get that for the member. In addition, we will come back with a detailed answer on technologically dependent children.

**Mr. Chomiak:** Even though poverty is a thread that flows completely throughout this report, I do not think I am going to question it in great detail because we all agree we have got to eliminate poverty and lessen it. We all agree that there has got to be some targeting. It is probably difficult to ask the Minister of Health direct questions on some of the specific recommendations on poverty although I probably will get into it in terms of some questions regarding aboriginal people. I am going to move on to page 130.

With respect to fetal alcohol syndrome and fetal alcohol effects, can the minister indicate what recommendations have been made by the committee on alcohol and pregnancy that the report is recommending we support?

**Mr. McCrae:** Mr. Chairperson, the committee on alcohol and pregnancy is supposed to be supportive, according to this recommendation, and I think that is a good recommendation. We will ascertain the present

status of the alcohol and pregnancy committee and bring that back for the honourable member.

**Mr. Chomiak:** An issue that has come up many times in the Estimates, over and over again, is the whole question of warning labels on liquor bottles, and I still do not quite clearly understand why it cannot be done. So perhaps the minister can outline for me why we have not moved in this area.

On the one hand, I have been told in this committee that it is a question of national and international difficulties because of the labelling. Yet I understand that in other jurisdictions it has been done. On the other hand, I have been told it just does not work so that is why it is not proceeding.

I wonder if the minister might indicate for me what the status is of warning labels and/or why it cannot be done, if it is not being implemented.

**Mr. McCrae:** We do not have the department staff person here today who is quite familiar with this. However, we will get that information from the department's point of view and share with the honourable member. We will also probably talk to AFM as we develop that response.

**Mr. Chomiak:** Moving on to the section on neonatal services, I want to commence by—maybe I am reading it wrong, but it is interesting that the recommendations here are pretty strong directly towards the College of Physicians and Surgeons, and that is not the normal practice. The Recommendation No. 3, the third one down, that the College of Physicians and Surgeons recommend the establishment of standards of care, et cetera, it seems to me that it is—are we not treading on ground that normally is not done in terms of recommendations, or is it just a question of style?

**Mr. McCrae:** I do not want to tread too far in the wrong places, either, but you know you have Dr. Brian Postl as the chair of this committee. He is a renowned and highly respected pediatrician, and I suppose if I were a renowned and highly respected pediatrician it would not bother me to make suggestions to the College of Physicians and Surgeons, and I would be very surprised if the College of Physicians and

Surgeons did not want to look very seriously at these recommendations. I am sure that they are.

\* (1620)

**Mr. Chomiak:** Mr. Chairperson, I will accept the minister's—I mean, that is a fair answer. I mean, I actually have a very high regard for the work of Dr. Postl, and it was just a question we had discussed earlier in committee, recommendations to the College of Physicians and Surgeons respecting foreign graduates. We had talked about approach to them, and it is just a little difference in style in terms of these recommendations. I look forward to movement in some of these areas.

In fact, I wonder if the minister can update me on the status of some of these issues relating to neonatal services, particularly because they intersect quite directly with the obstetrics report done by Dr. Manning, as well as some of the other secondary services report. Where are we going in terms of the neonatal care, the Level 1 and Level 2 facilities, and specifically, the Level 2 care at Thompson General Hospital?

**Mr. McCrae:** Yes, the only hospitals in Manitoba that are licensed or recognized to provide Level 2 services are the Winnipeg hospitals, Brandon and Thompson, and at the present time we are working with the University of Manitoba to ensure that obstetrician services will continue to be available at Thompson. Thompson is appropriately equipped to be a Level 2 facility for this, and there is a sufficient demand to justify a Level 2 service at Thompson.

**Mr. Chomiak:** Mr. Chairperson, does that include the linking of Thompson with the university and the Health Sciences Centre as per the discussion and recommendations in this report?

**Mr. McCrae:** Yes, Mr. Chairperson.

**Mr. Chomiak:** I wonder if we are near that time again when it might be appropriate to take a five-minute break.

**Mr. Chairperson:** Is it the will of the committee to take a five-minute recess? [agreed]



*The committee recessed at 4:26 p.m.*

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**After Recess**

*The committee resumed at 4:39 p.m.*

**Mr. Chairperson:** Order, please. Will the committee come to order.

(Mr. Mike Radcliffe, Acting Chairperson, in the Chair)

**Mr. Chomiak:** Mr. Chairperson, just taking a step back for a moment and for purposes of my clarification, within the report there is discussion about the fact that alcohol sales are subsidized in the North and milk and other basic food stuffs are not. I wonder if the minister might clarify for me that particular comment in the report.

