

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

*Published under the
authority of
The Honourable George Hickes
Speaker*

Vol. LIV No. 11 – 1:30 p.m., Tuesday, September 23, 2003

MANITOBA LEGISLATIVE ASSEMBLY
First Session—Thirty-Eighth Legislature

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, September 23, 2003

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PETITIONS

Dialysis Services

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba. These are the reasons for this petition:

Kidney dialysis is an important procedure for those with kidney failure who are unable to receive a kidney transplant.

Those receiving kidney dialysis treatment are able to lead productive lives despite the continual commitment and time-consuming nature of the process.

Kidney dialysis patients from out-of-province must be able to access dialysis services while in Manitoba to sustain their health and lives.

Although a person's province of origin covers all of his or her dialysis costs while she or he is visiting Manitoba, individuals receiving dialysis are currently unable to visit this province due to the lack of dialysis nurses to oversee the procedure.

The travel restrictions placed on out-of-province dialysis patients due to the growing nursing shortage in Manitoba's health care system presents concerns regarding freedom of movement and quality of life for those on dialysis.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health to consider enhancing training programs for dialysis nurses in Manitoba, such that staffing shortages in this area are filled.

To request the Minister of Health to consider the importance of providing short-term dialysis services for out-of-province visitors to Manitoba.

Signed by Guy Verrier, Sharon Cummings and Bridget Chadeffaud.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

Supported Living Program

Mr. Peter Dyck (Pembina): I wish to present the following petition and these are the reasons for this petition:

The provincial government's Supported Living Program provides a range of supports to assist adults with a mental disability to live in the community in their residential option of choice, including a family home.

The provincial government's Community Living Division helps support adults living with a mental disability to live safely in the community in the residential setting of their choice.

Families with special-needs dependants make lifelong commitments to their care and well-being and many families choose to care for these individuals in their homes as long as circumstances allow.

The cost to support families who care for their special-needs dependants at home is far less than the cost of alternate care arrangements such as institutions or group and foster home situations.

The value of the quality of life experienced by special-needs dependants raised at home in a loving family environment is immeasurable.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Family Services and Housing (Mr. Caldwell) consider changes to the departmental policy that pays family members a reduced amount of money for room and board when they care for their special-needs dependants at home versus the amount paid to a non-parental care provider outside the family home.

* (13:35)

To request that the Minister of Family Services and Housing consider examining on a case-by-case basis the merits of paying family members to care for special-needs dependants at home versus paying to institutionalize them.

This is presented on behalf of Anne Dyck, Jake Olfert, Cheryl Wiens and others.

Mr. Speaker: In accordance with our Rule 132(6), when a petition is read it is deemed to be received by the House.

TABLING OF REPORTS

Hon. Tim Sale (Minister of Energy, Science and Technology): I would like to table the 2003 Annual Report of the Manitoba Education Research Learning Information Networks, MERLIN.

Mr. Speaker: Everything on reports?

ORAL QUESTION PERIOD

Public Utilities Board Role

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, the Public Utilities Board is a public watchdog that the previous government gave additional responsibilities to in the late 1980s to address the public's concerns that the Doer policy administration kept MPI rates artificially low during election years which then—

Mr. Speaker: Order. I hate to interrupt but when we are making reference to other members, we agreed that we would use the premiers' names by the era, but Doer policies I do not think would fall under that category.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. If the honourable member used Doer government that is acceptable, but I just heard "Doer policies." That is why I raised it.

Mr. Murray: Mr. Speaker, I would make reference to the Doer-Pawley administration. The Doer-Pawley government administration kept MPI rates artificially low during the election years which then led to double-digit rate increases following the election. The member from Concordia obviously has not learned his lesson. Will the Premier explain to this House why he is embarking down a path to weaken the role of the PUB?

Hon. Gary Doer (Premier): When one considers the Lyon-Filmon years, Mr. Speaker, the issue was the whole issue of keeping Crown corporations owned by the public for the public interest. There was an attempt in the seventies to sell the Manitoba Public Insurance Corporation. There was an unfortunate sale of MTS after a promise to not sell the telephone system in 1996.

The rates of the telephone system right now, Mr. Speaker, are 65% higher than what they were before this phone system was sold. I am pleased to say that we are certainly not going to weaken the PUB.

I might point out, Mr. Speaker, that under our Government the Public Insurance Corporation of Manitoba has just been evaluated to have the lowest rates of some 32 different cities in Canada, the lowest rates in Canada.

So I would remind members opposite that we asked them to send the sale of the telephone system to the PUB. They did not do it, Mr. Speaker.

Mr. Murray: The Premier is probably still miffed with the PUB process because it was at their hearings that a Hydro official admitted under oath that they would have to borrow every single penny of the \$288 million this Premier drained from them. That is why he wants to weaken the PUB because that is where the truth comes out.

* (13:40)

The Premier said he is frustrated with the cost and the duration of important PUB hearings. He should understand that proper process comes with a cost and he should be a little bit more concerned with the due process that is involved, rather than scheming and dreaming up ways to avoid it.

Will the Premier explain today why he is determined to rush through the billion-dollar Wuskwatim generating station, trying to avoid due process? Why is he doing that Mr. Speaker?

Mr. Doer: When issues of costs, per capita costs, are raised with the Government, we deal with that. The former member, Mr. Ernst, raised some of the same issues about lawyers' fees.

We support the principle that consumers in Manitoba dealing with their Crown corporations which sometimes provide competitive services and sometimes provide services that are only provided by the Crown corporation, the public is entitled to and we will provide for due diligence to ensure the public has proper access to a hearing process. We have abided by that throughout our term in office and we continue to see, Mr. Speaker, in the same hearing that the member opposite references, we have the lowest hydro-electric rates in North America. We have the lowest corporate rates in North America.

We certainly understand that, but let not the member put words in our mouth about the principle of due diligence and public protection. However, we will always look at the cost per capita of any entity that the public is responsible for, or we are responsible for, through our Crowns.

Mr. Murray: Well, Mr. Speaker, the Premier is also apparently concerned with the Clean Environment Commission's hearings into the Wuskwatim project, saying that the review has become too complex.

The Premier should also understand that it is his CEC hearing that is too complex because he made it that way. He was the one that went back on his word to have the PUB do the economic analysis of Wuskwatim. Now that the Premier has admitted that the CEC hearing is too complex, will he reduce their load so they can better focus on the environmental aspects of Wuskwatim and commit today to allow the PUB to do the economic analysis?

Mr. Doer: Mr. Speaker, in the same interview I stated we are not going to change the processes that were in place for the Wuskwatim dam. I pointed out that generally in Canada now, and I daresay we should look ahead at the issue in Canada today, I believe the time period to approve in the country a renewable energy asset like a dam is up to four years and the time to approve a coal-fired plant is close to one year.

I think that is an issue of federal-provincial environmental processes, and I think that somebody should be looking at what has happened in the United States, in California, in deregulated jurisdictions. Somebody should be looking at what has happened in the eastern United States and eastern Canada and asking themselves can we have due diligence but can we do it in a more sensible way. Having said that, I said very clearly—

An Honourable Member: About the ski hill that took four years. You said that was fine.

Mr. Speaker: Order.

Mr. Doer: And a wonderful ski hill it is, I might add.

But I did say that we had no intent of changing the decisions that were made by the Clean Environment Commission with regard to intervenor funding and the people that have been approved as intervenors.

I think the bottom line is though we should continue to look at the discrepancy between approval of coal plant operations in Canada, which I would argue are opposite to the Kyoto intent, and the issue of how long it takes to get a renewable energy source like hydro-electric, whether it is in Manitoba or Québec or other provinces, why that discrepancy is some four times longer. I think that is a legitimate question in terms of dealing with renewable energy in the country.

Public Utilities Board Role

Mr. Mervin Tweed (Turtle Mountain): Mr. Speaker, the Public Utilities Board is there to protect the public. The constituents I represent realize the benefits of having the Public Utilities Board and we need the Public Utilities Board to protect consumers.

Mr. Speaker, these are all the Premier's words, not mine. Today, all that changed. Today, the Premier made a personal judgment on a rate increase, rate case. He commented on the cost of rate cases across the province. He attacked the long-serving members of the PUB.

My question is: Does the Minister responsible for the PUB agree with the Premier's position?

Hon. Gary Doer (Premier): Mr. Speaker, the judgment that was made by the PUB to lower the corporate rates was a decision made by individuals that we appointed and individuals who were there for a long period of time. I was asked my opinion on it. I stated it. I thought a rate reduction for the corporate sector was not the judgment I would have made.

Having said that, Mr. Speaker, we did not interfere with that process.

* (13:45)

Mr. Tweed: Mr. Speaker, I am sure it is great comfort for the people considering that the Premier appoints the minister responsible. He appoints the head of the PUB. He appoints the president of Hydro and he appoints the board. They are all political appointments. I would suggest to him that perhaps there is some interference with the Premier making those comments.

My question is: Is the Minister responsible for the PUB prepared to eliminate the PUB process and have his Government decide on the price of electricity?

Mr. Doer: Mr. Speaker, I recall Mr. Ernst in this House said in 1994, there are significant concerns that, just because utilities or applicants have to pay the full cost, does that mean it should be a gravy train for a number of other people?

I did not use that kind of language, so to speak, but I think this Legislature has a responsibility on the cost side of anything we do in government, directly or indirectly.

Having said that, Mr. Speaker, there was an application. There was a decision. There was a

judgment. The judgment through the system was eventually dealt with by the utility and the PUB. One could argue that the system worked. The whole issue of cost is an important issue as it was in 1994.

Mr. Tweed: Mr. Speaker, someone might suggest that the bad taste the Premier has in his mouth is an accounting to the PUB. It is because of accountability that they are asking him to be.

Mr. Speaker, if the PUB is not going to be the sober second look at electricity rates and the building costs in an open, transparent and disciplined way for the public, is the minister attempting to diminish the PUB because they stand in the Government's way of taking more money out of Hydro?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, in an environment where a utility like Manitoba Hydro is essentially in a dominant or even monopoly position, even with deregulation of the wholesale market, it is essential that we have a public regulator to review applications for rate increases. That is the law. The law will be followed.

We do support very strongly public regulation through the PUB of the rates of Manitoba Hydro. I can tell you, we would never do what the members opposite did, which would be to sell off a Crown corporation without submitting that decision to PUB to see if it was properly done.

Public Utilities Board Role

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, today the Premier has taken clear aim at the Public Utilities Board which has provided Manitoba consumers with fair and reasonable hydro rates for over a decade. The Minister responsible for Consumer and Corporate Affairs is charged with looking after the best interests of these consumers.

Can the Minister of Consumer and Corporate Affairs indicate whether he has gone to his Premier to defend the work and the role of the Public Utilities Board and give it the confidence it deserves?

Hon. Greg Selinger (Minister of Finance): I can assure the member that on this side of the House, we have very vigorous debate with respect to our responsibilities. The Premier knows full well and we are in agreement that there is a very strong role for the Public Utilities Board. We also agree very strongly that consumers need to have their voice heard there. There is no dissensus on this part of the House. It is only that side of the House that decided to take MTS out of that envelope and privatize it without proper consultation.

Mr. Goertzen: Mr. Speaker, under the dark days—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I have to be able to hear the question.

Mr. Goertzen: Mr. Speaker, under the dark days of the Doer and Pawley government, Hydro lost tens of millions of dollars. The NDP government of the day demanded more money for Manitoba to pay for these losses. Today Byron Williams was stated as saying that Today's NDP has learned nothing, nothing from that experience.

Can the Minister of Consumer and Corporate Affairs indicate whether he will stand by and let the Premier change a process which has worked for Manitobans or will he go to the Premier and tell him to keep his hands off the PUB?

* (13:50)

Hon. Gary Doer (Premier): Mr. Speaker, thankfully the former government built the Limestone project, which is obviously an economic benefit to the whole province of Manitoba. Members opposite sold the telephone system, which every rural citizen is now paying for their favours back to the brokers here in Winnipeg as opposed to the consumers.

We will continue to take rate issues to the PUB. I would point out there has been no rate increase for hydro since we have been elected. There has been zero rate increase in the Mani-

toba Public Insurance Corporation since we have been elected. We now have the lowest rates in hydro, the lowest rates in telephone, or not telephone, public insurance.

Mr. Goertzen: Mr. Speaker, this week we have seen example after example of an NDP government that simply does not want to be held accountable for its actions or its decisions. We have seen how it will go around Treasury Board to try and buy an election. We have seen how it will try to pass the buck to the federal government on issues of agriculture. Now the Premier questions the work of the PUB, which is there to safeguard Manitobans.

Can the Minister of Finance indicate: Is he going to go along with the Premier's disgusting agenda of reducing accountability and clouding transparency?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I would just like to take this opportunity to remind all honourable members of the language used in here and making accusations against other parties or other members. I do not think it is very parliamentary when we start making accusations back and forth. I would just like to caution all honourable members.

Mr. Doer: Mr. Speaker, I would refer the member in his rhetorical flourish to a book written by Mr. Smith, never talking about as many liars in terms of election processes. We need no lecture from members opposite.

Mr. Speaker: Order. I would like to once again caution all honourable members of parliamentary language in this House. Even when using a third party or newspaper articles or quoting someone else, we still have to be careful of our language in this House. I would like to once again caution all honourable members.

Mr. Leonard Derkach (Russell): On a point of order.

Point of Order

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

Mr. Leonard Derkach (Russell): Mr. Speaker, I respect the fact that you have cautioned all of us in terms of the language used, but I do not think the Premier wants to leave on the record the unparliamentary language he just used in this Chamber.

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

Hon. Gord Mackintosh (Government House Leader): Yes, Mr. Speaker. I understand from the record and I ask you to check it that the Premier was not referring to any particular member of this House.

Mr. Speaker: Order. On the point of order raised by the honourable Member for Russell, that is why I gave the caution to all members of the House, because I do not want it to escalate to where it starts to become personalized. That is why I raised the caution.

* (13:55)

The honourable member does not have a point of order because I have dealt with that matter in a cautionary manner, so hopefully the members will veer away from that kind of action.

Sunrise School Division Labour Dispute

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, thank you for your admonitions and I think that makes my question much easier.

In asking the Minister of Finance, who admitted yesterday that one of his employees apparently made a cold call to MAST, will he now tell us who directed that employee?

Hon. Greg Selinger (Minister of Finance): As I indicated yesterday, there was a strike that had occurred on April 8 and the employee of the Government phoned the Manitoba Association of School Trustees to indicate perhaps mediation would be an alternative that would help solve that problem. MAST in turn consulted the school division in question where the labour disagreement was in process, the strike, and they felt that

mediation would be helpful. Mediation was entered into as is often done to resolve a labour dispute, and that mediation resulted in an agreement which allowed the people that work in that school division to go back to work and, more importantly, stopped a negative impact on over 2000 children that were disadvantaged by that labour dispute.

Mr. Cummings: Mr. Speaker, I am somewhat surprised by the Minister of Finance's answer. He did not answer my question about who directed this individual to contact MAST and then ultimately become directly, improperly, involved in a mediation process. He now says that mediation would be helpful.

Is he saying he directed this person to become involved in the mediation process?

Mr. Selinger: I am saying that a strike was underway that affected 2000 children in a school division. The employer and the employees, in spite of their best efforts, had not been able to resolve that collective agreement without strike action having occurred. It is completely appropriate for a government official to contact the Association of School Trustees who usually represent the employer in the bargaining process and ask that representative, the employer, if there is any assistance they could benefit from on behalf of this Government.

The assistance offered was mediation. It was accepted as a possible solution to that labour dispute and in fact it generated a solution to that labour dispute which allowed 2000 children to have the services they deserve.

Mr. Cummings: Of course it generated assistance when you bring a bag full of money to the table. You have no policy. There are 11 other divisions out there that will have similar problems in trying to harmonize salaries, and you sent, apparently, an employee to directly intervene in that mediation process and avoided the school division.

Mr. Speaker, will this minister now tell us who directed the Treasury Board employee to intervene inappropriately so they could buy truce in a labour dispute on the eve of an election?

Mr. Selinger: Mr. Speaker, the employer and the employees had made their best efforts to resolve this dispute. The Government employee contacted the bargaining agent for the employers and offered assistance. With their consent and with their invitation, he provided that assistance through a mediation process which resolved the dispute. The dispute required a two-thirds contribution from the school division, a remaining one third from the Province through the Schools Grants program, spread over three years.

Imagine for a second if the dispute would have continued. Members opposite would have said we were being irresponsible, that we were leaving children out to dry and not be able to attend the school program. They would have accused us of ignoring an area where a Conservative MLA represented the people. We took the responsible approach and made sure children had access to education.

Sunrise School Division Labour Dispute

Mr. Leonard Derkach (Russell): Today we have children out of school because of a strike in harmonizing salaries. Mr. Speaker, the Minister of Education (Mr. Lemieux) told the House and told the committee in Estimates that indeed it was the school division through MAST and through Mr. Bell who came to the Government for assistance. Yesterday in this House the Minister of Finance said it was Mr. Lloyd Schreyer, an employee of Treasury Board, who contacted MAST to see if there was any assistance that they could use.

* (14:00)

Mr. Speaker, we have two different stories. I want to ask the Minister of Finance: Who directed Mr. Schreyer to contact MAST to see whether or not they could resolve the issue?

Hon. Greg Selinger (Minister of Finance): Once again, Mr. Speaker, we had 2000 children out of 2700 that were affected by this labour dispute. The employer, bargaining agent and the employees had not been able to properly resolve this dispute. There was a problem. The government employee contacted the Association of School Trustees, offered assistance. They felt it

would be helpful. They felt the mediation process could generate a solution to a labour dispute which was leaving children in a very vulnerable position. We got a successful conclusion to that with a responsible contribution from the school division and some additional help from the Province. We made sure the children had access to education, which is the proper thing to do.

Mr. Derkach: Mr. Speaker, today we have Prairie Rose School Division in the midst of a labour dispute and on strike, not very much different than what we had in Sunrise. There was a mediator appointed in Sunrise. The Minister of Finance today said that, indeed, the employee phoned to see if there could be some mediation in terms of the dispute at Sunrise. Can he tell the House whether it was he or his Premier who directed the employees and Treasury Board to get involved in the labour dispute?

Mr. Selinger: Once again, I want to go on the record and say that the employers and the employees had made their very best efforts to resolve this dispute. Unfortunately, it resulted in a strike and MAST was very happy to receive the assistance of the provincial employee and felt mediation would be extremely helpful in resolving the dispute. I can tell you if another school division looks for mediation, we would try to make that service available as well.

Mr. Derkach: Mr. Speaker, there are ways to intervene in a strike, in mediation, and there is a proper process to do it. The process is not to involve staff from Treasury Board in labour disputes.

Now, I want to ask the minister or the Premier (Mr. Doer), but I am directing my question to the Minister of Finance, whether it was he who directed his employee, Mr. Lloyd Schreyer, to get directly involved in settling the dispute in Sunrise on the eve of an election.

Mr. Selinger: As I said earlier, Mr. Speaker, if that strike would have been prolonged and children would have continued to miss opportunities to go to school—and let us not forget over 2000 of those 2700 children require busing. If that dispute would have dragged on, members would have accused us of being irresponsible.

They would have said we had abandoned a constituency represented by a Conservative MLA. We acted in the best interests of the children to resolve the dispute by offering mediation. Mediation is a service available to any school division that has a problem, and if they wish to have it, they will have access to it.

Agricultural Policy Framework Premium Costs

Mr. Jack Penner (Emerson): Mr. Speaker, Manitoba livestock producers are being forced into a multi-year agreement in order for money to flow under the new APF policy framework that the minister just has signed onto. The cost of premiums that farmers would pay for this could be as high as 22 to \$220,000 depending on what level of coverage they would want to buy into.

Mr. Speaker, will the Minister of Agriculture tell this House where struggling cattle producers are going to find the hundreds of thousands of dollars that are going to be required for some of them to be able to put up front before they will get one dollar out of this program?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, when we were working on this Agricultural Policy Framework agreement, we had a safety net committee in place and we worked with them on an ongoing basis. The producers raised the issue of the premiums, and in fact the premiums were supposed to be paid in one year. We were able to negotiate with the federal government, as have other provinces, to have the payments made over three years so the producer only has to pay one third of their premium in the first year and will still qualify for their payment. As well, the interim payment that we will also be flowing to producers does not require a payment before that money flows.

We have raised this issue with the federal government and there are several areas where money will be available. In fact, the federal government announced on Friday that their \$600 million that is the trade injury money is flowing to producers immediately.