**Mr. McCrae:** I think the honourable member may already understand the reason for this, as he calls it, subsidized price for alcohol and not a subsidized price for milk. As the honourable member knows, alcohol pricing is a monopoly situation in our province, and that price is set province-wide for alcoholic beverages. Milk on the other hand is something that the market sets the price on, and that is the simple answer to the question as far as I understand it.

**Mr. Chomiak:** Mr. Chairperson, it seems a reasonable answer to me. I mean, I do not necessarily agree. I never understood and I actually read in the report and—[interjection] No, I meant to ask Dr. Postl or some of the authors of the report when next I saw them about that particular point.

**Mr. McCrae:** I guess the "subsidy", which I will put in quotation marks, is the fact that the provincial government has not by virtue of charging the same price up North as it does in the south is giving northerners a bargain, because everything else costs more in the North.

That is how the word "subsidy" must come into it, but I do not think it is any deliberate type of subsidy or

anything like that. It is just we are dealing on the one side with the market forces and on the other side with a monopoly price.

\* (1640)

**Mr. Chomiak:** Mr. Chairperson, I am not sure where to place this question, but since we are relatively in the area of neonatal services, I will pose it here. The pediatric death review committee report that came out last week identified a relatively high level of deaths from SIDS, sudden infant death syndrome, and made a number of recommendations. I wonder if those are being considered in the context of this particular report and what strategy is being adopted, because there were some specific recommendations from the pediatric death review committee last week.

**Mr. McCrae:** The literature and the research shows that babies under the age of six months should be on their backs when they are sleeping as opposed to their tummies. The child death report, referred to by the honourable member, made specific reference to that, it is true.

Manitoba Health puts out documentation or periodic information respecting health and that information is put out to public health nurses, to doctors' offices who are trying to target people who advise new moms about these things, and to make this information known that it is now a well-documented piece of advice.

So it is a question of getting the information out and the Health department does that and will be updating the information that it sends out to make specific reference to this idea that it is proper to have the babies sleeping on their stomachs. Pardon me, not to sleep on their stomachs. I am sorry, I left out the word "not."

**Mr. Chomiak:** I have to think that through very carefully too—having been a relatively recent parent—I remember I had to always think in own mind as I thought about it. I am just not certain, and this is not a criticism, it seems to me that the message is not necessarily getting out. I wonder what other initiatives can be adopted such as, perhaps, documentaries or other means of communicating the message to the public at large, particularly those outside of Winnipeg.

**Mr. McCrae:** I appreciate the approach the honourable member takes. It is probably true that this campaign or this effort could be stepped up to make sure the message is not lost on parents in Manitoba.

As I say, we deliver some 12,000 babies in Winnipeg and a proportionate number elsewhere in the province, and care providers at facilities where babies are born are being instructed on this issue to—as part of the discharge instructions and that sort of thing—make the message clear. But we accept the enjoiner that it would be good to step up efforts to make sure that the message is spread widely in Manitoba. It may be that other media could be used to help get that message out and we are looking at ways to increase the incidence of that particular message as it is a very important one.

**Mr. Chomiak:** Just turning to page 129 and the issue of adolescent pregnancy, my colleague from the constituency of Radisson (Ms. Cerilli) asked some specific questions in this regard. I am just wondering, perhaps we could just commence by, if the minister has the responses at this point in terms of the adolescent pregnancy.

\* (1650)

**Mr. McCrae:** Mr. Chairperson, it may be of interest to the honourable member to know, but it probably will not surprise him, that the rates of pregnancy amongst unmarried females between the ages of 15 and 20 vary throughout the population. The information I am going to give to the honourable member is by percent of female population 15 to 20 years of age.

In other words, in the Winnipeg area, something over 4 percent of that population between 15 and 20 are unmarried parents. So that is just over 4 percent in Winnipeg. By contrast, nearly 8 percent in so-called Norman, northern Manitoba; 1.5 percent in the Parkland Region; 3.75 percent in the Westman Region; 2.5 percent in the Central Region; 1.3 percent in Interlake; and about .9 of 1 percent in Eastman. That is just by way of background.

Pregnancy rates for females aged 15 to 19 years increased from an average of 49 per 1,000 in 1982 to 58.6 per 1,000 in '93-94, so there is an upward

movement in that statistic. Therapeutic abortion rates for females in that age group have decreased slightly. I do not have a number, but decreased slightly since 1989-90.

Current activities related to reproductive health promotion in Manitoba would include the following: Manitoba Health provides reproductive health information and resources to professionals and the general public, grants for reproductive health services, and family planning supplies for individuals who are at risk for unintended pregnancy.

The Department of Education includes an optional family life education curriculum component throughout the province.

Child Health Strategy is exploring the issue of teen pregnancy with that multidisciplinary approach that we have spent some time talking about.

The Community Action Program for Children has identified adolescents, who are pregnant or at risk of becoming pregnant, as a target priority for program funding.

The reason I started out by giving the honourable member those numbers in the various regions of Manitoba is because of my belief that if we are going to make a good start we should maybe do some targeting. I think the numbers are obvious as to where the target population is.

**Mr. Chomiak:** Mr. Chairperson, I thank the minister for that response. There are some very specific recommendations in the healthy child plan, the Health of Manitoba's Children plan, rather. This is an area, of course, that is rife with controversy, more or less.

I wonder if the minister might outline what the status is of these particular recommendations?

**Mr. McCrae:** Mr. Chairperson, the honourable member for Kildonan had spoken about the potential controversial nature of some of these issues, and I was just checking with one of my colleagues to find out if it indeed was a controversial issue, and it may well be, I have learned.

Mr. Chairperson, the recommendations that are listed at the top of page 129 are in the direction of the kind of common-sense things that we have talked about before. The reason for having the secretariat is set out in the very first recommendation because there is a reference to the school system.

As we discussed earlier on, and as we have acknowledged repeatedly, I think, the school is an important point of entry for a number of things. In this area, it also needs to be said that adolescents are one of the other so-called target groups. We talked about that group between the ages of zero and three as being an important group. This, too, is a very important group.

The recommendations here talk about things like emphasis and talk about things like co-ordination of comprehensive supports. It talks also about prevention and delay of sexual activity, and programs should be implemented through the school system. That is precisely what we expect our secretariat to be working on is issues like this and working in a multi-departmental, multidisciplinary way to address this problem which appears to be a growing problem.

**Mr. Chomiak:** The minister is correct. It is indeed a multifaceted, very difficult problem that probably will continue to be a problem, generation after generation, but clearly we have to do something to stem the increase in unplanned pregnancies in our society, there is no question.

\* (1700)

Can the minister give any idea as to whether or not consideration is being made to make the Family Life unit of the health education curriculum mandatory?

**Mr. McCrae:** This is certainly an area where ministers and senior levels of departments have to have some very open dialogue. As the honourable member knows—surely he would have been involved in similar discussions as I was in the recent election campaign with people involved in the education system as well as—I mean, the honourable member and I no doubt agree that any way we can get some education, family life education for the kids, we ought to be attempting to do that. But we have to make all our efforts within the

confines and within the scope of the education system as we have it and as we hope to have it in the future. This is very much an issue that through the co-ordinating efforts of the secretariat will be brought to a serious discussion by the departments involved.

This business about the mandatory, surely a good argument can be made for that. On the other hand, there are also in some communities moral and religious or whatever reasons for wanting not to be involved in a mandatory sort of approach. But, from a population health perspective, again let us look at those targets and those areas, and, with the right approach to advising the population of the issues, we may get the same job done.

At this point I do not know how precisely I can answer the honourable member's question, because we are in the process of developing curriculum for our schools. We are in the process of working with the various components in a number of departments all at once.

These three are very important recommendations, and we will be dealing with them in that context, that they are extremely important. But I harken back again to where the needs are greater, and that is where we should be concentrating most of our efforts.

**Mr. Chomiak:** We perhaps will get into this further at different appropriation lines in terms of the Estimates. This is a very large issue. The minister touched on it; the recommendations of this report are more of a health-based kind of recommendations rather than of the broader social, economic or cultural recommendations concerning this particular issue. I suggest that the approach has to be more comprehensive than actually these recommendations indicate in this particular report.

**Mr. McCrae:** Well, I tend to agree with the honourable member on that point. It is true we are talking about health, but as we already know from a study of determinants, there is a lot more to it than strictly a health-only sort of issue. So the honourable member's comment gives me some comfort at least for today, but I know that the discussion is going to come up again, and we look forward to the honourable member's points of view on these issues, too.

**Mr. Chomiak:** Mr. Chairperson, moving on to page 128, I frankly admit that I was struck by the significance of injury as it relates to child health. I was aware of it in rural Manitoba and perhaps in northern Manitoba but I was not aware of the severity of the problem. It certainly is one area where we can do a lot quickly to try to turn the tide, as it were.

These recommendations are all very, very useful and I cannot imagine not moving very quickly because it is so well set out. Can the minister give me an update in terms of those particular recommendations, those relating to injury?

**Mr. McCrae:** I, too, am like the honourable member. I was looking at the child death report recently and was struck by the number of deaths of children that are due to accidents. Of course, there are so many ways for a person to get into an accident, how do you prevent, I guess. So you want to make sure your fire safety issues are all looked after, you want to make sure farm issues are on farmers' minds, farm safety issues and on and on and on. There are just so many ways that a person can get hurt or killed that planners must really have a time with it.

However, in 1991, treatment of injuries accounted for 9.4 percent of all days spent in hospital. That accounts for not only children, but for everybody, that statistic. That is pretty significant, and in terms of numbers, I wish I could translate for you today, but in terms of hospital days and people spending those days in hospitals, if you think about it in real terms, rather than in percentage terms, it would really jump out at you, the number of people who are hurt annually in our province.