Criteria for Compensation

Mr. Jack Penner (Emerson): Mr. Speaker, farmers are really beginning to wonder what this

Government is all about and what it is for. Will the Minister of Agriculture today admit that farmers who are forced to hold more numbers of cattle on their farms may not qualify for the APF program because of the formulations that are being used to quantify the amounts of money that would be required by the farmer to identify what his qualification might be for assistance?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, the issue of BSE has put a tremendous amount of pressure on a lot of people. We have had ongoing discussions with the Manitoba Cattle Producers, discussions about the Agricultural Policy Framework and the money that is going to flow to producers. They have some questions too. I am very pleased that Betty Green, who speaks on behalf of the Manitoba Cattle Producers, has said she is pleasantly surprised. They were concerned about the length of time that it was going to take case money to flow. The money is going to flow sooner. They are pleased with that.

I was at an Agriculture minister's meeting yesterday and I raised the issue of inventory. There is a working group working on addressing the inventory.

Mr. Penner: Mr. Speaker, so the Minister of Agriculture today admitted that the large inventories held by farmers over and above what they have normally held on their farms is going to be a real problem. It might in fact not allow those farmers to participate in this APF program. Even if they pay \$22,000 up front as a premium, they might not get a dime of assistance out of this program. Is that correct, Madam Minister?

Ms. Wowchuk: Mr. Speaker, the way these programs work, as they have worked in the past, is those people that need money will get money. It is based on the drop in their margin. That is what it is based on. I have said, as I have said in committee and I have said here in the House, that the issue of inventory is one that has been raised and it is one that we are working through with the federal government. There is a working group.

The money will be flowing to producers before the end of October. That in combination with all of the other things that we have put in place as a government, a government that has the

best programs in all of Canada, this is another tool for our producers.

City of Winnipeg Revenue Proposal

Hon. Jon Gerrard (River Heights): Mr. Speaker, for many years the city of Winnipeg has been falling behind other major Canadian cities in growth. For many years, too many young Manitobans have been leaving for lack of sufficient opportunities in Manitoba. Yesterday, Mayor Glen Murray tabled proposals for major changes in the revenue streams flowing to the City of Winnipeg. The proposed changes will require extensive changes to provincial legislation governing the city of Winnipeg. The proposals are dead in the water unless the provincial government will change the legislation.

My question to the Premier: Will the NDP government be introducing legislation to allow the City of Winnipeg to proceed with its new deal? Will the new NDP go along with the new deal or will the old NDP resurface and block new thinking about the future of the city of Winnipeg?

Hon. Gary Doer (Premier): There is no other province in Canada that presently shares a portion of the income tax and the corporate tax, a measure introduced by Ed Schreyer. Mr. Speaker, I was surprised the member would typify it in the way he has, because every major urban centre in Canada is calling on that kind of fiscal arrangement with the provinces that are in place in their various jurisdictions. So I think the member is a little out of date.

Mr. Gerrard: Mr. Speaker, the Premier last session introduced changes to The City of Winnipeg Act and it is quite clear that they are now way out of date even though it is only a year or so from when they were introduced. The Premier has in fact been premier for four years plus two days. During this time—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Gerrard: During all this time the Premier has been well aware of proposals by the mayor for a new deal and the discussion.

I would ask the Premier: Will he table today the economic analysis that he has done in terms of the new deal proposal so that we can have an intelligent debate and discussion about the future of the city of Winnipeg and the role of Manitoba in trying to enhance things for Winnipeg?

* (14:10)

Mr. Doer: Mr. Speaker, I believe the document was released publicly in its entirety yesterday. Part of what is in that document talks about the disproportionate amount of gasoline tax that is generated by the federal government and not passed on to the municipalities. You would note that whether it was our Government or the former government, all the gasoline tax went to highways infrastructure in Manitoba, all the provincial sales tax on gasoline, or the tax on gasoline.

The GST, I believe the last number I saw, the GST that the member opposite promised in 1993 to abolish, the GST tax raises over \$145 million in Manitoba. It is sucked out of the province, taken to Ottawa. How much comes back? Four percent comes back to Manitoba. So, yes, talk to your federal counterparts about a real new deal on the GST tax.

Hells Angels Legal Aid

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the Minister of Justice. At a time in which we need more resources for our Crowns, for our police forces and other justice initiatives, today the *National Post* reported that in Montréal the Hells Angels reaped \$111 million in drug sales alone in one year.

My question for the minister is: Why is the minister looking at providing millions of tax dollars to defend members of the Hells Angels when we know that this gang has millions at its disposal?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): I am pleased to advise the member opposite that indeed it is this Government that increased the resources to the Prosecutions branch by 58 percent, Mr. Speaker.

We also recognize that there are needs in the area of Legal Aid, Mr. Speaker, and while the Minister of Justice is responsible at law for the funding of the Prosecutions branch, clearly the Minister of Justice cannot be in a position of both overseeing and providing detailed instructions to the Legal Aid which provides defence.

I also remind the member that we have also increased the budget for policing in Manitoba to unprecedented levels in Manitoba history.

Day Care Government Initiatives

Ms. Theresa Oswald (Seine River): Mr. Speaker, the Province of Manitoba has become a Canadian leader in the provision of early childhood education and in day care since 1999.

Could the Minister of Family Services and Housing update the House and inform the people of Manitoba as to the current status of day care in our province?

Hon. Drew Caldwell (Minister of Family Services and Housing): I would like to thank the Member for Seine River for that question.

Mr. Speaker, a little over a week ago our Government announced an additional \$1.5 million in annual support for day cares in the province of Manitoba. That announcement funded six new centres in the province of Manitoba. I noted last week in the House: Neepawa, Hamiota, Carberry in my own region of western Manitoba and communities represented by members opposite were beneficiaries of that support, as well as 38 other day cares across the province.

Our record as a government in providing early childhood support and day care support is unprecedented, representing a 41.6% increase in support since 1999. An additional \$50 million has been directed at early childhood education.

Bovine Spongiform Encephalopathy Compensation for Producers

Mr. Jack Penner (Emerson): Mr. Speaker, the minister has indicated clearly that it was her desire to sign on to the APF agreement and try and flow that way money to the farmers of Manitoba.

Could the Minister of Agriculture today tell us when the first cheques will be written to the farmers of Manitoba and will there be any meaningful support through the APF program, through the program she signed yesterday?

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, when we were working on the design of this program, we worked very closely with farm organizations. We met with farm organizations and, in fact, we met with KAP just recently to talk about signing the agreement.

When we announced yesterday at Ottawa that we were signing the mirror agreement, which we signed yesterday, the federal minister indicated that cheques will be flowing to the producers before the end of October. Application forms will be out very shortly and money is going to flow. This will complement all of the other things that our Government has done: \$100 million in loans available, drought assistance, money on the BSE slaughter program, feed assistance, \$2 million to expand our slaughter capacity. Our province has been a leader in dealing with BSE. This money will complement that.

Sunrise School Division Labour Dispute

Mrs. Bonnie Mitchelson (River East): Mr. Speaker, last week I asked the Premier, and he took it as notice, a question. I will repeat it today.

Does the Premier know today, because he did indicate he would report back to the House, whether Lloyd Schreyer, his direct political appointment to Treasury Board, was in contact with the mediator in Sunrise School Division during the mediation process? Can the Premier answer that question today?

Hon. Gary Doer (Premier): Mr. Speaker, I certainly know that the Minister of Finance (Mr. Selinger) has given very, very detailed answers to a number of questions and I thought the answers were very, very forthright.

Mr. Speaker: Time for Oral Questions has expired.

* (14:20)

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

Speaker's Ruling

Mr. Speaker: Following the Prayer on September 15, 2003, the honourable Member for River Heights (Mr. Gerrard) rose on a matter of privilege and alleged that the honourable Minister of Agriculture (Ms. Wowchuk) misled the House on four occasions regarding agricultural programming. At the conclusion of his remarks, he moved: "That this matter of privilege I have raised be referred to the Standing Committee on Legislative Affairs."

The honourable Government House Leader (Mr. Mackintosh) and the honourable Official Opposition House Leader (Mr. Derkach) also offered advice to the Chair on this matter. I took the matter under advisement in order to consult the procedural authorities.

There are two conditions that must be satisfied in order for the matter raised to be considered a prima facie case of privilege. First, was the matter raised at the earliest opportunity, and second, is there sufficient evidence of a prima facie case of privilege that would warrant putting the matter to the House.

Regarding the first condition, the honourable Member for River Heights indicated that he raised the matter at the earliest opportunity. While raising the matter, he referred to comments that the honourable Minister of Agriculture made in Question Period on Monday and Tuesday and then also to comments made by the minister during Estimates on Thursday. If the honourable Member for River Heights had been basing his arguments solely on comments made on Monday and Tuesday, the matter could have

indeed been raised earlier, but given that he also referenced comments made by the honourable Minister of Agriculture on Thursday, the Hansard of which was not available until the following day, I am satisfied that the matter was raised at the earliest opportunity.

Concerning the second condition of whether or not a prima facie case of privilege exists, there are a number of factors to consider. Joseph Maingot advises on page 241 of the second edition of *Parliamentary Privilege in Canada*, that "to allege that a Member has misled the House is a matter of order rather than privilege."

Maingot also advises on page 224 of *Parliamentary Privilege in Canada* that an admission that a member had intentionally misled the House would be required in order to establish a prima facie case of privilege. This concept is supported by Manitoba precedents by a ruling from Speaker Walding in 1985, a ruling from Speaker Phillips in 1987, by seven rulings from Speaker Rocan from the period 1988 to 1995, by nine rulings from Speaker Dacquay from the period 1995 to 1999, and by three rulings from the current Speaker during the period 1999 to 2003.

In her 1987 ruling, Speaker Phillips stated: "A Member raising a matter of privilege with charges that another Member has misled the House must support his or her charge with proof of intent." Speaker Dacquay ruled on April 20, 1999, that short of a member acknowledging to the House that he or she deliberately and with intent set out to mislead, it is virtually impossible to prove that a member deliberately misled the House.

In raising this matter on September 15, the honourable Member for River Heights (Mr. Gerrard) cited the February 1, 2002, ruling by House of Commons Speaker Milliken in the case of former Minister of Defence, Art Eggleton, as proof that a prima facie case of privilege exists. I believe it is important to advise the House that in the February 1, 2002, ruling, Speaker Milliken did not find that a prima facie case of privilege existed. In his ruling, Speaker Milliken stated: "On the basis of arguments presented by Members, and in view of the gravity of the matter, I have concluded that the situation before us

where the House is left with two versions of events is one that merits further consideration by an appropriate committee, if only to clear the air." He then proceeded to allow a motion to be brought forward to refer the matter to committee in order to clear the air.

The matter was referred to the Standing Committee on Procedure and House Affairs, which heard from a number of witnesses on the issue. In its fiftieth report, the committee reported its findings on this case to the House of Commons. The committee provided the opinion that Mr. Eggleton had made a mistake but that it was done without any intent to confuse or mislead. In the report, the committee reiterated that when it is alleged that a member is in contempt for deliberately misleading the House, the statement must in fact have been misleading, and it must be established that the member making the statement knew at the time that the statement was made that it was incorrect, and that in making it the member intended to mislead the House. This principle expressed by the committee is in keeping with Manitoba practices and precedents identified earlier in this ruling.

I would like to read for the House two of the final three paragraphs of the committee's report concerning the topics of intent and incorrect statements.

"Intent is always a difficult element to establish, in the absence of an admission or confession. It is necessary to carefully review the context surrounding the incident involved, and to attempt to draw inferences based on the nature of the circumstances. Any findings must, however, be grounded in facts and have an evidentiary basis. Parliamentary committees charged with examining questions of privilege must exercise caution and act responsibly in drawing conclusions. They must guard against allowing partisanship to colour their judgment. The power to punish for contempt must not be exercised lightly. It exists on those rare occasions when Parliament's ability to function is impeded or compromised.

Incorrect statements in the House of Commons cannot be condoned. It is essential that members have accurate and timely information and that the integrity of the information provided

by the Government to the House is ensured. Mistakes are made from time to time, and they must be corrected promptly. It is only a deliberately incorrect statement that comes within the meaning of contempt. In the words of *Parliamentary Practice in New Zealand*: "it must be established that the Member making the statement knew at the time the statement was made that it was incorrect, and that in making it the Member intended to mislead the House."

Given that there was no statement provided which indicated that the honourable Minister of Agriculture had purposely set out to mislead the House or an admission by the honourable minister that this was indeed her intent, I would rule that there is no prima facie case of privilege. I would, however, encourage ministers, if they have inadvertently provided incorrect information, to advise the House accordingly and to correct the error as soon as possible.

Hon. Jon Gerrard (River Heights): I thank the Speaker for his ruling and I note the important phrase here, that it is essential that members have accurate and timely—

Mr. Speaker: Order. Speaker's rulings are not up for debate. They either accept it or challenge.

Mr. Gerrard: I will challenge the Speaker's ruling.

* (15:10)

Mr. Speaker: Does the honourable member have support? We need the support of four members to challenge the Speaker's ruling. Does the honourable member have support? Could I have three other members stand, please?

Okay, the honourable member has support. The ruling of the Chair has been challenged.

Voice Vote

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

Some Honourable Members: Yea.

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

Some Honourable Members: Nay.

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

Formal Vote

Mr. Leonard Derkach (Official Opposition House Leader): Yeas and Nays, Mr. Speaker.

Mr. Speaker: Order. The question before the House is: Shall the ruling of the Chair be sustained?

Division

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

Yeas

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

Nays

Cummings, Derkach, Driedger, Dyck, Eichler, Fauschou, Gerrard, Goertzen, Hawranik, Lamoureux, Loewen, Maguire, Mitchelson, Murray, Penner, Reimer, Rowat, Schuler, Stefanson, Tweed.

Madam Clerk (Patricia Chaychuk): Yeas 33, Nays 20.

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

MEMBERS' STATEMENTS

Pembina Wellness Complex

Mr. Peter Dyck (Pembina): Mr. Speaker, I would like to rise today to pay tribute to the efforts of the Manitou and area residents who have come together on many occasions to raise funds and to volunteer their time toward

completing phase 1 of the Pembina Wellness Complex.

For example, on Saturday, June 7, members of the public were welcomed at the Manitou Arena where they were given the opportunity to view the offerings of local merchants and to peruse the items on display for a fundraising auction. On many other days local residents brought their own tools and equipment to the work site in order to build certain parts of the Wellness Complex. The grand opening of phase 1, the outdoor swimming pool, was Saturday, August 16, and it was a great celebration for all who attended.

The Wellness Complex is intended to enhance the physical, social, spiritual and emotional health and well-being of approximately 3000 people living in the municipality of Pembina. When completed, the complex will include indoor change rooms, a fitness and exercise area, a seniors centre, community hall, day care, and an 800-square-foot indoor therapy pool that offers swimming lessons.

In the future, the complex intends to house such services as chiropractic, massage therapy and physiotherapy. Located right next to the Manitou Arena, the new Wellness Complex will be accessible to all members of the public and will be a significant addition to the community.

Countless volunteers and supporters have been involved in the building, fundraising, steering and auctions committees. Their determination has turned a community dream into a top-notch facility. With all the time and energy put into phase 1 of this project, I know the community will enjoy the fruits of its labours and is committed to seeing the project through to completion.

I would like to acknowledge and congratulate on behalf of this Assembly those volunteers who have contributed in various ways to the construction of the Pembina Wellness Complex thus far. Through their contributions, the volunteers have also helped to provide a solid foundation for the future development of our province. Because of the sacrifices of many Manitou area residents, thousands of rural

Manitobans will have access to these much needed health and recreational services.

St. Norbert Behavioural Health Foundation

Ms. Marilyn Brick (St. Norbert): Mr. Speaker, it is with great pleasure that I bring attention to an organization that has served the province of Manitoba proudly for the last 32 years. On Friday, September 19, I was honoured to be an invited guest at the annual general meeting of the St. Norbert Behavioural Health Foundation.

First I would like to thank the foundation for their commitment to the community. I would also like to extend this thank you to the 2002-2003 board of directors: the president, Amanda Sansegret; the past president, Jim Sinclair; and also Mary Brown; Jason Daniels; Richard Dearing; Susan Devine; Janice Goodman; Martin Gutnik; Leonard Harapiuk; Rob Henderson; Christine Kopynsky and Art Shofley. Further, I would also like to thank the National Advisory Council of Elders.

The Behavioural Health Foundation is dedicated to providing long-term programming to persons experiencing problems with addictions and to assist people dealing with chronic unemployment as a result of addictive behaviours. The programs encourage a cohesive family unit by allowing the dependants of these people to be accommodated through residences on site and in programs.

The long-term goal of the centre is to reduce the harm to individuals and family units that is caused by the misuse of substances and other addictive behaviours. This is accomplished through encouraging personal and family wellness in the areas of education, employment, health and family values.

In 1993, the St. Norbert Behavioural Health Foundation became the first residential addictions treatment program in Canada to be awarded a certificate of accreditation by the Commission of Accreditation of Rehabilitation Facilities. This means the organization met or exceeded more than 1300 international performance standards in the addiction treatment field. In order to maintain this accreditation, the

foundation was surveyed every three years. On April 15, 2003, the Foundation received another three-year accreditation certificate. I was thrilled to join with the residents of St. Norbert in congratulating the foundation.

Gill Bramwell

Mrs. Myrna Driedger (Charleswood): I would like to pay tribute to someone who has made a valuable contribution to the youth of Charleswood for the past 12 years. Former students, friends, family and colleagues came together recently to honour Oak Park Raiders football coach Gill Bramwell at a retirement roast at Assiniboia Downs. After 30 years of teaching and a most successful 12 years of coaching the Oak Park Raiders football team, Gill has ended his teaching-coaching career.

Gill began the football program at Oak Park in 1991, and what a program it was. The team made the playoffs every year except their first year. They were finalists in 1998 and 1999 and champions in 1993, 2000, 2001 and 2002. The crown on this successful performance came in the last three years. They had an amazing record, going three years undefeated, having won 33 consecutive games. In the championship game last year they demonstrated great courage and tenacity to come from behind in this game to win in overtime.

* (15:20)

The evening for Gill included memories from former students, including his son whom he also coached, former staff members and former colleagues whom Gill has coached and played with. Former Blue Bomber players' sons have played on the Raider team over the years and were present at the roast with their fathers, Cory Huclack and J.R. Robinson.

I was pleased to also extend congratulations to Gill and best wishes for a happy retirement. Memories included Gill's wife, Gaye, who recently passed away and who was the team's most loyal and boisterous fan. Some of Gill's favourite sayings were remembered such as his reaction to players' injuries, and I quote: It is just a body.

Former players laughed as they recalled other sayings of Bramwell's such as, after injuring a finger: That is okay. You have nine more.

To conclude the evening, Councillor Bill Clement announced that the football field behind Oak Park High School would be named Bramwell Field in honour of Gill. A dedication ceremony was held on September 11 at half-time during a game scheduled during homecoming week. Again, alumni, parents and other fans were present to honour Gill and recognize the tremendous accomplishments that he made.

Congratulations to Gill on a job well done. The youth of Charleswood are grateful for his talent, his commitment and his dedication.

Folklorama

Ms. Christine Melnick (Riel): Mr. Speaker, I am pleased to recount the success of the recent Folklorama celebrations which took place in various locations across Winnipeg during the month of August. I was fortunate to attend numerous pavilions on behalf of the Premier (Mr. Doer). One of the Riel constituents, Joan Lloyd is the president of the Folk Arts Council of Winnipeg which is the organizing body of Folklorama.

I would like to extend my thanks to the Folk Arts Council of Winnipeg for their hard work and dedication to making this year's celebration such a success. Year after year, their hard work helps to bring the city of Winnipeg alive.

Folklorama is an annual event held here in the city. Each year, thousands of people come to celebrate with us. This year, 488 000 spectators were involved. This event brings people nationally and internationally to our wonderful city and provides it with an economic boost. It is not only an economic advantage, the true value of Folklorama is that it is a large event which celebrates our diversity while we live together in peace. Folklorama celebrates the diversity among peoples and promotes cultural understanding among diverse ethnic populations. This year there were 47 pavilions with many special international features.

Finally, I would like to finish by thanking in many languages all the volunteers, the organizers, the sponsors and the Folk Arts Council who helped to make Folklorama such a success.

Merci, dziekuje, spasibo, dyakuyu, meegwetch, gracias, danke schön, shokran, grazie, salamat, dhanyavaad, shukriya, takk fyrr, cám ơn, xie xie.

Thank you, Mr. Speaker.