In the same year, treatment of injuries in doctors' offices—I should ask the honourable members opposite to guess what this number is going to be, but that cost \$17 million, 8 percent of the total health care costs in Manitoba, and if you are like me and you sort of preach sermons about how all accidents can be prevented, then you say, well, let us do a better job here. Maybe not all accidents can, but that is what I have always tried to put across to the children that I know, that is, do not get yourselves in accidents. There are ways to avoid all of them.

\* (1710)

While injury mortality in Manitoba has decreased over the past 20 years, injuries still remain the leading cause of death for people under 24. The three leading causes of injury deaths in Manitoba are suicide, motor vehicle collisions and falls. The populations at greatest risk for injury are children and senior citizens. Manitoba Health has worked in partnership with other government departments and community agencies to develop a strategic plan and a resource manual for injury reduction. This manual is available to all staff and community groups that work in the area of injury reduction.

I guess I and others should take a little bit of comfort or satisfaction from knowing that with our drinking and driving regime in Manitoba, we know we have reduced the incidence of death and injury through Bill 3 and the initiatives contained in that. That certainly leaves one feeling good about what we do, but you should never get very smug about these things, because those statistics seem to sometimes go up just as much as they go down, so the job is never done.

Manitoba Health is currently participating with Manitoba Agriculture, the Workers Compensation Board of Manitoba and Manitoba Labour, Workplace Safety and Health, on a major initiative to reduce farm injuries. As well, funding assistance has also been provided to the City of Winnipeg to install smoke detectors in core-area homes where there are infants.

Manitoba Health has also offered a training course on injury prevention to all provincial volunteer ambulance co-ordinators. These individuals will undertake injury awareness and prevention initiatives at the community level.

So there are a number of things happening. It is just that it is hard to know when you have done enough in the area of accident or injury prevention, and, I assume, when the statistics are zero, then we can say we have done enough.

**Mr. Chomiak:** Mr. Chairperson, have we set in place the surveillance system to track visits to emergency wards?

**Mr. McCrae:** We for some years have not been asking for that information from hospitals. However, we think that the time is soon upon us, if it is not already there, for us to be looking at that information again, because it is the kind of information that helps you establish trends and helps you address specific items or specific areas where we could do some public information or public education campaigns.

Most of our hospitals have that information and can probably make it available to us. We simply have not been asking for it for a number of years, and I think it is something we should be looking at asking for again. I also think that information will probably be even more retrievable than ever once SmartHealth is up and running.

The honourable member smiles a little bit, but that information could be obtained now, but I say that SmartHealth will also help us use the information more effectively than we have in the past, as we develop policy and we develop initiatives to deal with not only accident issues but also other issues that present to emergency rooms in Manitoba.

**Mr. Chomiak:** Mr. Chairperson, at the top of page 128, there is a specific recommendation concerning housing policy for low-income families. It, of course, is health related, although it covers many aspects and many departments of government.

I am wondering how that specific recommendation, and I am using it as an example of other recommendations of this kind, is being worked through in terms of the overall strategy.

**Mr. McCrae:** Excuse me, Mr. Chairperson, for the delay. Housing, like other environmental matters can be a determinant of our health status, and I expect that is why we see that recommendation on page 128 at the top. It is one of the recommendations the secretariat will be reviewing, along with a number of other recommendations that are in that reviewing category, with a view to bringing in the Department of Housing for discussion of the recommendation.

**Mr. Chomiak:** This next question is similar to the previous question. It is an attempt to understand

process in terms of how recommendations are going to be implemented and how the system will function.

On page 124 of the report is a recommendation that the rural northern health associations be developed in an intersectoral manner and they focus on the needs of children. The minister has indicated that, very shortly, recommendations regarding the rural northern health associations will come down. It probably is difficult because of the time frame, but have recommendations of this strategy been superimposed or been passed on to the association? How are they integrated in order to fulfill this particular recommendation?

It seems to me that if this policy and recommendation is followed through, almost every government, in fact, it is the case, almost every committee dealing with any aspect of children would have a little box at the top of the structure, has this been reviewed by the Child Health Strategy committee? That is functionally the way it almost has to work. Is this recommendation going to be integrated? Obviously, it will be at some point, but how are we moving on towards that to make sure that the recommendations are followed?

**Mr. McCrae:** The Northern/Rural Advisory Council has prepared its recommendations and they have arrived on my desk as recently as yesterday. That process is now at the stage where we will soon be making decisions about how the regional councils are going to be governed and steps would then be taken to get the regional councils in place, and all that has to happen before they actually start doing any work.