Irvin Goodon

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, today I rise to commemorate the vision and success of a man who has contributed significantly to our province. On Friday, May 23, 2003, Mr. Irvin Goodon was honoured for his 40 years of achievements.

Mr. Goodon, a man who dared to dream, was driven by his strong faith and the desire to realize ultimate success. He certainly has realized his dream. Today, Goodon Industries is helping our province grow by providing jobs in small towns and by improving the lives of many Manitobans.

The celebration featured the unveiling of a new addition to Goodon's head office in Bois-sevain. This event was commemorated by a ceremonial pole cutting and by the sharing of a cake shaped like a Goodon building. I made arrangements to attend the event in order to personally pay tribute to Mr. Goodon's accomplishments and contributions to the community and to the province.

Mr. Bob McCallum, the Morton reeve, was also present at the celebration as well as town dignitaries. Mr. McCallum explained to the crowd of people in attendance that he was honoured to have Goodon Industries in the area. Finally, three pastors were also present at the celebration to bless the new expansion to the building.

Mr. Goodon expressed how pleased he was with the way in which the business had evolved. However, he also displayed his humble nature as he described the difficulties he had to endure on his road to success. He noted in particular the

discrimination he had to deal with due to his being Métis. Furthermore, Goodon described how none of this would have been possible without the strong participation of his partners.

He finally acknowledged his strong sense of faith by paying tribute to God's guidance and the influence of his divine power which played such a strong role in the realization of the Goodon dream. As for the future, Mr. Goodon is not ready to actually retire. He is very active individually. He is a very active individual and is always busy. He described himself as "not being a slow-paced person."

An Honourable Member: Leave, Mr. Speaker?

Mr. Speaker: Does the honourable member have leave to finish his members' statement?
[Agreed]

Mr. Maguire: Goodon hopes to continue to give back to the communities that have given so much to him. He would like to become more involved in public service and humanitarian work, possibly in northern communities and with the Manitoba Métis Federation. A prime example of his support to his family and his partners and community was the one I witnessed first hand on August 8 when Irvin and his grandson, Hunter Goodon [*phonetic*], were the honorary chairs of the Relay for Life, the cancer walk in the International Peace Gardens.

Mr. Goodon is truly exemplary of a dedicated Manitoban. He has proven us proud with his contributions and the humble nature with which he carries himself.

Mr. Speaker, I would like to take this moment to acknowledge the superb efforts of Mr. Irvin Goodon. Thank you.

MATTERS OF GRIEVANCE

Mr. Speaker: The honourable Member for Turtle Mountain, on a grievance.

Mr. Mervin Tweed (Turtle Mountain): Mr. Speaker, today we got a new definition of the word accountability. Today we read in the paper about the Premier (Mr. Doer) talking about a board and a group of people in the Public

Utilities Board that the Premier is responsible for appointing, the board. The Premier is responsible for appointing the chairman. The Premier is responsible for appointing the president of Hydro. All these people came under the gun and under the microscope of the Premier in today's article in the paper.

Mr. Speaker, how can a board operate under the auspices of being an independent organization when the very person who appoints them to that board challenges their ruling, makes comment on the future rate increases that are coming up, and actually criticizes long-serving members of that board, that board that he has appointed?

Mr. Speaker, when that happens, accountability becomes a factor. We have asked today of the Minister of Finance (Mr. Selinger) and the minister responsible, and the Premier. Their comments were: We were just making public comment. Yet the Premier fails to accept the accountability of the fact that he is responsible for the operation of this entire board.

You know, Mr. Speaker, we should not be surprised at that. We should not be surprised that the Premier would make those public statements and try and influence boards' decisions and outcomes in the future. We have seen it. In the past four years that this party has been the Government in the province of Manitoba, we have seen many, many cases where the accountability factor is basically washed out with the laundry.

I point only to a few issues that have come up in the past that lead us to today's issue again. We talk about education. It was only a few short years ago that the Minister of Education flowed money to a school division based on phantom numbers of students attending that school. Again, Mr. Speaker, no accountability to the taxpayers of Manitoba, no accountability to the people who are responsible for making those decisions, but, again, something that this Government has reflected time and time again that they are prepared to do.

After that, Mr. Speaker, we see a government, again the same government, where they talk about amalgamating school divisions. They told us that there would be issues and there

would be problems, but it would save \$10 million to the taxpayers and the people of Manitoba, \$10 million. Today and in the past few weeks, we have found out from this Government that, boy, we ran into a problem. When we tried to amalgamate the two school divisions, we had a discrepancy of 15 percent to 60 percent in the salaries that were available.

* (15:20)

So, through a side deal, through a deal made at night in the dark, we find that the Government has come up with that 60 percent to offset the discrepancies in the salary, again, with no accountability to the taxpayer, no accountability to the school division, no accountability to the people who operate and work within the system and, more importantly, Mr. Speaker, absolutely no accountability to this Legislature and the people of Manitoba.

What they have done is they have just moved ahead, sleight of hand and dealing from the bottom of the deck, they fixed the problem and, Mr. Speaker, I might add, on the eve of an election. I am sure the message came from the Premier.

We now have a phantom person in the Government, I presume in Cabinet, I am not sure, who contacted a Mr. Lloyd Schreyer and suggested to him that he should go out and fix the problem. The Minister of Education (Mr. Lemieux) denies that he did it. The Minister of Finance (Mr. Selinger) denies that he did it so, again, purely an accountability problem. They choose to fix the problem and then just say to the people: Do not worry about it. It is being looked after. It is part of our new process of doing business which is to be unaccountable to the people in the province of Manitoba.

Mr. Speaker, we have seen it again with the health care issues, the accountability factor of the Minister of Health (Mr. Chomiak). He stands up in the Legislature when there are crowds in this building from communities that are going to lose their hospitals because of a doctor shortage and a problem that is existing in certain RHAs, and he tells the public and the people of Manitoba, I am looking after this. I am recruiting doctors. These hospitals will open.

The very next day, we read from the management of the RHAs involved that, no, it is not a priority that they are going to be recruiting doctors. They have other issues to deal with. Again, we come back and ask the minister. He gives us blowhard excuses and says: I am not accountable for these things. It is the RHAs' problem. When we consult the RHA, they go it is not our problem. It is the Minister of Health's problem.

Mr. Speaker, there is a trend and a pattern being set here that I think is very dangerous and is going to eventually not only ruin the Province of Manitoba's reputation within the province, the Government's reputation, but outside too.

I mean, we have seen problems with the Minister of Agriculture trying to negotiate with the federal Minister of Agriculture, and who can blame him for having some doubts? He is probably as concerned as the rest of the taxpayers in Manitoba are with this Government and is asking: Should we flow them some money, what would they do with it, and would they actually be accountable for it at the end of the day, or would they choose to spend it on the projects and the issues that seem convenient for them and would smooth over the rough water in a turbulent time?

Mr. Speaker, we have seen it also with this Government, the accountability, the fact that they could and did, by changing legislation, go in and steal \$288 million from Hydro. This is the most obvious sign of a government with its hands in your pocket when they are changing legislation to force a Crown corporation of this province to give it money.

I think that they will be accountable to the public because, as we know, the situation that is arising with Hydro—and one of the questions, I find it ironic, I am out there and people understand this issue very well. Hydro is to give the Government 75 percent of their profits over a three-year period. This year they are showing a negative balance. Does that mean the Province will refund some of that money to Hydro? I suspect not because accountability is not in their framework or in their vocabulary, and it is creating a lot of grief within the structure of Hydro and the operation of Hydro.

It is interesting, Mr. Speaker, that one of the members of the Public Utilities Board, under oath—and I think this is the real question. I think this is why we are driving this Government to stand before the Public Utilities Board, because honest people cannot lie under oath. They can lie in many, many circumstances and on any issue that they choose, but when they are under oath, this group of people will rise to the occasion and will tell the truth.

We have a perfect example of that, Mr. Speaker. When one of the members was asked about this Government raiding \$288 million out of their fund, it was asked to him: Which is worse, the government of the day, the NDP government, taking \$288 million out of your fund that you have to borrow, or a five-year drought? The guy said: Well, obviously the Government putting their hands in our pocket for \$288 million is far worse than a five-year drought.

Now, that I find absolutely amazing. I find that unbelievable that this Government would do that to a Crown corporation, one that they hold up very proud, very cherished by the people of Manitoba, and yet they have a licence through legislation to steal that money.

The other accountability factor that this Government has failed, I think, in the province of Manitoba, we hear it on a day-to-day basis. We hear the rhetoric from the Premier almost constantly, the fact that in the previous government, the previous Conservative government, that we sold MTS. Well, yes, we did. And then we were accused of taking that money and putting it into the rainy day fund, and, yes, we did. Then we have this Government come along and in three short years completely drain the rainy day fund. So, obviously, the spoils of the sales went to the government of the day who chose to spend it without any accountability to the province of Manitoba.

The question, Mr. Speaker, as the Member for Portage la Prairie (Mr. Faurichou) clearly points out, is: Who did sell MTS? Some would say if you are the benefactor of the sale and you end up spending the money, perhaps you should take some accountability in that factor. I would suggest again that this Government, being not

accountable or being unaccountable for anything that they say or do, would not want to participate in that.

Today epitomizes the direction that this Government has chosen to take, the Government of Manitoba and the people of Manitoba. The Premier, when asked today, would not comment to the media about his comments that he made yesterday. Is that not unusual? He did not want to be accountable for what he said. He brushed by people that had questions. When we asked him in this Legislature today, he totally ignored it. We asked the same questions of the Minister of Finance (Mr. Selinger). He ignored it.

You know what? This is really amazing. This is what I find most peculiar. We have an Education Minister who could tell us everybody that was not at the meeting but he could not name one person that was at it. Is that not odd? Then we have the Minister of Finance, who was asked today: Did he instruct? He would not answer the question to the people of Manitoba. I think that is shameful.

Finally, we have the Premier of Manitoba. This is where the example for all the people in the province of Manitoba lies, at the Premier. He was asked a question last week. He did not have the answer. He promised to this House that he would get back with the correct answer. And what does he do today? He dodges the issue. He skates on the issue. He would not answer the question. I say that is shameful. I would say that lacks a complete attitude of accountability, not only to the people of Manitoba, but to the people in this Legislature. I say that is shameful.

Mr. Speaker, the Premier criticizes the board that he appoints. He criticizes the decisions that it makes. He questions the rates that they charge and how they reach that process. He challenges the chairman of the Public Utilities Board, basically saying that they have made a wrong decision. Again, for the record, these are all people who are appointed by the said Premier.

So what are the options for him? Well, he could, I guess, go out and completely change the board. He could change the chairman. He could change the president, because, obviously, he does not like the decisions that are being handed

down by him, or he could stand up and be accountable to the people of the province of Manitoba.

The Public Utilities Board has told the people of Manitoba that in the last three years, their rates were going up. In the first IFF that they produced three years ago, they said the rates would go up about 6 percent over the next five years. A year later, they changed that number to 13 percent over the next six years. Now we are hearing that they are up to 20 percent.

We know that this Government is failing the accountability test to all people in Manitoba. They tend to make promises that they cannot deliver on, i.e., end hallway medicine, and I think we are, as the Member for River Heights (Mr. Gerrard) pointed out today, in the fourth year, the end of a fourth year and not today, not any day in that four years has this Government been able to stand on its feet and say they have solved the only issue that they took to the voters in 1999. I ask you, Mr. Speaker, is that accountable? Is that being honest and forthright with the people of Manitoba? I think not.

We have so many committees now that are controlled and appointed by this Government, so many organizations the Premier has his hand on and his stamp on, and when they disagree with what he wants to do or the direction he wants to go, he disciplines them publicly in a newspaper. He does not pick up the phone and say I think we have a problem. He takes them on publicly. How are we going to have accountable people on these boards if every time they make a decision that goes against the Premier, being chastised by the Premier publicly?

* (15:30)

The fear I have, and I believe that all Manitobans will have, is if the Premier gets his way, he will change the members on the board at the Public Utilities Board. They will all become yes men and women to the Premier and then we will bypass the Public Utilities Board system altogether. We will not take it to the Public Utilities Board. What we will have is decisions made in Cabinet on rates, and they will announce that to the people, and they will do it through this legislation, and therefore they will

take away the representation of the people by the people that are duly elected in this office and also appointed to the Public Utilities Board.

Accountability of government is a very important issue. We have seen it federally. We have seen it in other provinces where governments are failing the people, and people are now starting to take them to account for the things they do and say. The bite the Premier took out of the PUB board this past day in the newspapers, I said it earlier and I will say it again, the only bad taste left in his mouth from the Public Utilities Board is the taste of accountability.

Mr. Speaker: The honourable Member for Portage la Prairie, on a grievance?

Mr. David Faurshou (Portage la Prairie): On a grievance, Mr. Speaker. I appreciate the opportunity to stand and raise points of issue that I feel are very important, and I understand that I have the opportunity to speak for 15 minutes on a grievance that can cover a number of subjects within that one opportunity. I do have a number of issues that I would like to bring forward at this time. We have had a number of colleagues that have spoken on topics such as BSE and on Public Utilities Board, but I would like to focus my initial content on that subject matter, that being water.

I am gravely concerned about the issue of water management within our province. I have witnessed first-hand over the course of my life living on the banks of the Assiniboine River and have watched the drought and the excess water periods in our province's history over the course of the last 40-some years, but at no time did it concern me as much as it does today. Both the Red and the Assiniboine rivers, if one was to walk across the river, the Assiniboine River, in Portage la Prairie at this time, and this is upstream of the dam controls or the control structures which afford the flow of the Assiniboine River to Lake Manitoba which is located at Portage la Prairie, but upstream of that, where you really truly get a true reading of the flow of the river, you do not get your kneecaps wet. You can walk the entire width of that river and your knees do not get wet. I am not a tall individual. I stand about 5 feet 10 in imperial measurement. This concerns me because I have never seen that river at such a low level flow as I do today.

Now, also couple that information with that of the observation by the honourable member of this Legislative Assembly from Emerson (Mr. Penner), who did as I did in Portage la Prairie within his constituency just downstream from the international boundary with the United States. The honourable Member for Emerson walked across the river and he, too, did not get his kneecaps wet when he walked across the width of the Red River.

Mr. Speaker, unlike the Assiniboine River, the Red River comes from a greater distance that is away from being spring fed. It comes from a number of tributaries. So that flow in the Red River is even more alarming on the basis that that river, in all conscious thought, one should be entertaining the possibility of total freeze over. That river may cease to flow some time during this coming winter. That river provides the domestic, industrial and agricultural water source for a number of communities, farms and industries.

I do not believe this Government at this point in time is taking this situation seriously enough. On the Assiniboine River, I will say I am not as concerned in so far as that just upstream from where I reside the Carberry aquifer sees significant outflow into the Assiniboine River, to the extent of an annual runoff of approximately 100 cubic feet per second, day in, day out. I am sorry that is not the annual figure, but the daily figure is over 100 cubic feet per second of water outfall out of that aquifer, which recharges the river just downstream from Carberry on Highway No. 5. I am not as alarmed about the flow and potential freeze over as I am with that of the Red River.

Mr. Speaker, water is the greatest natural resource of our province. It is unquestioned that particular statement, regardless of whether persons sit on the Opposition or on the Government side. Water is recognized as this province's greatest resource.

Earlier in my tenure as the Opposition the last session, the last Legislature, I should say, there was legislation passed and put through by this Government against the opposition will. That is to restrict the export of water from our province. I know there was a lot of discussion,

but when different individuals within the Chamber had opportunity to debate the legislation to restrict water export a lot of good information was brought forward that I do not believe a number of the government members of the Legislature had effectively considered. Mother Nature exports over 110 000 cubic feet per second, day in, day out, into the Atlantic Ocean via Hudson Bay.

This fresh water turns into salt water upon contact with the Hudson Bay. There is very small area of estuary where the transition from fresh water to salt water takes place because of the tidal action which I am certain, Mr. Speaker, you are familiar with. There is not a large area that this fresh water effectively has any effect on whatsoever. I know I am not choosing my words quite correctly, however, I believe you understand that the natural flow of fresh water does not have a great deal of impact along the shoreline or on the Atlantic Ocean.

Right now, we share the Atlantic Ocean with a number of jurisdictions that are so fresh water short that we, in Manitoba, could be looking to satisfy. Just a few months ago a new desalination plant, the largest most technologically advanced desalination plant was opened in Florida. I do not know of many persons in the House who are familiar with the desalination process, but there is an outfall from that, a very highly concentrated brine that contains all the salts that are removed from the process to create fresh water, which is of minimal salt content. This discharge of this brine back into the Atlantic Ocean does concern a number of people. So they have made great efforts to disperse this highly concentrated salt water.

Why is this process and this high-energy process being required when we have the ability to satisfy this demand?

*(15:40)

If we were to look to our natural resources in the province of Manitoba, and already a port which could load tankers, which was dredged just a year and a half ago to bring in much deeper-draft oceangoing vessels which could be employed in taking the fresh water that is secured by the Manitoba Hydro's levee just

upstream on the Churchill River, through modest investment we could in fact be loading for three to four months of each and every year tankers for distribution of fresh water around the world. That would alleviate the high-consumption desalination process that requires energy source, hydro-electricity energy sources in some cases, in other cases electricity generated by coal-fired generation stations, which we all recognize significantly pollute the environment unless it is right up to today's standards of technology, which even at that point is far more polluting than that of hydro generation.

The Government does not really look at doing the right thing when it comes to resource management. They stood and member after member said that they support the Legislation that would restrict the export of fresh water, Manitoba's greatest natural resource.

I looked to the other provinces. I see in Saskatchewan their greatest natural resource, that being potash—they passing legislation in Regina in the Saskatchewan Legislature to restrict the export of potash? No.

Do I see this debate in the Alberta Legislature in Edmonton, trying to restrict the export of their greatest natural resource, of gas and oil? No.

Do I see the B.C. Legislature in Victoria debating the restriction of export of their greatest natural resource, being timber? No.

But here in Manitoba, we did not stand up for our province at all in this Legislature. The individuals that spoke in support of this legislation, I believe, did not have all of the information before they were asked by the Government to vote on this legislation.

Now it is the law of Manitoba, passed by this Legislative Assembly, that we restrict the export of our greatest natural resource, a natural resource that I believe will become more valuable than any other resource in the world. Right now, if we go to the commercial market, pound for pound, litre for litre, water is the most expensive natural resource or commodity being

traded within the world today. I think it is time to review our position on that particular piece of legislation.

Mr. Speaker, I would like at this time to compliment—I know within a grievance I perhaps should not offer compliments—but I will offer compliments to various departmental staff in Intergovernmental Affairs, Agriculture and Food, as well as Industry and Trade that assisted the Simplot family and their corporate directors in establishing the new potato processing facility in Portage la Prairie.

I do want to say that the department officials that had such an integral part in securing that processing facility came under the direction of the honourable Member for Turtle Mountain (Mr. Tweed) when he was then a Cabinet minister and responsible for the Industry, Trade and Tourism portfolio, as it was known at that time. I also want to recognize the former Minister of Agriculture and Food, the Honourable Harry Enns, who has retired from this Chamber. It is through their guidance and their vision that they gave direction to their department officials that carried on into the next administration granted, that saw this project through to fruition.

Mr. Speaker, I do want to emphasize that through the Estimates I have asked follow-up questions on a government commitment made on the day of announcement by the Premier (Mr. Doer) of this province that he would be putting together an interdepartmental committee that would oversee the development of irrigated acres in the province of Manitoba. It would involve Intergovernmental Affairs. It would involve Conservation. It would involve Industry, Trade and Mines. It would involve Agriculture and agri-foods.

I asked that question four years now after the commitment was made, and the Minister of Industry, Trade and Mines (Ms. Mihychuk) deferred the answer. The Premier deferred the answer. The Minister of Agriculture and Food (Ms. Wowchuk) deferred the answer, all to the Minister of Conservation (Mr. Ashton). Yesterday, I had the opportunity to pose the same question as to the progress of this interdepartmental committee.

Well, I have to report to the House that I was filibustered in the Estimates. There was no answer from the Minister of Conservation, and so all we can do at this juncture in time, is to say that this promise has not been fulfilled. This promise has been broken. That is why I stand today to grieve because this Government is going to disappoint the Simplot family and their \$150-million investment in Manitoba because the commitment by this Premier and his Government remains unfilled. We understand that it takes years in development stages to create the bodies of water to which water management effectively can be conducted in a cost-effective manner. Right now, we have lapsed by four years, and no activity on this front has taken place.

Mr. Speaker, I thank you for the opportunity, and I conclude in that matter. Thank you.

Mr. Chairperson: The honourable Member for Ste. Rose, on a grievance.

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, when I stand today to grieve, given the events that we have seen in the last few days and even some of the answers that we saw in Question Period today, I fear that this Government is in an early stage starting to reach the level of that story about the new Cabinet minister who came to office and found three envelopes. The first envelope said, blame the previous administration. The second envelope said, blame the previous administration. The third envelope said, prepare three envelopes.

Mr. Conrad Santos, Deputy Speaker, in the Chair

I think this Government is soon going to have to prepare their third envelope because the actions that we have seen, the service that the people of this province have seen from this Government has been lacking in terms of foresight, in terms of management response, and in terms of a capable response. More particularly, it has been demonstrated very clearly in their response to BSE.

Mr. Deputy Speaker, obviously, from the riding that you represent, and I would assume that many of the people that you represent, BSE

can be seen as one of those things that occurs out in the country and the people out there with cows have got a problem. The fact is, that this problem is of sufficient magnitude that it will eventually start showing up in a dramatic way in the revenues of this Government and in the job opportunities that lie in our capital city because, in the main, this province is still a resource-driven province in its economy, even though we have made big inroads into technology, into generic drugs, into all manner of other services that come from this, our capital city.

I want to speak specifically of how I have been disappointed by the reaction of this Government, by the rapidity, or more specifically, the lack of rapid response that this Government has been prepared to put in place relative to the BSE situation.

* (15:50)

First of all, everybody, and I make no apologies, everybody was in some distress and disarray when the border closed suddenly without prediction on May 20. Governments, along with everybody else, probably reacted at the moment saying, well, one cow. We have such a good system in this country, it will probably be open again in another two or three months. We will just have to ride it out a little bit. Then it became more evident that it was not going to be the American border that opened because 30 or more other countries slammed their import doors to the beef and beef products from this country as well.

Eventually, there became this federal-provincial program that was going to put some money into the feeding industry of the cattle section. That is a big part of our industry. A lot of our cattle do go south to be fed, but the big killing plants are fed by the finished cattle that have come off of our feed lots in this country. I was not dismayed that governments started there. That was the right place to start, but then the wheels slowly started to come off for Manitobans in the cattle industry because, much to everybody's dismay, it quit raining out there in some parts of this province. At the same time, we found out that we were unable to easily and readily, and in any volume of cattle, access slaughter capacity.

What did we see from the Province? Well, after pretending that this was all the feds' problem for a while, eventually they responded, and had to make it retroactive, that they would recognize that there needed to be some support to these feedlot operators to continue to hold their cattle in anticipation of eventually getting them into slaughter position.

They chose to announce that they were going to retool the \$15 million they had committed to the federal program. It turned out that really all they intended to retool was \$10 million, and then we are not sure how much of that was ever actually committed under that program. After Manitoba's adjustments came late in the day and were made, then people started to realize the feed problems in this country, the cow-calf part of this province especially, in the southwest and in the Interlake and in parts around Riding Mountain, where there was going to be a drought. It was becoming very evident by mid-July that there was going to be a drought. In some areas, I would suggest it was evident even before the middle of July because the hay crops were dismal.

That is why we were so unforgiving of this Minister of Agriculture when she did not take action and talk about a green feed program while there was still some green in the alternate feed out there. We already knew that the hay was finished, and it was not going to recover. She had the audacity to stand up and tell cattlemen that there is a green feed program; it is being administered through Manitoba Crop Insurance. Well, there was no initiative out of Manitoba Crop Insurance that I was ever made aware of, and I am fairly well tuned into these things, that said, we encourage you to look at any crops you might want to write off and we encourage you to write them off early so they can be put into cattle feed early in the season while they still have some value.

She tried to make that case in Hartney. I will tell you, Mr. Deputy Speaker, the people were very polite. The people that I saw within eyeshot of myself, and what was there? Five hundred people there or more, they just put their heads down and shook their heads. They felt sorry for this minister. They felt sorry that she would be so misled and naive as to make a

statement like that in the middle of cattle country. They knew better. She ought to have known better.

Then we went into administration and how the Government has attempted to respond to BSE. It has been again a very difficult and a very gut-wrenching experience to see how this Government has responded. They have responded like they have feet stuck in cement shoes. It has been total inertia in response to the needs of the producers out there.

The problem is that it is fine to say Manitoba Crop Insurance will administer the distribution of these dollars in the case of the feed program, but I do not believe there were any additional resources put into that corporation to manage it. They had to struggle, at the very time when they are dealing with the increased volume of their own claims. I feel sorry for the people stuck in the administration of that side because they were just dumped a load and told: Here, do it.

Mr. Speaker in the Chair

That may be fine from the efficiency side of government, but in the end it does nothing for the anguish, for the unspeakable turmoil that some of our cattle producers were going through. I will acknowledge those who were leveraged on their loans and needed some assurance that there was going to be some relief, they were unable to plan. They were unable to make decisions. In cases where they were eligible for some money then they had to basically stand in line and wait.

The size of some of those cheques that some producers were owed was significant. There were others, of course, that did not have so many cattle on feed. Their cheques would have been a smaller size, but it all boiled down to a cash flow or lack of assistance for a cash flow program.

I do not want to personalize this particularly because the Minister of Agriculture (Ms. Wowchuk) is a representative of this Government, so she became the point person on it. Without personalizing, I cannot avoid the thinking that if she was the main advisor to her Cabinet colleagues on this issue, perhaps she

was spending too much time in Swan River Valley, because they did not go through some of the same feed problems and some of the same cash flow problems that other parts of the province were.

I know she went to lots of barbecues. She did try to respond directly to the issues and nothing was happening. That was the issue out there, more than anything else, that there was nothing happening. The response seemed to be in slow motion and, as I said, with appearances that feet were stuck in cement shoes.

Mr. Speaker, we have had a lot of talk in this House, a lot of anguish and complaint on our side of the House about cash flow, about cash advance. The Premier of this province, to show how misleading and how, I would say deceitful, some of the reactions to this major, major problem have been, the Premier of this province stood up in the House yesterday and said that he was putting out a low-interest cash advance. Now there is a contradiction in terms. His low-interest loan is a fully secured loan.

You take your chattels to the Manitoba Agricultural Credit Corporation and in some cases they have assumed all of the loan responsibilities for those farmers. That is why they want the banks to sign that they can go back to the bank afterward if necessary.

In putting together this program and calling it a loan program, it is not something that flows readily, is not something that is tied only to the chattels that are associated with the cattle and the cow-calf operators in the main. The calves, more particularly, for those cow-calf operators, those are being put up, along with the machinery, along with the land—yes, the minister is nodding—along with the land, along with the mortgages they may have with the bank. They are being transferred into this loan. It is all being scooped up. What we have is farm management à la Broadway.

One person even said to me they are headed toward land banking. They are going to have all of these mortgages and if the mortgages fail, what are they going to do with them?

I ask the rhetorical question: If some of these mortgages fail, what will the Government do? They will foreclose on the mortgage, just the same as any other lender, whereas a cash advance is tied specifically to the chattel, which, in this case, would be the calves. What the Government has done is protect itself far beyond any reasonable level of risk. They have the best of all worlds when they have an editorial saying the Government is now a partner in the cattle business. If they wanted to be a partner in the cattle business, they would have put a cash advance up. Then there would have been a little bit of shared risk. What they have is a program that is about as risk free as they can possibly make it. That is why you hear my colleague from Emerson standing up and saying there are people who will not qualify.

* (16:00)

You know what is saving the Minister of Agriculture right now on the problems associated with this program? What is saving her is that there are people out there who are speculating, who are gambling, and who have enough collateral or cash in their pockets to gamble that the price of calves will be one and a half times in the spring what it is today. They are prepared to buy some of those calves out there right now, but as one auction mart operator said to me, we have a half-baked market today, but goodness knows what will happen when the pressure gets put on and we start to have thousands of calves in the market.

Mr. Speaker, the Minister of Agriculture played her biggest card today, and God help her if she is not right, when she said we expect the border to be open in January.

If she is right, I will stand here and applaud her. If she is not, this industry is going in the toilet and she will have helped it.

Mr. Speaker: Is the honourable Member for Steinbach on a grievance?

Mr. Kelvin Goertzen (Steinbach): On a grievance, Mr. Speaker.

Mr. Speaker, this is my first opportunity to stand up in this House on a grievance. I heard my colleague the Member for Pembina (Mr. Dyck) mention that, with this Government, the most difficult thing is that there are so many things to grieve and so little time to do the grieving. I would say that he is correct. When I look around at what is going on in the Legislature, as a new member, I must say that I am disappointed in many of the things that have happened, disappointed in the direction that the Government has gone.

Mr. Speaker, I think specifically I would like to talk about accountability or perhaps even more specifically the lack of accountability that we see in the actions of the current Government and the way it is going.

Mr. Speaker, perhaps the most glaring example of what I am talking about when I discuss accountability is what is happening today with the BSE crisis. Really, it is important to note that it is a crisis. It is a crisis within the communities in rural Manitoba, in my community, but it is also I think a crisis that is important to recognize in urban centers in Manitoba.

When an industry is threatened, it does not simply threaten one community. It does not simply threaten one sector. In fact, all of Manitoba is affected when you are looking at possibly losing an industry as important as the cattle industry is to Manitoba. So we should not be too quick and members opposite should not be too quick to classify this as a rural issue as opposed to an urban issue. It is an issue for Manitobans, and it is an issue that will affect Manitobans and Manitoba in the long run if it is not dealt with clearly and distinctly.

Mr. Speaker, perhaps one of the most disconcerting things that I have seen from this Government since the BSE crisis has arisen is their lack of listening. When I say listening, it is not just a matter of going to meetings, and, certainly, I will give the Minister of Agriculture her due. She has been to a number of meetings throughout the province, but simply going into a meeting and sitting down while producers voiced their concerns is not really listening. It is not really hearing what they are saying.

I remember in my constituency in the community of Grunthal the producers organized a meeting, and I want to give credit to the Grunthal Livestock Auction Mart and Desmond Plewman, who put this meeting on. The Minister of Agriculture came out and producer after producer, Mr. Speaker, told the minister of the difficulties that they were going through, told her of the difficulties and the hardships that the BSE crisis was causing in their communities and within their very homes. The minister sat there, and I know she made a few comments, but when she came back to the Legislature, it was as though she had not even been there and as though she did not listen to the producers and the comments they had to say.

Mr. Speaker, I remember at that meeting, in particular, the producers were asking, and rightfully so, for a cash advance. They saw that as the best way for them to deal with this crisis, and they repeatedly asked: Ms. Minister, will you give us a cash advance? The minister's response was, well, a cash advance and a loan, they are kind of the same thing.

Well, in fact, Mr. Speaker, they are not kind of the same thing. I think where we run into difficulties here with the minister and with accountability is that she is going to meetings, but she is not hearing the real concerns of the industry. I wonder, perhaps, if she is not fully understanding the difficulties it is causing within families.

You know, often as Conservatives we are accused, and wrongfully so, I think, of not always having the compassion. But I can tell you, Mr. Speaker, I had the opportunity for seven years to serve on a food bank in my own local area, Southeast Helping Hands it was called. I was vice-president of that food bank for a number of years.

I could see the difficulties when families would come in, and they were struggling. There were often single mothers who were working but who simply could not make ends meet, and you could feel the compassion for what they were going through as families. This is not unlike the situation we are going through now with cattle producers who are feeling the pain and feeling difficulty.

I look around the Legislature now, and I see the Member for Minnedosa (Mrs. Rowat) and I know that the Member for Lakeside (Mr. Eichler), the Member for Russell (Mr. Derkach), all have gone within their communities and seen what is happening. I know that our leader, I understand, this last weekend was in Minnedosa and went into the homes of producers, sat across the table from them, looked them in the eye and saw the difficult situation that they were going through under this BSE crisis.

Boy, I think it would be a valuable thing for our Minister of Agriculture to feel that and to feel the difficulties that these producers and their families are going through and what they are having to give up within their own lives because of this particular crisis.

I think that the accountability here is lacking. I spoke with a producer earlier on, actually on my way into the Legislature this morning. I had the opportunity to speak to a producer in the Kleefeld area on my phone on the way in. He was telling about the disappointment, about his inability to access programs, talking about the loan program and the difficulty that he had in accessing that program. Now, he says, maybe he can get into the program but all the money is going to go into MACC.

So, basically, the loan program is not going to be benefiting him. It is not going to be taking care of the need that he has. He commented to me, he said, you know, the Government has said that they put \$180 million on the table. But he said, you know, I cannot get at that \$180 million. It is like it is in a lock box sitting on the table.

I note now the Member for Emerson (Mr. Penner) is here and I need to give him credit for the work that he has done. The Member for Emerson came out to that meeting that I was speaking about earlier in Grunthal. I think really the Member for Emerson, our Agriculture critic, truly showed what it is, not just to go to a meeting, not just to sit at a meeting but to listen to what people are saying at meetings.

I know that he is not just listening. He has also felt, I think, the disparity that is going on within the community, and I know that he cares

about the community deeply and has gone forward and put together realistic ideas and programs to help. I think he has done it with the notion of helping this minister. I think he has done it with all the right motivation because he wants to help the current Minister of Agriculture (Ms. Wowchuk) through this situation.

Not only is the Minister of Agriculture then not listening to the producers, I am sorry to say that she is not listening to the advice of the Member for Emerson as well. So questions arise. The Minister of Agriculture stands almost daily in the House and says \$180 million is on the table, but we wonder how much money has really gone to producers.

Putting money on the table for a government that cannot be reached by producers will not put food on the table of those producers who need the help and need that help today. Really, that is the problem. This is a government that is not really concerned about addressing the substance of the issue, that really is not concerned about doing what it takes to bring relief to the industry. They want to do what it takes to ensure that they get a good headline the next day, to ensure that when they open up the local papers they see something that they think is positive. What help is that for the producers of the province? It is not. What the Government has done is hired spin doctors and put spin doctors to manage this situation. That is not what producers need in the province. They do not need that kind of superficial fix. They need real action from a government and it goes to the lack of accountability.

I know that the problems that are going on within the industry are not just simply at the individual producer level. I mentioned earlier on the Grunthal Livestock market. I had the opportunity not too long ago to talk to Desmond Plewman, who owns the Grunthal Livestock market, and he told me, and somewhat emotionally, about the fact that he had to take some part-time employees, eight part-time employees, I believe it was, over the summer, and because of this particular cattle crisis, had to lay them off.

I can tell you it is a very difficult thing for someone who is an employer, who cares about their employees, to do that. I know he only did it

after a great reservation, after looking at a number of other options that he could do, and, yet, still he had to do it. I think really that the Minister of Agriculture needs to look at those situations more clearly.

When we talk about accountability, I mention that the BSE is certainly the most significant one, but there are others. Again, I refer back to the Member for Pembina (Mr. Dyck), I think, in his comments, that he has said, all right, there are so many things to grieve and so little time to grieve when it comes to this Government.

* (16:10)

We talk about the issue that is kind of current before us now in the Sunrise School Division and the over \$400,000 that was given to them on eve of an election. That is kind of the key point here when we talk about the eve of an election. We wonder why it is that the Government decided not to go to the Treasury Board and not to through the proper procedures when this was going forward.

There is a saying in politics and I think in life that something does not necessarily pass the smell test. On this issue I think Manitobans, when they examine the issue, when they see the issue, they are going to say: This really does not pass the smell test. You are on the eve of an election, money is flowed without the proper process, without the proper accountability.

I think there a number of questions that are going to be raised. The public is going to take a look at it and they are going to be concerned. They are going to be concerned about the accountability within the Government. They are going to wonder who is controlling the purse strings in the Government. They are going to wonder about how the decisions are made. They are going to wonder about whether there is due diligence that goes on in these decisions.

I think these are legitimate questions to ask. The public has a right to know, when we are talking about their dollars, how they are going, how it is being determined where they are going to go. I think they have every right to ask those questions and they deserve answers. Certainly we are not getting those answers here in the

House. We have heard the ministers of Education and Agriculture kind of skate around the question for days and simply will not answer questions that are very direct. I think that is disconcerting. I think Manitobans are going to find that troubling as well.

We can also talk about issues of justice. I know the Minister of Justice (Mr. Mackintosh), we were talking today about funding for the Hells Angels trial; \$2.4 million of taxpayers' money is being offered up to defend the Hells Angels. Questions arise and certainly I get questions within my own constituency about how is it, first of all, that some of these individuals qualify for legal aid. I think that is a legitimate question that is asked. Other members of this House have raised that question.

Mr. Speaker, \$2.4 million, you know, I remember it was not that long ago that the Minister of Justice raised issues about an infrastructure, about a courthouse that was built, a courthouse that I think cost somewhere around the same value of dollars, in fact a courthouse that the minister still hangs on to. We are not sure what he is doing with it, but this is something where the minister has spent a great deal of time and had a great deal of bluster when he was in opposition about the expenditure of resources. There we had an asset, an asset that could still be used, I might say, or transferred into something else, but the current Minister of Justice is willing to take \$2.4 million and funnel it into the defence of an organized crime. You wonder about what has happened to this Minister of Justice, what has happened when he said not so long ago that he cared about the resources, that he cared about how money was spent within the Department of Justice.

We would hope that those were not just the empty and hollow words of an opposition critic and now he has kind of abandoned those philosophies. It is disappointing. I know Manitobans are disappointed by the actions or the lack of actions by the minister.

There are other issues certainly within Justice. We could talk about conditional sentencing. The Minister of Justice has rightly pointed out that the conditional sentencing to a large extent was a federal decision. The federal government

brought down the ability for conditional sentencing and the courts have upheld the right for conditional sentencing in cases of violent crime. Those, I think, are wrong decisions, I would certainly agree with the minister there, but there is a responsibility and an accountability for the minister here as well. His Crown prosecutors are making the recommendations on some of this conditional sentencing.

Now he would like to wipe his hands of it and say, well, you know, I am kind of above and beyond the process, but there is an accountability that, I think, the minister simply does not want to take, that kind of responsibility. I think Manitobans overall are concerned by that lack of initiative by the current Minister of Justice.

I have talked about agriculture, I have talked about the education issue, the justice issue. Today we heard an issue regarding the Public Utilities Board. Maybe this is the most concerning. On a timely basis, the Premier has made comments that the Public Utility Board. Perhaps he has challenged the chair; he has challenged decisions. We are looking at a board that was put in place that was to protect the consumers of Manitoba, protect consumers of Hydro, protect consumers of MPIC. Yet the Premier has come out and decided that he wants to voice concerns and want to challenge how this institution operates.

You wonder what the Premier has in mind in terms of what he is going to replace it with. Is there a plan? Was this one of these off-the-cuff comments by a premier who is just talking out of place? Well, I do not know, Mr. Speaker. I think that when the Premier makes those kinds of comments, he has an accountability, because certainly they have repercussions. They leave people within these institutions wondering. They leave people within the province wondering where we are going to go.

I guess he is frustrated by the accountability. He is frustrated that he has to and his Government, through his policy, has to go to another level of a body and look for approval. Perhaps he is frustrated with the Clean Environment Commission, and he is frustrated with the PUB.

Well, I think that these organizations are put in place for a good reason. They provide that accountability. They provide that independence on issues in the past. Then there are a number of members here, I know, who will certainly remember better than I do, as a new member, what happened within the late 1980s. You wonder how it is that the lesson has not been learned by the members opposite, how the lesson has not been learned about when you tried to get political interference in these kinds of decisions. Perhaps this is a government that simply does not learn from its mistakes. Perhaps it is a government that is doomed to repeat its mistakes. That would I think be concerning.

So we have had conflicts now within Hydro. I should ask while I bring out that point—

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I would like to advise the House that in addition to the 2002 Annual Report of Manitoba Hydro, the Standing Committee on Crown Corporations will also consider the 2003 Hydro Annual Report at the September 24 committee meeting. I understand that there was a misunderstanding because the report was tabled intersessionally.

In addition, Mr. Speaker, would you please canvass the House to see if there is leave to change the Estimates sequence, to move the Estimates for the Legislative Assembly from Room 254 to the Chamber to follow the Estimates for the Department of Education and Youth. I understand that the Opposition House Leader has business and there is revised capital for a message this afternoon as well.

Mr. Speaker: It has been advised that in addition to the 2002 Annual Report of Manitoba Hydro, the Standing Committee on Crown Corporations will also consider the 2003 Hydro Annual Report at the September 24 committee meeting. Also we are seeking leave to change the Estimates sequence, to move the Estimates for the Legislative Assembly from Room 254 to the Chamber to follow the Estimates for the Department of Education and Youth. Is there leave? *[Agreed]*

Mr. Leonard Derkach (Official Opposition House Leader): I would like to table the list of ministers that the Opposition would like to call for the concurrent session. Mr. Speaker, I know that in accordance with our new rules that this is one of the requirements that has been taken into account. Although these ministers are called, they are in no particular order. So that order will come in the next day.