From our department's point of view, children, seniors, are very much priority population groups that we would be asking the health associations to prioritize in the same way we do as a department. We will want the regional councils, and if there are other subcouncils as a result of the recommendations, we would want them all to embrace the same kinds of priorities that we as a department embrace. We embrace them as a result of the work of Dr. Postl and his group, the result of the advice given to us by the Manitoba Centre for Health Policy and Evaluation, which will be there for the regional organizations as well.

\* (1720)

As the honourable member says, if there is a check list with a box there, this would be right up there at the top as one of their priority items to deal with in their regions. Some regions are going to have a bigger job in that area, as I have pointed out earlier, than other regions.

There are children—I am just guessing right now, but going by other statistics I have seen—in the NorMan region, their regional council is going to have to look very, very seriously at child health issues.

Children in Winnipeg, and when Winnipeg gets more organized in the sense of regional health planning in the city of Winnipeg, they are up there too in the statistics as showing that there is requirement for attention to be paid to child health issues.

What I am saying is that it is early, because we do not even have these regional health councils yet, but they are coming, and when they do, they will be, as part of their mandate that the Department of Health would be wanting to extend to them, their priorities, we would hope and expect, would be the same as ours, and that is that children are a major priority as one of the first steps in their planning of the systems that are going to run in their regions.

**Mr. Chomiak:** Mr. Chairperson, I appreciate the minister's response. Somewhere in the back of my mind a question is fermenting or fomenting, as the Premier often puts it, regarding—something structurally does not sit correctly with me, but maybe I will come back to it. I cannot focus on it at this point.

Having said that, on page 125 is a fairly significant recommendation, quote: That the government of Manitoba institute a complete system review regarding services and reallocation of funds and development of long-term policies.

Where is that particular review at?

**Mr. McCrae:** That recommendation is in the process of being followed not only in the departments, but the *raison d'être* of the secretariat is to begin, obviously, with a review of what is out there and what is happening out there and realigning it to make it work

better for young Manitobans. So that is a very fundamental project. It is a very fundamental beginning to a new way of looking at child health, and that is exactly what is happening.

**Mr. Chomiak:** Mr. Chairperson, this is a question and/or a suggestion. Will the annual report to be published, the state of Manitoba's children, include that kind of data and update with respect to that recommendation, such as how funds are being allocated, how programs are being developed, what the long-term plans are. Will that be part of the state of Manitoba's children report?

**Mr. McCrae:** I believe that I detect that this would be important to the honourable member that such an annual report be prepared and published, and that is under consideration.

**Mr. Chomiak:** Mr. Chairperson, I appreciate that response and look forward to the receipt of the annual report.

Certainly throughout the report—and I highlighted many aspects in the report, particularly pages 26 and 27 as well as 23—there is a tremendous disparity and tremendous health problems being encountered by our aboriginal brothers and sisters. We have talked about targeted programs and we have talked about initiatives, and there is some good discussion of the issue in the report under a specific section. I am wondering what the minister has to say about that specific issue and where we are going, unless in terms of integrating within the overall child strategy, because it is of such great significance to the report.

**Mr. McCrae:** If this was not such a serious matter, I would say to the honourable member that this is about time for speech No. 8, and I am going to be careful about that today, Mr. Chairperson.

\* (1730)

Without getting too excited about it or anything, I would like to deal briefly with the matter and try to be responsive to the honourable member's question. I recently was involved in a very serious discussion about this very matter.

When you look at the statistics about the different kinds of illnesses, accidents I think are included, aboriginal Manitobans are disproportionately represented in those statistics. The honourable member is right, and he is right to identify it as an important matter for us to look at and grapple with.

It is almost like our Constitution is one of those determinants of health. When you think about it, it is true. Our Canadian Constitution and the treaties are determinants of the health of the aboriginal population of this country. Treaties have people living in communities that have very little by way of an economic base. You have a constitution that says that aboriginal people and lands held for aboriginal people are the responsibility of the federal government.

What has been the result of those arrangements for more than 150 years? The result has been the highest level of alcoholism amongst any identifiable population group, the highest level of drug and alcohol abuse and the highest level of various kinds of illnesses. Those health status indicators are all well known to honourable members. I am not being foolish or silly or wrong headed when I say that our Canadian constitutional arrangements are a determinate of poor aboriginal health.

So what do we do about it? I am looking to the honourable member for wisdom, too, because I, alone, after my relatively few years in public life, and previous to that working in the system that was there disproportionately used by the aboriginal population, my experience is there but the results are not. I do not take any pleasure or satisfaction from that.

I hear one side say, well, just respect the treaties. I hear another side say, get rid of the treaties all together. Another group says, well, the treaties are fine, just start interpreting them properly. Or another point of view, there is no modern, appropriate interpretation of the treaties that will work for anybody.