Mr. Speaker: I thank the honourable member for that.

Hon. Greg Selinger (Minister of Finance): I have a revised message from His Honour the Lieutenant-Governor which I would like to table.

Mr. Speaker: The message from His Honour the Lieutenant-Governor: The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Revised Estimates of Sums Required for the Services of the Province for Capital Expenditures and recommends these Estimates to the Legislative Assembly.

* (16:20)

ORDERS OF THE DAY

GOVERNMENT BUSINESS

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

COMMITTEE OF SUPPLY (Concurrent Sections)

FAMILY SERVICES AND HOUSING

* (16:20)

Mr. Chairperson (Harry Schellenberg): Will the Committee of Supply please come to order. This section of the Committee of Supply meeting in Room 254 will now resume consideration of the Estimates for the Department of Family Services and Housing. As had been previously agreed, questioning for this department will follow in a global manner.

The floor is open for questions, but I think the minister was just giving an answer that he has not completed from the last time.

Hon. Drew Caldwell (Minister of Family Services and Housing): I have the information for the question asked by the Member for Southdale (Mr. Reimer). I am pleased to provide the information on the funds held in trust by the Manitoba Housing and Renewal Corporation.

In 1998-1999, the Canada Mortgage and Housing Corporation agreed to provide the following funds to the Manitoba Housing and Renewal Corporation. This agreement coincided with the timing of the social housing agreement. These funds have been held in trust for the benefit of the social housing portfolio in Manitoba.

(1) Provision for modernization and improvement, has a balance of \$7.3 million, March 31, 2003. A \$15-million transfer from CMHC was matched by the provincial government, for a total of \$30 million. These funds were intended, and have been used for, capital improvement projects for the social housing portfolio, and this fund is projected to be fully committed by the end of the 2003-2004 fiscal year.

(2) The risk reserve fund has a balance of \$14.3 million, March 31, 2003. This fund is comprised of the mortgage insurance fund, which is sitting at \$8.5 million, and the inflationary fund at \$5.8 million, again March 31, 2003. There have been no draws or commitments made against these funds.

(3) The third element is a special settlement. The Manitoba Housing and Renewal Corporation received approximately \$6.7 million from the Canada Mortgage and Housing Corporation which has been used to pay down high interest mortgages, resulting in additional provincial deferred contributions. The deferred contributions have a balance of \$48.1 million as of March 31, 2003.

The Manitoba Housing and Renewal Corporation maintains a trust account into which deferred contributions are deposited. These contributions may be derived from federal recoveries received under the social housing agreement or may be generated from provincial actions. The funds are held for the benefit of the social housing portfolio and other housing initiatives.

In response to the member's question regarding the funds held by the Manitoba Housing and Renewal Corporation that have been committed to the development of new housing, I am pleased to provide the following information:

Over the last four years, including 2003-2004 fiscal year, approximately \$8 million has been allocated as the Manitoba Housing and Renewal Corporation's share of the federal-provincial repair programs, \$12 million has been allocated for the Neighbourhood Housing Assistance Program, a component of the Affordable Housing Initiative. This program provides grants of up to \$10,000 for the acquisition, construction or rehabilitation of housing units in the inner cities of Winnipeg, Brandon and Thompson, and \$8 million in additional funding for Affordable Housing programs has been allocated since the federal-provincial agreement was signed about a year ago.

I would like to thank staff for working last night after the Estimates process concluded to be able to provide the information requested by the Member for Southdale (Mr. Reimer).

Mr. Kevin Lamoureux (Inkster): I appreciate the Member for Minnedosa (Mrs. Rowat) allowing me the opportunity to ask a few questions.

I do have three areas and then a general comment that I was going to make. I figure we probably have about 15, 20 minutes, so I would really appreciate it if the minister could maybe keep his answers as brief as I attempt to keep the questions.

The areas I was going to deal with are MHRC and Qualico in particular in the Meadows West area, the SAFER program, along with non-profit housing, just in terms of percentages of income, a quick reference to Gilbert Park and then a general comment on housing.

To start things off, the Government of Manitoba entered into an agreement with some property that it owned just north of Old Commonwealth Path. I am wondering if the minister can give an update as to what is happening between Qualico and MHRC regarding that property.

Mr. Caldwell: The agreement with Qualico was discontinued a couple of years ago by mutual agreement.

Mr. Lamoureux: What are the Government's current intentions with regard to that property?

Mr. Caldwell: At the time of the discontinuation there was no market in that particular area for housing or indeed in the city broadly, I suppose. So, the department currently is reserving any decision to be made for future considerations there.

Mr. Lamoureux: Can the minister indicate when it was decided to terminate that particular agreement?

Mr. Caldwell: The termination was made by mutual agreement at least two years ago. Staff indicates that the year 2000-2001 seems to be the notional period. I suppose I could get back to the member with a more precise date, but the staff here recalls it being approximately two years ago.

Mr. Lamoureux: I believe that at one time I had a copy of the agreement, which would have been four or five years ago. Since then, I no longer have a copy. I am wondering if it would be okay for the minister to authorize me to receive a copy of that old agreement.

Mr. Caldwell: I am very happy to be able to provide the Member for Inkster with the agreement. We will have to get it out of a box someplace ourselves, so it may take a bit to get it to you, but we will be happy to provide it for you.

Mr. Lamoureux: Mr. Chairperson, I appreciate that and thank the minister.

The other area that I want to go into was the SAFFR, Shelter Allowance for Families, low income in particular. I guess, maybe, what I will do is, I will tie in the nonprofit housing to it at the same time. When I refer to nonprofit housing, I am talking about housing such as Gilbert Park.

There is a percentage that is based on income, household income, which determines

how much in the shelter allowance they would be receiving, and the same for nonprofit housing.

I am wondering if the minister can indicate what those percentages are today and if, in fact, they have changed in the last four years.

Mr. Caldwell: I appreciate the question, Mr. Chair. I will try to be thorough in my response. The SAFER program provides monthly cash assistance to persons aged 55 and over whose rent for private market accommodation exceeds 25 percent of the household income. Income assistance recipients and persons residing in government-subsidized housing or personal care homes are not eligible, as assistance is provided through other government programs.

Benefits are calculated to cover up to 90 percent of eligible rent costs over 25 percent of income for lower income seniors. As incomes increase and rents decrease in proportion to income, the assistance is reduced. The maximum benefit is \$170 per month based on eligible income qualifications of \$17,640 for single renters and \$19,979 for couples. Maximum rental rates, under the program guidelines on which benefit calculations are based, are \$405 per month for single renters and \$455 a month for couples.

The Shelter Allowance for Family Rentals—SAFFR as well, different acronym, though—the SAFFR program, Shelter Allowance for Family Renters, is distinguished from the Shelter Allowance for Elderly Renters.

The first SAFER, that I just referred to, provides monthly cash benefits to assist eligible families who rent accommodation in the private rental market whose rent exceeds 25 percent of the household income. Families receiving EIA or residing in government-subsidized housing are not eligible under the Shelter Allowance for Family Rentals program.

Benefit payments are calculated to cover up to 90 percent of eligible rent costs over 25 percent of income for lower income families. As incomes increase and rents decrease in proportion to income, the assistance is reduced. To qualify, there must be one or more dependent

children under 18 years of age living in the household for whom child tax benefits are being received.

The maximum program benefit is \$180 per month, based on a maximum eligible income qualification of up to \$21,780 depending on household size. The maximum rental rates on which benefits are calculated range from \$445 per month, up to \$500 per month for a family with four or more people. The public housing Rent Geared to Income program provides 25 percent of income for studio apartments and 27 percent for all other sizes.

Mr. Lamoureux: Okay, for SAFER and SAFFR, 25 percent is the threshold. I did not quite catch the other. Is it 25 percent for students, did you say?

* (16:30)

Mr. Caldwell: The third program I referred to was the Rent Geared to Income program for public housing, which is 25 percent of income for studio apartments and 27 percent for other sizes.

Mr. Lamoureux: I recognize, then, that is really no change from what it was four years ago, which pleases me.

Gilbert Park was another area I wanted to comment on. The former government had made a commitment in the form of a pilot project to see how a low-rental complex could move towards ultimately being more independent.

I am wondering if the minister can give an update if, in fact, he is satisfied with that particular pilot project. Does he see the Government moving more towards tenant management of complexes and ultimately even potentially to conversion of non-profit housing into housing co-ops?

Mr. Caldwell: We do continue to contract for services with the Gilbert Park Tenants' Association for things like snow removal and so forth. We are in an ongoing discussion with the Gilbert Park tenants on provision of such services.

Mr. Lamoureux: Would you say as a whole that you are further ahead today than you were in 1999 in terms of Gilbert Park residents doing more management control than you would have been in 1999?

Mr. Caldwell: We are further ahead, I think, generally, in the area of working with tenant associations for this sort of provision of service across the portfolio. In terms of Gilbert Park, we are likely about the same level of provision that we inherited in 1999.

Mr. Lamoureux: Finally, I said that I was going to make kind of a general conclusion. If we still had 240 hours of Estimates' time, I think I would have thoroughly enjoyed hours of questioning and discussions and maybe even a little bit of debate on Housing policy, which, I think, would have been healthy. Having said that, other opportunities within the year will come, I am sure.

I have a huge interest in issues such as the infill housing. Housing co-ops, I think, is another thing that can really do wonders. The housing stock in the city of Winnipeg and in many rural communities is in dire need of government initiatives. I think there are a lot of things where the Minister of Housing, if he chooses to become very proactive, could really make a difference.

I suspect, over the next number of months leading up to the next opportunity we will have to have this dialogue. We are going to talk about some of these policies in depth. Suffice to say, I think that we need to use our imagination, work with some of these communities. In particular, some of the older, established communities really need some form of government intervention. Otherwise, we are going to see revitalization in the future very difficult for some of these communities. We might have to spend some money today in order to save a great deal; not only of money, but to save some communities and start them to going towards true urban revitalization.

I thank the Member for Minnedosa (Mrs. Rowat) for being able to say a few words.

Mr. Caldwell: I appreciate the comments and share them, in fact. During the 1990s there was no affordable housing program in the province of Manitoba, the consequences of which we are experiencing and understanding today, particularly in the city of Winnipeg, but also, my home community in Brandon and elsewhere in the province.

I am very supportive of the development of co-op housing. I think that it is a very, very positive approach to take, in terms of having communities come together, have a community vision for housing. I like that model. I look forward to discussing this further with the Member for Inkster (Mr. Lamoureux). I am very bullish on that myself.

Since coming into office, we are approaching 2000 units across the province, in terms of new or indoor renovated converted units across the province. We have made some gains, 2000 more units than we delivered in the 1990s. We are quite behind the eight ball because the previous provincial government decided to get out of the affordable housing business. I think the impacts of those were felt negatively in communities, like my own in Brandon and in Winnipeg, where the Member for Inkster sits as an MLA.

We have got a lot of work to do. I am very happy with the federal partnership that is involved in the last year and a half with the affordable housing initiative. I think it is a very positive initiative, having the federal partner back in the game as well. It has been very helpful to us as a province. We are, as the member will appreciate in the department, particularly the civil service, working hard each and every day to increase the number of affordable units made available in the marketplace. I have got very ambitious plans to continue that growth in the future. As I said, we are approaching 2000 units now. We lost a lot of ground during those 11 years where there was no attention paid to the affordable housing situation in our province.

I know in my home community again, in Brandon, we suffered quite dramatically from that. In Winnipeg the suffering is even greater.

I look forward to working with the member, and I am happy to brainstorm on some ideas, for sure. Thank you.

* (16:40)

Mrs. Leanne Rowat (Minnedosa): The legitimacy of the review on how Winnipeg Child and Family Services is delivering short-term care to children from troubled homes, after learning that the CFS officials are part of the committee doing the review, I guess I am concerned about the independent perception of the review if CFS staff are the ones doing the review. I feel that this is an extremely serious issue that the Government is making light of.

The review was called last December after repeated requests by our then-Family Services critic, the member for—Myrna Driedger, and the Canadian Union of—

Mr. Chairperson: Order, please. When you address members of the Legislature, please use their constituency or portfolio. I know you are a new MLA here, but just a precaution. Thank you.

Mrs. Rowat: —and the Canadian Union of Public Employees for a system-wide review of the agency.

At the time, social workers were worried that kids were not getting access to the right treatment while others were being returned to their parents prematurely.

We had hoped that this review would be done and would be considered, and the rights for the children, to ensure safety and well-being. I feel that perception is not there.

I guess my question to the minister will be: The Children's Advocate had asked for more dollars in order to more effectively do her job, and I am just wondering why the minister did not support this, especially with the devolution for Child and Family.

Mr. Caldwell: In January 2003, myself, as minister, formally requested that the Children's Advocate undertake a comprehensive review of the Winnipeg Child and Family Services shelter

system, and the review was to be done in collaboration with the department's Child Protection branch.

I am tempted to scold the member for her undermining of the integrity of the Children's Advocate in this regard. The Children's Advocate was quite clear in the paper today that she acts independently. Her office acts with the utmost integrity and I am quite—disappointed is too light a word. I am quite—I will use "disappointed," but it is too light, that a member of the House supported by a party and the former critic, I suppose, who was a very critical critic when she acted as the critic, and her criticisms were always interesting, to say the least, in terms of her factual accuracy, but to have a member of the House undermine the integrity of an independent officer of the Legislature, as the Children's Advocate is, to have a member of the House impugn the integrity of the Children's Advocate, to question the independence of that office, to persist with the undermining of the integrity and independence of the Children's Advocate's office is really quite disturbing.

I know the member is a new member in the Legislature. She may not be aware of the fact that independent officers of the Legislature seek assistance from departments in conducting their reviews, investigations, audits, as the case may be.

Certainly, some of her colleagues are aware of that, or all of her colleagues should be aware of that. I am not certain why the Opposition and the critic would take a tack that undermines the integrity of the Children's Advocate's office, would take a tack that questions the independence of that office, would persist with this line of questioning after the Children's Advocate has made it clear that she exists as an independent office, and has made it clear that she acts with the utmost integrity in her role as an advocate for children and a protector of children's rights in terms of child welfare.

But I find it very, very disturbing. First, that the member and her party issued a press release yesterday undermining or questioning the integrity of the Children's Advocate, and even more disturbing in light of the fact that this was a public issue in the local media today, wherein

the Children's Advocate herself states that the review is a co-operative process, and having the help of the department is something that is commonplace.

I quote from the Children's Advocate: "If I felt there was interference I would contact the minister immediately," she said. "I haven't felt that," in the *Free Press* today.

My comments that she has complete independence in the review are again substantiating that. I know that the member is quoted in the paper today saying: The member for Minnesota does not buy that.

Some Honourable Members: Minnedosa.

Mr. Caldwell: Minnedosa, does not buy that.

I always find it very discouraging, very disheartening and, frankly, undermining of the principles of independent officers of the Legislature who Ms. Mirwaldt reports to, when they are undermined in a public way by members of the House. It is quite disturbing.

The Children's Advocate's office is independent. The Children's Advocate's office acts with the utmost integrity, and the Member for Minnedosa (Mrs. Rowat) ought not to an independent officer of the Legislature. She works for all of us.

Mrs. Rowat: Mr. Chair, I am not challenging the Children's Advocate. I know that she does a fine job. I know that she does a fine job with the limited dollars that the minister is willing to provide for her to do the job. I did challenge the minister on his decision to keep it independent. I have staff people indicating that they are concerned about the children that may be at risk. I have the *Free Press* reporter challenging the perception of a non-independent review being done, so I believe that our fears and our concerns are justified.

We called for a comprehensive review of the Child and Family Services system, and so far the minister is only doing a selective review of the shelters. I believe the question and the concern that I have, by having staff people part of the process, is: Will these staff people be allowed to speak freely? Will staff have to meet with their

supervisors or any other administrators with their answers, and be challenged on that? There are several issues that, by not allowing an outside group or agency to be pulling the facts, there may be issue for staff people as well as for the safety of the children and the supports that will be developed from that.

Mr. Caldwell: Again, I appreciate that the member is new to the Chamber and, as a consequence of that, I should probably inform her that the department does not provide the Children's Advocate office with any money. The Children's Advocate works for the Member for Minnedosa (Mrs. Rowat) as well as all members in the House, is responsible to the House, is not responsible to the Department of Family Services and Housing, is responsible to the Legislative Assembly of the Province of Manitoba. The resources, Mr. Chair, are provided by the House of the Manitoba Legislature, not by a department of government.

Perhaps, the Member for Minnedosa, it is obvious she did not know that before, but she should know that now. The dollars and the support for the Children's Advocate come from the Manitoba Legislative Assembly, not from the Department of Family Services and Housing or any other department in Government. As well, the Children's Advocate is the office that is undertaking the review of the Winnipeg Child and Family Services shelter system.

The Children's Advocate acts with the utmost confidentiality, the utmost discretion, the utmost integrity. There is no meddling with the Office of the Children's Advocate. To suggest otherwise undermines the integrity of that office. It casts aspersions against the character and integrity of the Office of the Children's Advocate. I find it very disturbing that the member persists in undermining an independent officer of the Manitoba Legislature.

Mrs. Rowat: Again, I am not challenging the advocate. I am challenging the minister. So that I, as a new MLA can be clear on this, how many children are currently in shelters?

Mr. Caldwell: When we came into office there were approximately, notionally, 192, 200 children being housed in shelters. Currently, there are, notionally, 110, 120 in the system. Shelters,

as the member may appreciate, or, I hope she appreciates, are a lodging that is very transient. Shelters are in place to protect children from dangerous situations, so the numbers fluctuate quite regularly and quite dramatically often-times. We are down in the number of children that are being placed in shelters from 1999 and before.

Mrs. Rowat: How long are children usually housed in shelters—for a range?

Mr. Caldwell: One of the challenges that we face, and one of the reasons that we are moving towards more supportive arrangements for children with the changes that we are making to the shelter system, is the fact that we have had instances of very long-term residency in the shelter system without any sort of supports for children that are in the system.

Historically, in the shelter system in the province of Manitoba, times can range from one night, two nights. One to three nights is the typical turnover for children in shelter, because they are removing children from dangerous situations that usually have some immediacy; to the other extreme, where we have had, historically, in this province, children in shelters for one and two years, which is completely unacceptable, which is one of the major reasons that this Government is determined to reform the shelter system and provide for supportive care for children in an environment that provides for counselling services, support services for those children.

* (16:50)

Mrs. Rowat: Has this Government reduced the number of shelters within the province?

Mr. Caldwell: As I indicated in the previous question, we are moving with determination to provide for group home treatment centres for children moving away from shelters. We have eliminated 14 shelters during the four years of our first mandate, and created and established treatment centres that provide for clinical supports and counselling supports for children, so that we do not have a situation where children are staying for long terms in an environment that does not provide supports for them.

Mrs. Rowat: So, you are indicating that you have closed or reduced shelters, but there are still children that are staying in shelters up to two years without being placed. Are age limits enforced in shelters? Are older children ever placed in shelters with younger children?

Mr. Caldwell: In sibling situations, of course, we strive not to break up families. That just compounds issues of uncertainty and distress for children in the shelter system.

The reorganization and consolidation process that I referred to in the previous answer has led to the closure of 14 shelters, reducing the number from 64 to 50. The shelter bed capacity was reduced from 81 to 140 beds. The shelter occupancy rate was subsequently increased from 74 percent to 93 percent, ensuring that the availability of adequate supply of beds was there to meet the average daily requirement. The decline in shelter bed capacity, 41 beds, has been offset by the development of 77 additional alternative beds in the residential care system. Some of these focus on specialized and individualized assessment and longer term treatment as well as the emphasis on community-based, community-care models such as Ma Mawi Widening the Circle, which opened in 2001-2002.

The objective is to provide children with the support that they need to essentially feel less anxiety, to have an environment that assists children through a difficult time in their lives versus just providing a bed with no clinical support services. So the objective is to move to a more caring model and less of a warehousing model.

Mrs. Rowat: Caseloads with families that are in crisis. Does the minister feel that the caseloads are presently manageable, or is he finding that the workers out there are finding the caseloads unmanageable?

Mr. Caldwell: Yesterday, I spoke to the Aboriginal Justice Inquiry Child Welfare Initiative, the unanimous resolve of the Manitoba Legislature to proceed with what is in the Canadian context, in fact, in the international context one of the most progressive movements towards enhancing child welfare taking place anywhere in the world.

The question that the member asks is currently being reviewed by the AJI, Child Welfare Initiative Continuing Common Table. Upon the completion of that review, I will be able to provide a more adequate response. Suffice to say that challenges for caseloads, challenges for resources, challenges for adequate treatment are constantly on the minds of departmental staff and workers. Constantly, those questions are sought to be resolved with a view to enhancing the quality of child welfare provided by the system.

Mrs. Rowat: An issue that is very serious and dear to my heart and that I have a lot of concern regarding are the child prostitutes and the status of a safe house. It was brought to my attention as a new critic that this was something that was discussed and would be moving forward. I would like the minister to comment on when this will be opened, if staff have been hired and more or less the status and the report on that, please.

Mr. Caldwell: Well, I should begin by saying that no child prostitutes herself or himself. Children are sexually exploited through prostitution. That is the perspective that we on the government side of the House take. These are child victims of sexual exploitation. So the phrase that the member uses is not one that I use in discussing the sexual exploitation of young children by adults.

With regard to the substance of the question, the introduction of a new prosecution policy recognizes that youth involved in exploitative activities are victims of a particularly serious form of child sexual exploitation and abuse. Efforts are being made to divert youth away from the formal court processes to social service programs to address their needs. That initiative began last December.

An outreach project aimed at reducing the number of residential care runaway youth who become at increased risk of sexual exploitation is also in place. As an initiative of Family Services and Housing, two additional outreach positions, respectively at Marymound Inc. and at the Manitoba Association of Residential Treatment Resources, have been added to the existing one-worker program that operates out of the Knowles Centre. That start date was effective February 2003.

*(17:00)

Further, a six-bed safe transition home in Winnipeg for females, ages 13 to 17, who have been victimized by sexual exploitation has been opened. Ma Mawi is in the process of establishing this program. The home has been acquired, renovations are in progress, and staffing is in place. The anticipated opening date is this fall. Intensive specialized training for front line workers who deal with children and youth who have been sexually exploited by adults, the TRAILS program of New Directions for Children, Youth, Adults and Families has begun the development of the training modules. An anticipated date for training delivery is November 2003.

In addition, the development of specialized foster-care resources for children aged eight to twelve who have been sexually exploited is being planned in conjunction with the specialized training program outlined above. Foster parent recruitment by the TRAILS program and by the B&L Youth Services has begun. Anticipated date for the first placements is November 2003.

The development of child sexual exploitation awareness resources for province-wide access has also begun. This program, spearheaded by Manitoba Health in a community forum hosted in Winnipeg, in March 2003, and was attended by over 150 government and community leaders. A compact disc resource is currently in production that will provide an overview of the issue of child sexual exploitation for broad use throughout the province. Anticipated release date for this CD is November. We would be pleased to provide the Member for Minnedosa (Mrs. Rowat) with a copy of that CD so that she can further educate herself on the issue of sexual exploitation of youth in this province.

The development of a new school curriculum that focusses on the prevention of child sexual exploitation for access by all schools in Manitoba has been prepared by two community groups and is currently being reviewed by Manitoba Education and Youth for inclusion in the health curriculum throughout the school system. Piloting will take place during this school year at selected schools throughout the province.

A needs assessment is being developed by Aboriginal and Northern Affairs in the Department of Education to identify the needs of Aboriginal youth coming in from the North who reside in Winnipeg to further their education. The information obtained in this needs assessment will form the basis of developing a buddy support system in the future. Anticipated start date is this winter.

Continued support for the New Directions TERF program that offers transitional assistance for females and transgendered youth who are sexually exploited has been committed to by Family Services and Housing. The TERF program has been in place for many years and the demand for its services has increased more recently with the implementation of the Manitoba Strategy. Manitoba Strategy Research and Evaluation Committee, led by the Women's Directorate, and Resolve have begun meeting in recent months.

This committee will assist with the development and implementation of an evaluation plan for the strategy and its components as well as identify the research needs of the strategy. That is ongoing. Community co-ordination committee led by the New Directions TERF program has begun to develop and oversee a community co-ordination plan for community organizations that work with sexually exploited youth in the Winnipeg area. That is underway, commencing this fall.

A draft charter for the Manitoba Strategy has been developed and approved by the implementation team. That will be undertaken this fall. The provincial co-ordinator has been in place to co-ordinate the implementation of the Manitoba Strategy for Sexually Exploited Youth. That has been underway since January 2003.

That is a fairly extensive answer to the member's question, but I wanted to be thorough so the member had a full appreciation of the issue, the very sad and tragic issue of sexually exploited youth in our province.

Mrs. Rowat: Mr. Chair, one final question, and then I am going to hand it over to the MLA for Portage.

Child and Family Services, Westman, in my comments earlier, yesterday on the CFS transfer we were talking about staffing and an issue that is of concern to them. Would this affect their funding, transferring the devolution over to Aboriginal and Métis, and would this, their reporting, also be affected?

Mr. Caldwell: The resources follow the children. The resources do not follow the institutions.

Mr. Chairperson: The Member for Minnedosa—*[interjection]* Member for Pembina.

Mr. Peter Dyck (Pembina): Thank you, Member for Pembina is right. Okay, I have a question regarding Gateway Resources, which used to be Valley Rehab Centre in the city of Winkler. It serves the total community. It is not only the Winkler area, but it is Morden.

There are clients who come there from, well, I guess as far away as 30 kilometres. But, anyway, my question to the minister is: If you could indicate to me, and this is regarding funding—I think what they do is they fund according to different levels, disability levels. I think that is the criteria that is used. I am just wondering if that funding that follows these clients is consistent from one community to another. I know there are other institutions of the same kind within the area, but also in the city of Winnipeg. So I am just wondering, you know, as these clients, according to the disabilities, are put into different categories or different levels, whether that funding is consistent right across the province.

Mr. Caldwell: Mr. Chair, I appreciate the question. I also appreciate the presentation of the petition in the House today. I know that is an issue of concern to the Member for Pembina. It is also one that I share and, certainly, the department is well aware of that challenge and is addressing it. I should also note that the Member for Pembina is my brother's favourite MLA.

The per diems vary across the province depending on the level of services offered by the agency, attending to the population of the children, so there is a range of per diems provided across the province.

Mr. Dyck: Okay, for clarification then, I realize different agencies are able to give different supports, but I would, though, that the level of disability is not different from one community to another. I have been told by those who are the administrators of the facilities, the agencies, that the funding is not consistent from one area to another. So I am seeking clarification on that.

I recognize that the agencies in different areas are able to provide different activities for these people, but I think the funding should be consistent from one community to another.

Mr. Caldwell: I appreciate the question, and I appreciate the interest in Gateway. I should advise the member that, recently, Gateway requested an overall review of its day services funding. I think that is what the member refers to.

The Central Region is in agreement with the request and has recommended that a program audit be conducted to explore the type and scope of service delivered for the day service participants. This audit is underway as we speak. The information gathered will provide the necessary link between service needs and the cost to Gateway in delivering its services and will assess if additional resources are required.

Certainly, we have an interest in providing the best services possible to the clients that access all of our centres across the province. I will look forward, as the minister, and will share with the member the audit results when I get them.

Mr. Dyck: Thank you. I appreciate that. I guess this followed a request from one who was going to be attending the Gateway resources. The comment that was given to me by the board and also by the family, that they would need to go to Altona because the funding there was more adequate than it was at Gateway. The people lived in Morden. So I indicated that the travel was a cost and, certainly, they should be able to receive the services at Gateway resources. I am not sure where it is at this point. This was about two weeks ago, but Gateway, because they could not, if I can use the term, compete, with the agency in Altona, turned this individual down. It was because there was inconsistent funding. That was the response that I was given.

Mr. Caldwell: I thank the member for that. If the member could provide us with a bit more information or with some of the paper on that, I, certainly, would have staff make an assessment and make a review of that situation. Nobody around the table here is aware of that issue as we sit at Estimates right now, so, if the member would provide us with some more information I, certainly, would take that under advisement.

Mr. Dyck: Yes, I will do that.

Just, in conclusion, though, what I hear at this time is that the funding is consistent from one community to another, dependent on the level of need that is out there, but that is consistent, and does not matter whether you are Steinbach, Altona, Portage. Any one of the agencies, right through the province, that funding is consistent per level of need. Did I hear that correctly?

Mr. Caldwell: That is correct. Level of need is consistent. The level of services provided by the agencies would account for any variation on the per diem.

Occasionally an individual client's needs change during his or her course of engagement with agencies and sometimes the per diem rises as a consequence of enhanced need. That does occur from time to time, so it is not always consistent following a client through his or her course of engagement with the individual agency. If that helps the member in terms of clarifying this issue as well, it is not cast in stone in terms of the level of the per diem. It is dependent on need.

Mr. Dyck: I will turn it over to the Member for Portage. Thank you.

* (17:10)

Mr. David Faurshou (Portage la Prairie): Mr. Chairperson, I am pleased to have the opportunity to question the minister in Estimates regarding Housing and Family Services.

I do want to commence, though, by recognizing the staff in attendance. I know that the dedication to this department is extraordinary, and I have seen it first-hand over the course of the last four years of my attendance as MLA. I

want to say thank you very much and with special recognition to the deputy minister, whose comings and goings are even more lengthy hours than my own, and so I want to make special recognition of her.

Portage la Prairie, there is a significant engagement by your department in the community and the constituency that I represent, in regard to the mental development centre for one, extensive housing developments, women's shelter and Child and Family Services central regional headquarters, just to name a few.

Although I do appreciate what the department is attempting to accomplish, I do want to make it known that I do not agree with some of the direction the department is taking at the present time. I believe that the department should be sensitive to cultural differences rather than to be effectively segregating on the basis of cultural differences. I will remain with that opinion, because I have seen first-hand the accommodations of persons of varied backgrounds based in culture handled by the central regional Child and Family Services out at Portage la Prairie. I will say that the department was extraordinarily sensitive to cultural differences and made every effort to recognize that. I do not believe it needed a wholesale department makeover to accomplish what, I believe, was happening anyway.

Now, first off, globally, are you maintaining as many housing units in the province?

Oh, I might, just before we get into the questioning here, state that, if the answers are short and precise and to the point, we can see a wrap-up at the end of today, just as a point of clarification.

The number of units within the province under Housing at the present time: Is this an increase or decrease over the span of the last year?

Mr. Caldwell: I appreciate the member's comments. I did not know that the deputy came and went. I thought she just lived here all the while.

The number of units Manitoba Housing has, has been, notionally, consistent over the term of our time in office since 1999. There has not been any dramatic change in the numbers at all. The social portfolio is essentially the same.

Mr. Faurschou: The approximate number, or do you have an actual physical number based upon single family units or individual units? How do you inventory housing?

I know that in Portage la Prairie you have a number of individual dwellings, as well as apartments, and then also condominium and town-house types of style. I wonder if you could break that out. If it is something that is not right at hand, perhaps the minister could provide that at some juncture in time.

Mr. Caldwell: We will check for the second part of the portfolio, but in terms of the Manitoba Housing Authority, in the district of Winnipeg there are 4977 family units, 2963 elderly units, three special purpose units.

If the member is looking for Portage specifically, okay. In Interlake district: 432 family units, 684 elderly units, one special purpose unit; South Central, specifically Portage la Prairie area: 404 family units, 426 elderly units, two special units; West Central, including my home community of Brandon: 607 family units, 744 elderly units, one special purpose unit; Parkland East, Dauphin: 106 family units, 353 elderly units, one special purpose unit; Parkland West: 124 family units, 194 elderly units; the North, out of The Pas: 473 family units, 107 elderly units, two special purpose units; and Churchill: 329 family units and 10 elderly units.

In terms of the remainder of the portfolio we have, in terms of sponsored, managed or owned by the Province, but operated by nonprofit sponsor groups: 3158 units; in terms of nonprofit owned and operated wherein the Province provides a cost-sharing for subsidies on its units: 1882 units, for a total of 5040 units.

Mr. Chair, we are also responsible for the former federal portfolio we acquired after the shift a couple of years ago: 11 225 nonprofit owned-and-operated units that the Province cost-shares subsidies on its units.

In terms of co-operative programs including nonprofit co-ops: 2127 units; and in terms of urban native-owned and operated by nonprofit urban native groups: 910 units, for a total of 19 302 units across both of those portfolios.

Mr. Faurichou: Was the next column there, vacancies? I am just wondering as to the relationship of vacancies, as we are very well aware of the news articles citing extremely low vacancy in the private sector. I wonder how that relates to the public sector.

* (17:20)

Mr. Caldwell: In Winnipeg, we have a vacancy rate, notionally, of 2 to 3 percent a month, notionally, 200 units, give or take a few on either side of that per month, usually relating to turnover.

In rural Manitoba, it is a bit of a different scenario. We have units in some small communities that remain vacant for quite some time. Other communities like our own, Brandon or Portage, I expect the sort of trend would be similar to the city of Winnipeg where the turnover usually accounts for the vacancy rate, because there is a greater demand in those communities, larger urban areas.

Mr. Faurichou: Turnover, what component would be effectively within this turnover due to arrears? How do you deal with arrears?

Mr. Caldwell: Sometimes, in very rare cases, we do have a situation where vacancy occurs because of arrears. We also have situations where vacancies occur because of a midnight move, as we used to call them in my college days, that occurs, but they are very small in number.

We usually try and work with the tenant to create a schedule to accommodate arrears and the income situation of the particular tenant. We try and work with them to get them through any sort of financial challenge they may have, but it is not unknown that we will have a vacancy because of an unresolvable difference around arrears, or, as I suggested, because someone leaves with a bill.

Mr. Faurichou: Specific to Portage, are there situations still existing in Portage la Prairie where arrears is a concern to the department?

Mr. Caldwell: The member will know we do have a considerable challenge with Zelana village in Portage la Prairie. We are working with the federal government to try and bring some resolution to that particular challenge, mindful of the fact that there are families that are inhabiting those houses. We do not want to have a situation where we jeopardize the stability of families, or children, particularly, in those families. We do have a fairly serious challenge with arrears in Zelana village and the department is working with the federal government to try and reach a solution to that particular issue. It is certainly vexing though.

Mr. Faurichou: I do want to emphasize to the minister, however challenging that it is, it needs to be resolved, because there are individuals within the complex that are paying the bills. The disparity between the two situations is cause for significant concern and potential violence. I urge the minister to the nth degree to not let this situation continue for very much longer.

There are a number of other things that, as I said, I would like to move on to, but that is the gravest of concerns.

The other is the homogeneous clientele, if I can use that terminology, within a complex. I will speak, for example, of the Oak Tree Towers which is designated as an elderly facility, where there are individuals that are outside of that designation now being housed, which is bringing concern to some elderly inhabitants of the complex. I am asking the minister whether there is a conscious change or is this just something that is going to be short term.

Mr. Caldwell: I am mindful of the member's admonition to be precise, lest we stay here all night long.

The issue of Zelana village, as the member states, is a vexing one. I welcome any advice on a possible resolution to that challenge, because I have the same concerns as the Member for Portage (Mr. Faurichou) does, around a resolution that satisfies both those who are

responsibly paying their rent for their accommodation and the pressures that are placed upon the entire community there, given that there is a substantial proportion of individuals who are not paying for their lodging.

Being, also, mindful of the fact that the federal government has a role to play, which further muddies the water, and makes it more complex. I would be more than happy to receive any advice I can from the member. I know he has provided me with good advice in the past.

In terms of the Oak Tree complex, this issue of the mingling of a senior population with a younger population is one that is of concern. The member will know it began in the 1990s in an environment where there was not a lot of housing being developed, nil, in fact.

I am mindful of that and have the same challenges in my home community. We are, the member will be happy to know, reviewing that policy presently. We began that review a number of months ago with a view to solving the challenge of having a mixed population that have very, very different needs, that is, the senior population and the more youthful, exuberant population that oftentimes does not fit well in a seniors complex.

So it is a concern that I share. There is a review taking place to try and address that issue in the most expeditious way possible.

Mr. Faurshou: Recognized. We will pass the resolutions, but I just wanted to say this to staff currently here for Housing and Family Services. It will be the other department that will be responsible for Healthy Child continuing when we next sit.

I am, just, wanting to forward two other concerns, and that is shelter. The level of support for shelter for disabled individuals has remained static since 1991, as I understand. I truly want the department to look at that, even in rural areas. It is extraordinarily difficult to find accommodations at the level of support at the present time, also to re-jig what is eligible and what is not eligible. I will cite a repair on a clothes dryer as a concern. We do live in northern climes where, if you want to hang the

clothing outside for six months of the year, it is going to turn into something hardened as a board, in urban areas as well.

So those are two concerns that I have. The other is addressing individual squabbles. I think we need to have someone within the department who is going to head off conflicts between persons who are within public housing. I think there are some acute situations developing that need to be addressed.

Mr. Chairperson: Order, please. The hour being 5:30 p.m., committee rise.

LABOUR AND IMMIGRATION

* (16:20)

Madam Chairperson (Bonnie Korzeniowski): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Labour and Immigration.

Does the honourable Minister of Labour and Immigration have an opening statement?

Hon. Steve Ashton (Minister of Labour and Immigration): Yes, I do. Even notwithstanding that we have relatively short statements compared to other years, I am going to try to keep it even shorter in the interests of time because I am sure the opposition critics have many questions, and time is limited.

I just want to summarize a couple of key things. The budget this year is up 3.2 percent over last year's adjusted vote. That is primarily increased funding for immigration programs.

In terms of Workplace Safety and Health, we are now dealing with a new Workplace Safety and Health Act. It is a very significant profile project for our Government. We have seen some very encouraging signs in terms of lost time injuries that are down 14 percent between 2000 and 2002. We believe the new act and the regulations accompanying the act will further enhance that.

We have brought in a new public awareness and education program, the SAFE program

which is Spot the Hazard, Assess the Risk, Find a Safer Way Everyday. This is a very important initiative for both Workplace Safety and Health and Workers Compensation and remains an important part of what we do.

We are working on a train the trainer program in terms of Workplace Safety and Health and various initiatives, including curriculum development, which stresses it in our schools.

I want to highlight some of the areas of the department. Our Mechanical and Engineering branch continues to play a very important role, 20 000 inspections plus, in the last year, shows you the kind of volume that is involved.

Immigration is a very important initiative. We have seen some very significant progress with our Provincial Nominee Program in the last number of years. The range is in the 4600 to 4700 immigrants per year, including the federal program and refugees. We are looking at ways of even further improving the Provincial Nominee Program which is already the best in Canada in terms of numbers, showing some significant progress, 40 percent over the last two years. We are looking particularly at some greater enhancement of the recognition of community sponsorship, both geographic and ethnocultural. We are looking more to skilled and semi-skilled immigrants. We are targeting a significant increase. We are committed to a 10 000 target. We will be moving very significantly for that. I will be very pleased to answer any questions on immigration. I think it is very important.

The Pension Commission has done the first comprehensive review of pension legislation in about 20 years. The report has been completed. We have indicated we will be releasing that, putting it on the net, opening it up for public consultation. I would encourage Manitobans to comment on the report. We will be looking at potential legislation in 2004.

Employment Standards responds to 150 000 inquiries and 3500 formal complaints a year. It continues to play a very important role. Conciliation and Mediation Services, we handled 171 conciliation assignments in year 2002-2003. The Labour Board has been active, 840 new

cases and a number of very important developments in the Office of the Fire Commissioner. We have signed an agreement with MMF over the AMC development strategies to involve Aboriginal youth in careers in emergency services. We are continuing to be involved and play a very important role in fighting forest fires.

I could speak at length up until the 10-minute limit because there is so much that has happened in the Department of Labour and Immigration. I will just finish by saying how pleased I am to be Minister of Labour and Immigration and Multiculturalism. It is a great honour. I look forward to explaining the many very important initiatives of a very dedicated department. Thank you very much.

* (16:30)

Madam Chairperson: We thank the Minister of Labour and Immigration for those comments. Does the Official Opposition critic, the honourable Member for Springfield (Mr. Schuler), have any opening comments?

Mr. Ron Schuler (Springfield): Madam Chair, I will keep my comments short. First of all, I would like to congratulate the minister on his appointment, albeit I will pull out my crystal ball. I suspect he will not be there probably much longer. I hear there is a Cabinet shuffle coming. We know that he is double duty right now. He will probably lose one of his portfolios, if not both, and move on to something else. We wish him well in whatever portfolio he does get moved to. Certainly, we would like to move on to beginning some of the questions.

Madam Chairperson: We thank the critic from the Official Opposition for those remarks.