Then in times of economic difficulty or economic realignment, I guess you could call what we are in right now, I want very much to play some kind of constructive role in the resolution of some of these issues, and yet I am told by aboriginal governments, we

do not recognize you as a player here so, you know, we do not want to do any business with you. I have even heard some aboriginal leaders say I am not a Canadian. That makes it even harder for me to do business with them as a fellow Canadian.

So I am pretty good at setting out what I see to be the problem, but I am not as good at solving the problem all by myself, and I wish I could. I know that people who work in the Department of Health very much would like to solve some of those problems, not only because it can bring some measure of relief to aboriginal populations, but it can make our health care system work better.

It can make our health system work better if we take a better look as a nation, as all of us together, at issues like primary health and place some constructive and effective emphasis on issues relating to cause, relating to conditions that bring about poor health.

Ask yourself, how many dollars do we spend on the Health Sciences Centre? Well, it is about a quarter billion dollars. How many dollars do we spend on Thompson General Hospital? I do not have that number at my fingertips, but again millions and millions of dollars. Look at usage of those facilities. How much of that usage would not be happening except for an effective primary health policy for aboriginal Manitobans?

So I use the opportunity the honourable members asked, not to give speech No. 8 so much but to make this point as passionately as I can: when are we, as a country, going to start addressing this problem and leave all of our jurisdictional turf-protection instincts outside the door and go into the meeting room and work on these things together? I am asking for that.

I cannot commit my government to expenditures of money under the present constitutional arrangements for Status Indians who are the responsibility of the federal government. I am not entitled to do that. I cannot do that, and I am not going to because that is not simply the answer anyway.

We, as a province, pay all kinds of expenses for people off reserve, or a significant share of those

expenses which we would not be paying if those communities had effective primary health services. I am speaking of the reserve communities. I am not even talking about the city of Winnipeg for the purposes of what I am saying, but there are some issues there that overlap, too.

I really think of those reserve communities, because I have visited many of them in my life, and I do not feel proud when I do that. It is one of the things that remains to be resolved, and I mean seriously resolved, and nobody should be proud of the circumstances that some of our fellow Manitobans live in. That is wrong and it is not even moral in the 1990s in Canada, which is supposed to be and has been called the best country in the world, for that to be going on.

So I feel very strongly about this, and I would like to work with the others still again. I have met with failure so many times you would think I would want to quit banging my head against the wall, but I remain willing and interested in resolving some of these issues working together with the others because it makes good economic sense and it makes good health sense, obviously. If none of those arguments cut it with anybody, take a visit to a reserve community and look into the eyes of the children. It will not take you very long to move over to the idea of, how long have we allowed this to be like this and why have we not done something about it before now?

It is really a moving experience for someone to look into those little smiling faces and know that those children have not had the start that other children in Manitoba have had and there are things that could be done that would make their lives have so much more meaning and our whole society would be so much richer for it.

So I guess this is speech 8(a) or something, but the point is, if I could hear some suggestions which do not sound like this, well, if you would only just do it my way, then we would have the problem solved. Those arguments have not worked.

Even when we all did come together one time, there was not unanimity—I am talking about the Charlottetown Accord—I am not whining about the

Charlottetown Accord for all the appropriate reasons. Canadians made a judgment about that. But it was a special time in our history because we did have the leadership of four aboriginal organizations and the leadership of about 13 or so other governments in Canada all agreeing on something. That was a historic thing that so many people in Canada could actually agree on something and something as complex and comprehensive as a constitutional package.

\* (1740)

Even that, I have since decided, is not the thing that is going to change things. Constitutions are there to be disobeyed, and they are, day in and day out. I have seen it all of the years that we have had a formal Constitution. No, it is not constitutional arrangements per se that are going to change the circumstances for aboriginal Manitobans. It is a question of the kind of will that is required on the part of everybody at all levels.

I sometimes get into trouble for some of the things I say with respect to aboriginal politicians. They may get into trouble from time to time about things they say about other levels of government and so on down the line or up the line all the way to Ottawa. I remember when Ron Irwin was appointed Minister of Indian Affairs and Northern Development in Ottawa. He was saying some pretty high-sounding things, and his intentions, I am sure, were as good as I believe mine to be, and yet he has met with some pretty important failures too. I cannot blame him as a minister, or I cannot blame even his government as a government. We always want to blame somebody, but I think that we should get off that sort of mentality, and I asked previously in these Estimates for a nonpartisan approach to health.

I am asking for a nonpartisan approach to some of the aboriginal issues that are so very important. Even if we cannot agree on things like self-government arrangements, or even if we cannot agree who should be paying which taxes or not paying which taxes, and even if we cannot agree on which species can be hunted or not and how it should be done, and all those kinds of issues, there are some more basic and fundamental things even than those that I think that we



should be working together on. We should leave our jurisdictional differences outside the door and start from zero base, and leave the treaties outside the door too, and leave the Constitution outside the door.