Under Manitoba practice, debate of Minister's Salary is traditionally the last item considered for the Estimates of the department. Accordingly, we shall defer consideration of this item and proceed with consideration of the remaining items referenced in Resolution 11.1.

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

Mr. Ashton: The acting deputy minister will be here. We also have other staff available. I was going to suggest that we introduce them at various different times. We pulled half the department in, actually. That is how committed we are to answering questions in Estimates.

The acting deputy minister, Jeff Parr, is here. In addition, we have Joanna Plater and Jim Wood, who are also senior officials within the department. I can provide formal job titles and descriptions, but that may take longer than the time we have available for Estimates.

Mr. Schuler: I would like to welcome the minister's senior department officials to Estimates. Some faces I recognize, some positions now have new faces. The acting deputy minister, how long has he been acting?

Mr. Ashton: Since July 4.

Mr. Schuler: When does the minister suspect that the competition will be complete and a permanent deputy minister will be in place?

Madam Chairperson: For the sake of Hansard, we will now proceed to the remaining items contained in Resolution 11.1. on page 128 of the main Estimates book. Shall the resolution pass?

Some Honourable Members: Pass.

Mr. Schuler: My question to the minister was when does he see the competition being closed for the position of deputy minister?

Mr. Ashton: What I foresee happening is—

Madam Chairperson: Mr. Minister, would you like to be recorded?

Mr. Ashton: Yes, I would. Sorry. I have a crystal ball too. Whoever has the opportunity to be the Minister of Labour at that point in time will, I think, make that decision.

Mr. Schuler: Could the minister tell the committee when he was notified by Motor Coach Industries that they were planning on

doing some substantial layoffs? I know that is something that is of great concern to all Manitobans and, I am sure, was of great concern to the minister.

Mr. Ashton: We are just going to track down the actual, specific date. If the member wishes to ask further questions, I could probably save time. I can also answer that question, then respond to further questions.

Mr. Schuler: Was the minister given any prior notification from Motor Coach Industries that they were looking at this kind of scenario, or was it simply a letter couriered or faxed over to the minister? Was that the first notification that he got?

Mr. Ashton: We are tracking down the actual formal correspondence. I can get the exact date, we can provide it to you, certainly the formal communication that is required under the Act.

Mr. Schuler: Again, to the minister, did he have any previous indication from the company that they were looking at a substantial reduction in staff prior to that notification?

Mr. Ashton: There is ongoing communication with the department. It is a company that does have a fairly cyclical employment. I know there is an ongoing contact with the department. In that sense, there are various discussions. The formal notice itself was received in the summer. We are just tracking down the exact date. That is not unusual. I am advised that there are specific companies that often we will be in direct contact with on a fairly regular basis and vice versa in the sense that they will inform us that there might be something developing. Obviously, any specific layoff notice actually comes with the formal notice to the minister, which is a provision of the act. I think the member knows there is a notice period that goes with that, depending on the number of layoffs involved.

Mr. Schuler: Can the minister indicate to the committee: Is there another business that indicated this drastic of a reduction in staff, or is this basically an anomaly?

Mr. Ashton: Yes, this is certainly the major one. Of course, there have been other cases. I look at

Neepawa, for example, Springhill, where potential layoffs have been mitigated or averted. In that sense this would have been the major announced layoff that has occurred the last period of time.

Mr. Schuler: When the minister and his department received notification, did they endeavour to contact the company right away to find out what was being planned, if this was just one of those cover-your-backside, or was there real intent behind this?

Mr. Ashton: The answer is yes. Of course, in addition to the statutory requirements in terms of layoff notice, one of the other aspects of the department is in terms of labour adjustment. Whenever there is any significant layoff announced in the province of Manitoba, we do have services that are available, and, in fact, the Member for Inkster (Mr. Lamoureux) referenced another company which was involved in a layoff, and that is the standard process that a company is made aware of that service.

Of course, in some cases, the companies have accessed that service. The employees have accessed that service in other rounds of layoffs, so in this case that happened as well. We made sure that they were aware of those services.

Mr. Schuler: I guess I am asking more on a higher level, on a ministerial level, rather than on a service level. Did the minister actually contact Motor Coach Industries and try to find out what was the plan?

Clearly, this is not something that had been seen coming, because, obviously, the three levels of government had intervened and the whole intent was to protect jobs, and, all of a sudden, there was this layoff notice.

Did the minister at his level or someone at a higher level contact someone at Motor Coach Industries?

Mr. Ashton: There were discussions with Motor Coach in terms of senior officials. I can speak for our department; we were part of that, and other departments were involved. I mean, that is the standard procedure in terms of follow-up. Clearly, in this case, we work as a government,

both to deal with the potential impact of the announced layoffs to determine if there is any way of averting that—in that case, the role of the Department of Labour is usually conducted through the senior officials.

The Department of Labour is involved really as a statutory element of the notice that is required. So we receive the notice, and the role we can play really is more in terms of the labour adjustment, but if there are issues related to the functioning of the business itself, that may end up with the Minister of Industry, Trade and Mines (Ms. Mihychuk) or other aspects of government that could deal with the business side of it.

I cannot speak for any of the other players, but I can tell you that, certainly, the role of the Department of Labour is we receive the notice. We also verify, too, that the proper statutory provisions are followed, because that is a clear element of what we do. But also on the labour adjustment side, we were there with Motor Coach and have been there for a number of other industries that have been impacted by layoffs.

Dominion Tanners was one that was raised in the House most recently, and I actually did confirm with the Member for Inkster that, for example, in that case, our Labour Adjustment branch had been in contact with both the union and the company and was providing services to employees.

Mr. Schuler: The Minister for Industry, Trade and Mines—I hope that I have the departmental name right—indicated in Estimates that when the whole process started of talking about a bailout for Motor Coach Industries, there were about 1500 jobs.

Can the minister tell this committee where Motor Coach is now in regard to jobs in the province?

Mr. Ashton: I just want to clarify, you are asking when—*[interjection]* I can indicate the notice in terms of the layoff. I have tracked down the specific dates of the current announced layoff which is August 15. It is 95 on October 31; 295, December 1; and 300, January 5, a minimum of 300 January 5.

So that is the current notice that has been received in terms of the August 15th layoff.

* (16:40)

Mr. Schuler: So how many people currently work at Motor Coach Industries?

Mr. Ashton: We will have to track that down. You have to recognize that essentially the Department of Labour is advised not how many people work there but how many people are going to be laid off. We can probably track it down. I can even provide it to you. Maybe some of these can be provided to you in writing, you know, once we are able to track it down.

Mr. Schuler: Again, I appreciate there are some things not within the realm of the department, and I ask and appreciate if that is not something that the department tracks, I would appreciate if the minister just tells him. That is fine.

I understand then that one of the layoff deadlines would have kicked in. The minister was speaking fairly quickly. Has the company now indicated how many individuals they plan? Do they plan on following through with the program that they had laid out in their notice?

Mr. Ashton: Yes, what I can do is, I can provide the details because I think what the member is referring to is not the last layoff notice, but there was a previous layoff notice. They did not lay off up to the number they had indicated. I believe they had indicated there might be potential for up to 300, but I will provide that information. We get the statutory notice, but—

Madam Chairperson: Order, please. It has been agreed in the House to change the sequence of Estimates in this room. Therefore, we will be setting aside this department and continuing with the Estimates of Intergovernmental Affairs.

Shall we recess briefly for the minister and critic to assemble?

An Honourable Member: I think they are assembled.

Madam Chairperson: It is agreed to continue.

INTERGOVERNMENTAL AFFAIRS

Madam Chairperson (Bonnie Korzeniowski):

We will now continue with consideration of the Estimates of the Department of Intergovernmental Affairs. Previous agreement had been reached to have a global discussion of this department. The floor is now open for questions.

Mr. Larry Maguire (Arthur-Virden): Madam Chairperson, we, the honourable member from Southdale and myself from Arthur-Virden, appreciate the minister coming back so that we could vote on her salary, but we would move to put in motion just the formality of closing the Estimates, to let the minister know that we have decided not to ask her any more questions on Intergovernmental Affairs in that regard and so we would close those Estimates.

Madam Chairperson: Resolution 13.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,739,000 for Intergovernmental Affairs, Community and Land Use Planning Services, for the fiscal year ending the 31st day of March, 2004.

Resolution agreed to.

Resolution 13.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,455,800 for Intergovernmental Affairs, Provincial-Municipal Support Services, for the fiscal year ending the 31st day of March, 2004.

Resolution agreed to.

Resolution 13.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$19,680,100 for Intergovernmental Affairs, Rural and Northern Community Economic Development Services, for the fiscal year ending the 31st day of March, 2004.

Resolution agreed to.

Resolution 13.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$72,910,800 for Intergovernmental Affairs, Financial Assistance to Municipalities, for the fiscal year ending the 31st day of March, 2004.

Resolution agreed to.

Resolution 13.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$14,710,600 for Intergovernmental Affairs, Canada-Manitoba Agreements, for the fiscal year ending the 31st day of March, 2004.

Resolution agreed to.

Resolution 13.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$22,299,500 for Intergovernmental Affairs, Urban Strategic Initiatives, for the fiscal year ending the 31st day of March, 2004.

Resolution agreed to.

Resolution 13.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$260,300 for Intergovernmental Affairs, Amortization and other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2004.

Resolution agreed to.

The last item to be considered for the Estimates for the Department of Intergovernmental Affairs is 1.(a) Minister's Salary \$29,000, contained in Resolution 11.1.

Resolution 13.1. RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,711,900 for Intergovernmental Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 2004.

Resolution agreed to.

This completes the Estimates of the Department of Intergovernmental Affairs.

**LABOUR AND IMMIGRATION
(Continued)**

Madam Chairperson (Bonnie Korzeniewski): The committee will now resume consideration of the Estimates of the Department of Labour and Immigration.

Mr. Ron Schuler (Springfield): You were the one that just got cut off.

Hon. Steve Ashton (Minister of Labour and Immigration): I think the member is asking in terms of layoffs. I indicated the initial layoffs and also the date of the current layoff notice.

We will undertake, as well, to actually determine the exact number under the original layoff, the exact number of employees who were affected. It was less than the 300 that was provided by notice. That is not uncommon. I should mention I asked this question myself. It is not uncommon for businesses to anticipate a higher number of layoffs, phase it in and, actually, if business conditions improve and in this case, with a company that obviously has significant reliance on a particular number of orders at any given time, they may actually lay off a much smaller number of employees. Or in some cases as we have seen with the situation in Neepawa, there may be the ability to avoid the layoffs entirely.

Mr. Schuler: When all the layoffs are complete, approximately how many employees will be left at Motor Coach Industries?

Mr. Ashton: Once again, I will provide the information in terms of how many employees there are currently. I think the member can then take the proposed layoffs and, from that, determine if all of the layoffs are followed what the final employment will be.

I had to caution again already with the previous notice indications, not all of the 300 have been laid off. It may be a larger number of employees depending on whether the full degree of layoffs are followed that are outlined in the notice.

Mr. Schuler: Basically, the company can always revise its numbers weekly, and/or monthly?

Mr. Ashton: I should stress that when a company provides a layoff notice, there is nothing that says that they actually have to lay off. The key element, though, is that there are provisions which are in place in terms of the number of employees and the weeks that are required in terms of notice, so they cannot go under the statutory provisions without waiver, I think, which is virtually never, if ever, used.

In that sense, there is nothing that says they have to lay off. They can lay off fewer employees. They cannot lay off more, though, than is allowed without the proper notice under the act.

Mr. Schuler: When the Government started to put together the \$20-million bailout for Motor Coach Industries, how involved was the Department of Labour?

* (16:50)

Mr. Ashton: Since it was not a labour adjustment issue, the Department of Labour would have not had a significant role at that time.

Mr. Schuler: No monies came out of the Department of Labour?

Mr. Ashton: Not that I am aware of.

Mr. Schuler: Just so that I have it clear, Department of Labour was not part of any of the negotiations of the Motor Coach Industries bailout package.

Mr. Ashton: Once again, this predates my involvement as minister, but I am not aware of us being involved at that time.

Mr. Schuler: Is there any discussion right now in regard to where Motor Coach is? Are they still in compliance with the agreement that certain penalties do not click in? Are they still in compliance with their agreement?

Mr. Ashton: I believe the member is talking about the loan agreement. Once again, that is not something that the Department of Labour is involved in. Our involvement is really only, once again, on the statutory side and making sure the provisions of the act in terms of layoffs are followed and any labour adjustment issues. So we are not directly involved in any of the discussions involving the loan agreement and the provisions thereof.

Mr. Schuler: Okay, so I understand, obviously, the department must collect data, because, for instance, the layoff notice would have come to Department of Labour. Then who is that information sent on to?

Mr. Ashton: In that case, Industry, Trade and Mines, that information would be available to them, the Community Economic Development Committee of Cabinet. In that sense, the information would be passed on in terms of any of the notice provisions we have on the actual layoffs.

Mr. Schuler: The minister mentioned a name. I did not catch it. Could you just repeat that again?

Mr. Ashton: There is a committee of Cabinet that obviously looks at economic development issues, but the key provision of information is to Industry, Trade and Mines, which basically would make use of that information.

I have the information for the member, too, in terms of Motor Coach. As of September 17, there are approximately 1000 jobs that exist currently on the shop floor. So the current employment is 1000 as of September 17.

Mr. Schuler: What I am just trying to understand is who it is that drives this particular envelope. From what I understand, it is not Department of Labour. From what I have come to understand, it is not Energy; Industry, Trade and Mines. Is it a committee of Cabinet? Like, who oversees this file?

Mr. Ashton: There are various aspects here. We are clearly responsible for the layoffs, the notices, provisions. We are clearly responsible for labour adjustment. Labour adjustment, of course, is for those who are actually impacted and those that are eventually laid off in terms of determining if there are other options available for them. There is a whole process. I am sure the member is aware of that. In that sense we are responsible for obviously that aspect of any of the developments at MCI, but beyond that the other provisions the member is talking about are not within the purview of the Department of Labour.

Mr. Schuler: I think at this time we would be prepared to move on to the Immigration side of the department, if that would be suitable?

Mr. Ashton: Gerry Clement is also joining us—members will have to excuse me. I have a sore throat—the ADM in terms of Immigration.

Madam Chairperson: Would the minister care to introduce the new staff?

Mr. Ashton: I just did. I mumbled it. Gerry Clement. Excuse me, I am losing my voice.

Madam Chairperson: Thank you, Mr. Minister.

Mr. Schuler: Can the minister tell us, since this program came into being, I understand that was in the late nineties. Obviously, the department tracks how many people are entering Manitoba under the program. Is there somewhere where those numbers can be accessed?

Mr. Ashton: Yes. There is a report that is put out. Rather than maybe get into lengthy details, I can provide members of this committee, we actually have a couple of reports. It has just been released. The only thing I will indicate is the Provincial Nominee Program has shown significant growth, which is very encouraging.

As I mentioned in my opening comments, we will be making some further changes to the Provincial Nominee Program, to provide greater recognition of community sponsorship, family sponsorship, to reflect regional needs and also to reflect the fact that there are skilled and semi-skilled applicants who are in a position, we believe, to settle in Manitoba and to become part of our workforce. I will be making an announcement on this probably in the next week or two. We are just refining the final details.

What we will be doing is working on our applications from this year. We see some very significant potential for growth in total numbers. It is important to note, if you look through the report, that what has happened is the provincial numbers are going up—we have had about a 40% increase in the Provincial Nominee Program—but the federal numbers have been going down. It has a lot to do with the shift in immigration focus on what I would call human capital. What I think we should remember is that Canada was built on human potential. Most immigrants who came to Canada—I am an immigrant myself—a lot of people would not get in under the current federal program with all the points and all the requirements. Our program has been very innovative, I think, in dealing with that.

So we are anticipating some very significant growth even this year. We could see as high as 6000 immigrants in total and some further expansion. Next year I will be announcing, as I said, the details of some of the changes in the program as we get some longer-term developments.

What I can indicate is we have a number—and I do not know how much detail the member wants, but we are actively looking at international students, for example. We are working very directly with the Francophone community because there is a real opportunity with the Francophone community to sponsor. We have had meetings. I met with the Trucking Association to focus on some of the specific sectors that are out there. We are going to increase the numbers over what you see currently.

Let us put it this way. We have been successful thus far, but I think we can build on that success, and you will see some significant increases in immigration. Our target is 10 000, and I believe that with some of the changes we are bringing in over the next week or two, you will see some significant movement towards that starting this year.

Mr. Schuler: Just briefly, quite a substantial increase in the Budget for immigration and, for that matter, in multiculturalism. Predominantly, that money will be used for?

Mr. Ashton: The largest part of the increase is through an agreement with the federal government, and I can provide the member with the details if he wishes. There is federal funding that helps in terms of immigration.

We have also added two support staff because one of the concerns of the Provincial Nominee Program is probably that we are a victim of our own success in the sense that there has been a significant number of applicants and often a delay in processing applications. So two additional support staff were put in place to help facilitate the application process.

Mr. Schuler: I, unfortunately, have not had a chance to read through this. What is the retention rate of immigrants in Manitoba? We bring in 4000 and we retain how many?

Mr. Ashton: In terms of overall statistics, I am advised that the federal government is determined that, in general, up to about 70 percent of immigrants remain in province. Now, that is not a specific focus on our Provincial Nominee Program.

* (17:00)

But what I can indicate that we are doing with the Provincial Nominee Program, taking the current criteria, particularly when you start building in that element, retention. As we look at opportunity for regional sponsorships, that will be one of the factors that we want to work on.

I point to some of the success we are finding already through agreements. The Italian and the Jewish communities have had a lot of success with immigrants of Italian and Jewish background from Argentina. I believe there is a great opportunity here for both ethnocultural community groups and communities to become part of the sponsorship process.

I know Thompson, my own community, was very much built on immigration. Many communities have a background through immigration. Many communities would like to have more immigrants, so we are in a position of also building that in, building not only community and regional dimensions into the program increasingly but also making sure that retention is a factor.

Mr. Kevin Lamoureux (Inkster): Madam Chair, I am going to, because of time constraints, try to keep my questions as short as possible. I would appreciate if the minister would kindly do likewise in terms of answers to questions, as I am sure he will.

One of the issues that came up shortly after the election, I had opportunity to bring it up with the minister in Question Period, I also did likewise for the Premier (Mr. Doer). The reason why I find it is necessary is I had made some commitments to a number of people, whether it was people who have contacted me through e-mail, through envelopes under the door, to people who have met with me one on one, and in one case where there were a couple of people

that had met with me. I told them I would at least attempt to do some follow-up. It is in regard to an issue with the former Minister of Immigration. I am told the department was made aware of concerns.

The first question I would like to put to the minister is: Is the minister aware of any complaints of inappropriate behaviour that was filed, whether it was in writing or in discussion or just talks, with the inappropriate behaviour of any former ministerial staff? That would be Ms. Becky Barrett.

Mr. Ashton: Just before that, I can indicate in terms of retention, the 2001 evaluation of the Provincial Nominee Program showed up to 90% retention. I just thought I would put that in—

An Honourable Member: The dates.

Mr. Ashton: It is 2001, which is very encouraging.

I would like to ask the member to be more specific, because I know this came up in the House as well. Is he referencing any—I mean, "ministerial staff." I think if the member is putting forward any concerns or accusations that he should be more specific. There are quite a few people in ministerial staff, and I can certainly answer any questions on any specifics.

Mr. Lamoureux: Would the minister have numerous complaints coming in on a multitude of ministerial staff? I would think we are talking about a relatively small number. I am just asking whether or not there have been any complaints in regard to individuals working with the former Minister of Immigration.

Mr. Ashton: What I have found with this portfolio, as is the case with many portfolios, you become a minister and you receive all sorts of advice, in some cases, solicited, mostly unsolicited, in terms of what is going on in a department, or what may have happened before, or what is happening currently.

In terms of any specifics the member has to ask, I am prepared, ask any questions about any concerns about inappropriate behaviour with any staff member, but I do not think it is appropriate to ask in a general sense.

The ministerial staff includes quite a few people. The member asked this twice in Question Period. If he wants to put forward a specific accusation about a specific member, recognizing that the role of MLAs is to verify that, I am quite prepared to answer questions on any specific member.

Mr. Schuler: I hesitate to step into this one. As the minister says, there are a lot of things that are passed on. Often we get individuals who spend a considerable amount of time weaving a web of conspiracy. We have all received copious amounts of e-mail from individuals. It is their right to lay issues in front of us.

The issue that my colleague mentions is one that had been brought to my attention years ago. Where I hesitate is that, though potentially where there is smoke there is fire, nobody has been willing to sign an affidavit stating that something has in fact happened.