Does anybody think that is possible in the last four or five years of this century? I think it is, but maybe I am too optimistic. Up until now, it has not been. [interjection] Let us go for it, I hear my colleague from Morris (Mr. Pitura) suggest. He, no doubt, says that because he shares with me the same rage inside his heart for the future of those children and the mothers of those children.

I have a rage in me on this point, and I think the member for Kildonan (Mr. Chomiak) has seen it come out before, and it is a rage that is not going to go away within me until I see something very, very significant happen in this country.

I speak in national terms here because it is a national issue, but it should be very important to a Manitoban, because we have amongst the highest aboriginal population in the country and the problems are proportionate.

So I do not know what more proof we need that we need to do something, but I believe that the time for blaming it on the Constitution, the time for blaming it on the treaties or blaming it on a government or blaming it on a person, surely it is over. We have seen plenty of it over the years, but what good has it done anybody? It has just done nobody any good whatsoever, and there are so many opportunities for us to put our heads together and make a real, positive difference for our fellow human beings.

I hear, well, we want to have better primary services in our community, but we will run it, we will have our own governance, and you will stay out of our way. What good has that approach done so far? What good has it done so far? Because, you see, all governments that talk about self-government, any government that talks about self-government in an approving way, still attaches a rider, and that rider is with accountability. I have used this expression myself to those who are being governed, as well as to those who are paying the bill.

No government, I suggest, not even the government that will be gone within an hour and 15 minutes, would ever have granted full autonomy, or full governance, without any accountability whatsoever. No government would have done that because the population simply will not allow that sort of thing to go on for very long at all.

(Mr. Chairperson in the Chair)

So I say to the honourable member, who I believe to be a person of integrity and good will, to use his powers as the critic of the most important department of government in terms of spending, in terms of human beings because we are talking about health. I ask him to use his powers of persuasion, his powers of reason and logical argument to make this case, the one I am trying to make today with his colleagues, with his associates in the union movement, with his friends and associates in aboriginal organizations.

Let us try it as a concept—zero-based thinking, what do we need and how should we get it leaving all the turf protection issues outside the door.

**Hon. Leonard Derkach (Minister of Rural Development):** Zero-based thinking, can you define zero-based thinking?

**Mr. McCrae:** My colleague the Minister for Rural Development, who may not have heard all of my comments, asks me to define zero-based thinking. Am I the only one that has ever used that expression? If I am, I will try.

Look at the situation as it exists today and forget about all of the history of how we got there. Forget about it. Forget about all of the jurisdictional squabbles that we have been engaged in all these years, and forget about power. Forget about power, and start to address issues of fundamental human importance, and maybe, just maybe, something can happen.

I saw Ovide Mercredi do some of that in discussions on constitutional development. He must have had to give up more than the people that he represented would allow him to give up, because it did not work out. I saw that spirit, and the gentleman, who will be Premier

only for a little while longer in Ontario, was a key player, and maybe in his future he may have some role in this regard. He has some skills when it comes to doing business with aboriginal leadership. I was impressed with that, and others as well, people like Joe Clark, maybe can play a role yet in redefining this country, maybe.

I always speak in those terms because we have not really come very far yet. The conditions do not seem to be getting better according to my understanding of the statistics. Things are not getting better, and if they are they are getting very marginally better. I do not even know that they are.

\* (1750)

The honourable member asked the question, so I have tried to answer it. I do so by issuing a challenge to him. The challenge is that somehow—never mind all the jurisdictional squabbles, maybe we could even put aside some partisan squabbles, which we like to have and enjoy from time to time, and need for our own purposes. I just do not have as much hope as I would like to have about this, unless a couple of very important things happen. I think I have mentioned what they are to the best of my judgment of the situation. It is just not good enough for me to share this province with people who are not able to even have the hope of the kinds of things that I can hope for myself and for my family. I just do not think that is fair, and I would like to see something done about it.

**Mr. Chomiak:** Just before I ask my next question in terms of structure, I just want to indicate from my perspective, and I think my colleague in the Liberal Party, that we will probably conclude today our questioning on the Health of Manitoba's Children strategy. There are numerous questions and lots more that we could deal with, but I think we would like to move on to other appropriations.

I do want to express my appreciation to the staff and the minister for what I thought was one of the more useful encounters I have had in this Chamber in terms of the committee and the dialogue and the response to questions. I think we appreciate it, and I think we worked through some very useful material today.

There are nine recommendations in the report dealing with aboriginal people, and I wonder if the minister might comment on the specific recommendations. They are on pages 103-104 in the report.

**Mr. McCrae:** Mr. Chairperson, in the few minutes remaining, I will try to answer that question, and if it is okay with the honourable member, answer two other ones that have been raised previously.

Just off the top, I do not have something more specific than I have given in my last response, except as you look at the page, it refers to Status First Nations and aboriginal Status and non-Status, and if you check the Indian Act, I am told by some people you might find 11 different kinds of aboriginal people in this country.

In fact, Ovide Mercredi himself I think said he has been a Cree all his life, but he has only been an Indian for about seven or eight years because of the way the legislation has worked in our country; again, another little piece of frustration on my part.

The recommendations talk about the development and negotiation of a health framework between Canada and Manitoba First Nations. Well, I can certainly agree with that, but you could have written that recommendation 150 years ago, and nothing would have happened; thus my frustration.

I am sorry, I do not mean to demean the report by any stretch. It is an obvious thing that there ought to be the development of something that will give us a better result than we are getting, and it just has not happened.

Manitoba Health seeks confirmation and ensures that programs and services currently funded and/or delivered by Canada to First Nations will continue to be funded by Canada.

That is fine with me, but is Canada prepared to work with Manitoba in our development of a Manitoba-wide health strategy or child health strategy? I hope so. We will try to get Canada to work with us, and I wonder if they will throw away their jurisdictional rule books and stuff like that as we go in to discuss strategy for health.

Manitoba Health recommends that the federal government immediately address the deficiencies in services in infrastructure on reserves to ensure that essential health—Pukatawagan is a good example of that sort of thing. The former member for Flin Flon very wisely and appropriately raised the question of water at Pukatawagan, and the two of us kind of got together and basically helped to force the issue in that area, but here again, it is a federal government matter.

Manitoba Health remains open to working together with Health Canada and First Nations on a tripartite designed to alleviate the burden of ill health. The honourable member will agree these are general sorts of statements, and they make clear common sense, and why is it that governments have not followed those recommendations years and years ago?

I think what I would like, if the honourable member would not mind letting me deal with the remainder of those recommendations tomorrow or at some other point, I want very quickly, if I can—I can do this very quickly, because then I want to ask the honourable member what areas we are going to cover tomorrow. Then we will have to shut it down at six o'clock.

On June 2, the honourable member asked about the short-term emergency project. It is a demonstration project sponsored by the Home Care Branch and funded by the Health Services Innovations Fund.

The purpose of the step is to implement a study in each Winnipeg acute-care hospital and Brandon General which will test the feasibility of providing alternative approaches to managing and/or coordinating targeted clients in an effort to reduce admission to hospitals, especially through emergency departments, and/or to shorten hospital length of stay. Each hospital has developed a unique project of its own.

The majority of those projects are aimed at the elderly population. Examples of specific goals of some of the projects include the identification and prevention of inappropriate hospital admissions and expediting the reintegration of hospital inpatients back into their own environments. They want to reduce length of stay for targeted patients by providing rehabilitation and nurse-

home visit teaching to facilitate discharge and prevent recurring use of emergency services. They want to assist and empower individuals with respiratory disease by maintaining or improving their quality of life through education, exercise and counselling. They want to identify and intervene in evolving geriatric crises of the frail elderly population dwelling in the community in order to improve their health status and prevent visits to the emergency department.

There was a question about the Air Ambulance Licensing Review Committee. The air ambulance implementation advisory committee will, through a process of public consultation and material research, formulate recommendations concerning the operation of air ambulance services in Manitoba. The air ambulance implementation advisory committee will report its recommendations to the Manitoba health board.

The membership on the committee includes Dr. D. Roberts [phonetic], Mr. Craig Brown [phonetic], Donna Hohle, B. Rutherford [phonetic], Penny Triggs, Dr. G. Bristow, John Smith [phonetic], and Oliver Owen.

If the honourable member would be kind enough to tell us what areas he thinks he might be covering tomorrow for the benefit of staff.

**Mr. Chomiak:** What I anticipate is reverting back to 1.(b) and moving through the appropriations up to and including 2.(c) which would take us into SmartHealth. It seems to me that it is probably not necessary for the minister to bring staff relating to SmartHealth here because we would probably just start it and then have to conclude and bring back staff Monday. I would suggest that, if we do get to that area, we jump over 2.(c) and go to 2.(d) and on and then come back to SmartHealth on Monday. At least, structurally for me, that makes most sense. So that is how I anticipate from our end.

**Mr. McCrae:** That sounds agreeable to us.

**Mr. Chairperson:** Just to advise the committee then, when this does happen tomorrow, we will have to do it by leave to get leave of the committee so that we can set aside the appropriation 2.(c) to move on to (d).

**Mr. Chomiak:** We may not even get to there but I was just advising.

**IN SESSION**

**Mr. Chairperson:** The hour being six o'clock, committee rise. Call in the Speaker.

**Mr. Deputy Speaker (Marcel Laurendeau):** The hour being 6 p.m., this House now stands adjourned until tomorrow morning at 10 a.m. (Friday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 8, 1995

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