However, recently, someone has sent a letter around making fairly pointed accusations about the department. What is unfortunate about that is, first of all, it lacks courage when people will not put a name to their allegation. Initially, I thought it was one letter and I thought I had dealt with the letter in an appropriate fashion. I then subsequently found out that the letter was far more widespread than I had initially thought.

What it does, to you, Madam Chair, to the minister, is it starts to put a stain on what we are trying to do here. I know the minister has mentioned numerous times that he came here as an immigrant. I do not know under what conditions he came. I do know my family, my mother came as a displaced person. Coming to Canada was far, far greater than winning a lottery. The fact that you would come to a country like Canada, with its wealth and its freedom and everything else, I do not think we ever want anything to stand in the way of that.

These accusations are out there. It is growing and it is agitating and agitating to the point that it has come up here now. I think what we are wondering from the department, from the minister is: Is this being dealt with, because this starts to affect—I hope the minister appreciates this is very uncomfortable for myself. I do not

like using unsubstantiated letters that somebody did not even have the courage to sign, but it is out there, and it has been festering, may I say, for three to four years. I have worked on this file and others have worked on this file, and yet we cannot get a handle on it, but it is out there.

To the minister, can he give some comfort to those who are not part of this agitation, who hear about this and clearly have a concern about the allegations that are being made?

Mr. Ashton: Well, I guess the difficulty I have here is there is reference to ministerial staff, no specifics. If the member wants to ask about a specific ministerial staff member and specifics, that will be a case. In terms of the integrity of the immigration process, it is very important to all of us. I came to Canada, my dad came without a job. That was the generosity of Canada at the time. We went to a place called Thompson, Manitoba. I did not even know where Manitoba was, let alone Thompson. Today I am the MLA for Thompson. I am the Minister of Immigration. I do not think it happens anywhere else in the world. We all are, outside of Aboriginal people, I think—and by the way we were fortunate they had a very generous immigration policy. There was no point criteria when Europeans and many other Canadians arrived, no language requirements at the time.

What I can indicate is, I am very conscious here that we on the public record have some immunity when it comes to naming names and making accusations, because this is the Legislature. If the member feels that there are certain specific allegations that he wishes questions answered to, he is going to have to put a name and specific allegations there. I can indicate, as minister, one of the things I have done in terms of reviewing the Provincial Nominee Program is ask many questions in terms of the current program and how it is operating.

There is certainly every indication that the Provincial Nominee Program is operating as it should, up front, that the staff are operating appropriately and that there is a system in place that is applied appropriately, that is criteria based. I can indicate that we will be announcing changes to the criteria. Once again it will still be criteria based. I take very seriously the fact that

every applicant should have the same opportunity.

We seem to be dancing around this. I said this in the House. I think the Member for Inkster (Mr. Lamoureux) asked the same question of the Premier. If he wants to ask specifics, I know I am the Conservation minister here, but I feel like I am watching fishing going on. This is a very serious matter. If the member has a specific allegation, I will respond to it.

* (17:10)

Mr. Schuler: Again, to the minister, I do this with great hesitation. I would like to table a letter for him and his department. It is a public document. It has been sent around to numerous individuals. I think for the betterment of the program, I think it is important. I consider it a public document. I know that more than four copies have been sent out to numerous individuals. I do this with great, great hesitation, but I think it has to be cleared up. Is the minister prepared to look into this matter in a timely fashion?

Mr. Ashton: I have to put this on the record. The record clearly has been tabled. The reference is to Mr. Bob Luna, and I am not quite sure why the Member for Inkster (Mr. Lamoureux) did not actually come out and say which staffperson or what the accusations are, because I really think that is unfair to everybody involved and not just the individual that is named.

This particular letter, I believe, a copy was provided to the department, and there has been a review of the Provincial Nominee Program in terms of any involvement of this individual. There is no indication that the individual had any influence in the Provincial Nominee Program, and, in fact, the individual involved has also indicated that at his own initiative.

In terms of these particular allegations, first of all, when allegations are not signed, it is very difficult to deal with because you have no one to vouch for it. Notwithstanding that, because of the very real seriousness that we take this, I say, we as a department, in terms of our immigration program, this letter was looked into and there is

no indication from any of the internal review that there was any influence of the immigration process. My understanding is that Mr. Luna was the executive assistant, which essentially is the constituency assistant, if you like, for the minister, did not work directly with the immigration program. Essentially, again, we could look at the cases, and I can go back historically, even back to 2001, there was an internal audit even at that time. Nothing to do with this specific allegation, basically as we often do within government to make sure that programs operate appropriately.

I am not just talking about any accusations of wrongdoing, better make sure that when you have immigration process that there is proper application of criteria across the board. It should not really make any difference in the end which immigration officer you go to, for example; there should be standard treatment across the board. That indicated, once again, the Provincial Nominee Program was operated appropriately. In terms of this, notwithstanding that this specific document was not signed, and, I guess, out of due diligence we did ask that it be looked at internally.

I asked this minister when I became aware of this letter. Once again, I want to qualify that as soon as you become Mr. Immigration, it is no different than being Minister of Labour or Minister of Conservation, you get all sorts of unsolicited advice about who is doing what or whatever. If I was to go through each and every Estimates in terms of each and every accusation that is made against someone, in department or in government or about a program, I would probably take up the entire hundred hours of Estimates. Out of due diligence, we did look at this and there really is no indication that Mr. Luna was able to influence the Provincial Nominee Program.

As for some of the other items that are here, the person did not sign this, and there has been no evidence provided in any of the other accusations, and outside of the case of the Provincial Nominee Program, it would suggest again if there are any substantiated allegations, we will investigate them. I want to make sure that the immigration program is absolutely aboveboard. As we expand it, the Provincial Nominee Program, I think it is doubly important,

and that is what we have done with this particular allegation, look into it and there is no evidence of any interference in the Provincial Nominee Program.

Mr. Lamoureux: Madam Chairperson, I wonder if the minister can indicate whether he or the former minister, to the best of his knowledge, was aware of any other complaints, whether they were verbal, or in writing to either himself or to the former minister in regard to this particular individual.

Mr. Ashton: To my mind, it is not the volume of complaints that matters; it is the substance of the complaints. This letter was received by the department. I have some very good contacts in the province, as I know the member does. Similar comments were made verbally, but, once again, we are not substantiated in terms of either, the influence of the Provincial Nominee Program. There is some reference here of money being paid. I just want to move outside of this individual. If someone received money and because of their position it was inappropriate, that would have to be dealt with. You cannot deal with him unless you have verified evidence of that. What I can do as minister in this case is make sure the Provincial Nominee Program is operating above board.

I will say on the record again, if there is any substance to this or any other allegation that would suggest there is anything in terms of the Provincial Nominee Program that is inappropriate, then it will be acted upon. I do not want to leave the suggestion here, because there have been a volume of these complaints that somehow there is something wrong with the Provincial Nominee Program. There is no evidence of that. If there is, if there is something I am missing here, I indicated to the member privately and I will indicate on the record here, we take this very seriously. Even though this was unsigned and even though verbal comments were made, to my mind, in this case, my concern is not so much one individual and one accusation, but is the system operating aboveboard? There is no evidence it is not. I can you tell you right now if I find out there is evidence, not just speaking for myself, but the rest of the department, we will act.

Mr. Lamoureux: I believe the minister has indicated there have been a number of individuals who have brought this particular issue to the minister's attention. It goes beyond just this particular letter. The minister is able to put a face to some of those comments that were being made. I think it behooves the minister to follow up. I am not clear whether or not there has been any sort of follow-up. Has this particular minister investigated the situation. One of the allegations here is that the individual in question had raised considerable campaign money for the NDP. Did this individual do any fundraising for the New Democrats or sell fundraising tickets?

Mr. Ashton: Well, this unsigned letter is a good example what you can deal with and what you cannot deal with. The third paragraph, I do not want to get into the details here, because I do not want to run through what may be a personnel matter. There is a statement here about someone who qualified only because they had an intimate relationship with somebody. Okay. Can I use that phrase? There is no evidence of that. The individual that was referred to qualified under the Nominee Program. That was verified. In fact the individual that has been accused in this letter also volunteered from his own right that these rumours were out there. There is no indication that this individual interfered and that the other individual received preferential treatment. That is what basically the third paragraph of this letter refers to.

To my mind, if you are looking for anything in this letter that, if it was true, I am not prejudging that, would be inappropriate, would be certainly someone getting unfair treatment and someone interfering, you know, that uses their position to obtain that unfair treatment. I cannot verify what happened in terms of the nomination program.

As for the fourth paragraph, this is a very serious accusation. I assume in this case it is tying in fundraising to applicants receiving treatment. There is no indication in any of the review either generally with the audit or follow-up to this letter or any of the questions I have asked to determine exactly how our process works that anyone has been receiving an unfair advantage.

* (17:20)

In that sense, there is no evidence of anybody receiving an unfair advantage in the program. If there was a specific case, and that was to be the case, I can say we know it from the write-up with Conservation with Hecla where there were problems. People were receiving unfair treatment and you act, but, basically, we have not been able to determine in this case situations in which people have received unfair advantage because of any connection to this individual or because of any financial transaction that took place or because of any other factor.

I can tell you if there was any evidence, we would act, but right now, as I have said, there has been no evidence in terms of the Provincial Nominee Program of undue influence.

Mr. Lamoureux: Madam Chairperson, I had made reference I guess it would have been to the fourth paragraph and the minister made reference to the third. I appreciate his comments on both.

I guess in regard to the fourth paragraph, here is something the minister indicated he has had others that have presented or shared concerns. I am wondering if the minister has had others that have commented on that particular paragraph. He can comment on that if he so chooses, but the one I really am interested in knowing, the minister had indicated in this third paragraph, something I was not going to ask, but now I will. The individual, let us say, it would have been the other individual involved let us say in the relationship, was that person given a Provincial Nominee certificate?

Mr. Ashton: I indicated in this case, and I am really reluctant to get into this. If you look at the fourth paragraph by the reference there, there is a direct accusation in this paragraph that there is a receipt of money and then people are accepted into the Nominee Program. So the third and the fourth basically deal with the integrity of the Provincial Nominee Program, for whatever reason.

In both cases, in a general sense there is no indication of people having received treatment.

In fact, we have safeguards built in. The immigration officers report to their supervisor. There is a review of cases. There is no ability for an immigration officer in the Provincial Nominee Program to sort of slide something through and not have it scrutinized by their superiors. So there are checks that are built in place.

There is no evidence of anybody receiving undue treatment in the case of the fourth paragraph, and in the case of the third paragraph the individual who was involved in that particular case. Mr. Luna has been up front in this, too, in identifying that the rumours are out there. I hate to even put this on the record, and the circumstances there, but this individual in this case did not receive any special consideration and was accepted under the normal criteria of the program.

Mr. Lamoureux: Again, I want to respect the issue of confidentiality, in particular of this individual who was given the certificate. To what degree is it possible for someone like myself who has an interest, as I am sure the minister does, in making sure of the integrity of the process, and so forth?

As the Member for Springfield (Mr. Schuler) has pointed out, it is a very delicate area. No one wants to cross the lines of being unethical here. I think we want to be, as much as possible, above board on this.

I have some specific questions I would have in regard to that particular certificate that would have been issued. Is it possible, whether it is going down to the Provincial Nominee Program, where I would have a request for the minister to become better acquainted with that particular file so that I can talk to the minister and get some sort of a sense of that file, some of the details on that file?

Mr. Ashton: I just want to be really up front here. As Minister of Conservation, I am responsible for the Hecla Island file. I think the experience of that is important, that if people bring forward allegations—we had an individual who brought forward a number of allegations that were signed, substantiated, in fact in that case were private and confidential and were then

released to many of the individuals who were involved in dealing with the file. In fact he ended up being threatened with a lawsuit because of the file being given to the lawyer for some of the individuals who were part of that accusation. That is a case where that person signed the letter, made, in this case, substantiated accusations. There should have been more of a follow-up initially. There was a follow-up eventually. That was not good enough.

I have indicated I will follow through in terms of any allegations that are legitimate, but I can tell the member I have some very good contacts with many of the ethnocultural communities for whom immigration is really critical. I can tell you I have heard of dozens of people who think, you know, their relative should have got in and somebody else's relative did not get in. I heard this the other day.

The issue to my mind here is whether the system is working appropriately or not. If there is one non-substantiated allegation, unfounded allegation, and if it is repeated 10 times, repeating it 10 times does not make it the truth. All I can do is look at the facts, and there is no evidence in this case of the system providing anybody with an unfair advantage. If there are any specific accusations that are out there, I will follow up on it.

I can warn the member, I could spend my entire time on the Immigration file. I probably have 25 people that I have talked to at social events, because as Minister of Multiculturalism I attend a significant number of social events, and I know the member does too. And the member gets this too. People will come up and say: So and so is driving a taxi. He got in and he did not have a job offer, but my nephew did. You know what? I do not know the file. It is not appropriate for me to go in and pull out so and so's application and compare it to so and so's application. The only thing that matters to my mind is that we have a system where nobody gets an unfair advantage.

I can assure the member that even though this was unsigned and even though some of the other generalized concerns were out there, I want to make sure for my own consideration that the

system is working appropriately, and I see no evidence that it is not.

I think that it is really important to put that on the record, because there are a lot of people involved with the system. We are not just potentially tainting those who work for the system. We are tainting the 1400 applicants and the many more when we get finished as a government who are coming out of the Provincial Nominee Program.

People should not assume that if you got in under the program, you got in because you had some special connection. I guess my assurance to the member is that I have been checking in terms of any signs of anything inappropriate. There is no indication of that. But if the member has anything that is substantiated, I will follow up on that, notwithstanding that we have checked it, looked under the stones. There is an audit that goes back to 2001. In this case, even Mr. Luna came forward himself and said: There are rumours about me out there. They are not true.

I think to be fair to everybody as part of this process, not just to individuals involved here, the one or two, but everybody who is part of it, I want to indicate to the member that I will follow up on any accusations. But I am very cognizant of the fact that just because someone says something has happened or assumes that one and one makes three, I have to look at does one and one add up to two, not whether it adds up to three.

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

EDUCATION AND YOUTH

*(16:20)

Mr. Chairperson (Conrad Santos): Will the Committee of Supply come to order, please. This section of the Committee of Supply has been dealing with the Estimates of the Department of Education and Youth. Would the minister's staff please enter the Chamber. We are on page 59 of the Estimates book, Resolution 16.1. The table is now open for questions.

Mr. Glen Cummings (Ste. Rose): I was remarking on a few issues—point of order, Mr. Chairman.

Point of Order

Mrs. Heather Stefanson (Tuxedo): Just on a point of order, Mr. Chairman, I believe we are having a global discussion. We are not going line by line at this point.

Mr. Chairperson: Yes, yes, that was the agreement to continue.

Mrs. Stefanson: Yes, so just to clarify.

Hon. Ron Lemieux (Minister of Education and Youth): Yes, for today, it will be global. Thank you.

Mr. Chairperson: For today, global. Is that understood? Agreed?

Mrs. Stefanson: We have had a global discussion from the very beginning and it should continue that way, past today, until such time as we change that.

Mr. Chairperson: Until there is a new agreement.

Mr. Cummings: To the point of order. I take it that the Minister of Education is saying he is not going to honour the understanding that there will be global discussions if these Estimates go beyond this evening.

Mr. Lemieux: Yes, the discussions are global.

An Honourable Member: There you are.

Mr. Chairperson: There you are. Let us go.

Mr. Cummings: Well, okay—

Mr. Chairperson: It has been resolved to be a global discussion.

* * *

Mr. Cummings: Having settled that debate over nothing, I really think the Minister of Education is, to use the rural vernacular, starting to look

like roadkill in this issue around Sunrise and the inappropriate flow of money that went out on the eve of the election. Obviously, today we saw in the House other ministers, most particularly the Minister of Finance (Mr. Selinger) not choosing to answer directly what was happening and who gave direction to his employee to involve himself in the process. We saw that go all the way to the highest level where the Premier (Mr. Doer), when asked directly to answer a question that he took on notice not more than about three days ago or four days ago, last week, that again, he had the audacity to stand up in front of live cameras in this Chamber and say basically nothing. In other words, he refused to answer the question and, then, in the hallway, he again refused to answer the question.

I am not a biblical person, but the cock has crowed three times on this one. If there was nothing wrong, then why does this Government not allow itself and this minister allow itself to say clearly and with accountability what the process was? If there is something to hide, they are certainly creating the impression that it is even worse than some of us might suspect. I mean, this could be a tempest in a teapot if this minister and his Premier and his Minister of Finance would just come clean.

That is all it would take. I know that he feels that we are keeping him unnecessarily on an issue that he wishes would go away. Well, I bet he wishes it would go away, because there are too many unanswered concerns around this particular issue. It has to do with ethical actions on the eve of an election.

I do not doubt you can find a half a million dollars in the Department of Education. I do not doubt that you can find it. But on the eve of an election, to send somebody into the middle of a mediation process, and nobody will indicate, yes or no, whether the government emissary actually got involved in the mediation—and it is unfortunate that we end up with departmental officials having to twiddle their thumbs through this debate, because this is clearly a political problem that this Government has got itself.

It is an ethical problem that it has got itself in terms of whether or not they involved themselves inappropriately. The minister is sadly

shaking his head indicating that I am mistaken, apparently. Well, the fact is, that if it is only an appearance, then for goodness sake, why do you not save yourself some skin and give us a straight answer? This is not going to go away in these Estimates or any time soon in this province if this Government cannot explain what it did at that time. I did not fall off a turnip truck a little while ago on this process.

There are a number of former school division chairmen on this side of the House. There are teachers and school board people on the other side of the House. The fact is, why would they insult the intelligence, the authority and the responsibility of the school division authorities by going down this route, unless it is one of two things?

One, they know they created a problem with amalgamation. It is a problem that they were not capable of planning far enough ahead to solve. This problem would never have developed if this Government had a policy and criteria about how they were going to deal with amalgamation and some of the hidden costs that opponents of this forced march amalgamation identify.

This Government proudly proclaimed, I do not know how many times, that there were \$10 million worth of savings. Well, there may have been \$10-million worth of savings, but we have not yet clearly found how many tens of millions of dollars of potential additional expenditures might there be.

I know of school divisions out there where the teachers will run in front of rolling traffic to talk to people and say it is time we amalgamated, why are you not getting involved in the amalgamation? Why do they want to amalgamate? Because they know that whoever they would be amalgamated with, that there is a differential in the pay. It is not about organization. It is not about whether or not they got too many superintendents.

* (16:30)

Unfortunately, there are too many people out there who see this as an issue about whether or not there will be better pay under amalgamation. The Government talks about savings.

Unless they are in and of the belief that there should be a uniform pay packet across this province, then this is backwards, this is backing into it. If they want to have a uniform pay packet across the province for professional staff, then let us have provincial bargaining. The Government has not talked about that, does not particularly seem to think it is a good thing. In fact, their reaction to the policies that this side of the House put forward during the election was all about defending the importance and the individuality of the boards and the costs and all of those issues.

We are back to this one issue that has, unfortunately for this minister, made him like a deer in the headlights. If he is not roadkill, he is about to be because he is caught in a situation where he cannot or chooses not to answer the question.

I have said many times this would go away very quickly if he chose to explain the process in a complete manner. What he has done, the actions of his Government, let us leave the department out of this—the department were not the ones responsible for picking and choosing. That had to have been a decision that was made at the political level because there are some interesting gaps out there about divisions that did not even get talked to. I bet one of the reasons they were not talked to is because they might also have been in targeted ridings.

The Premier bragged about all these ridings he had targeted out there. There are a significant number of examples out there where this politically motivated and fractured forced march amalgamation seems to reflect a political opportunism, not the well-being and education of the children out there. It is more about the well-being of the political operatives in the current Government. It is more about the well-being of certain areas they believe they can offend without hurting their political opportunities and other areas they do not want to offend because they believe they might have some political opportunity.

I find that very distressing. It is distressing to the point where this Government, we believe, has put themselves in a very serious bind. Sunrise is only, perhaps, the high peak on the

mountains of ethical problems they are going to have to deal with in the way they have dealt with amalgamation.

Amalgamation by political choice without a plan to follow it up is very, very hard to defend. There is no way this Government can defend the fact that it does not have a plan and a criteria by which it may be prepared to ease the financial burden of problems that are created by amalgamation. If it is continually one off, then that is not any real plan. It certainly does not seem to have any criteria attached to it.

The minister could possibly table a statement of criteria where he may be prepared to put money on the table to assist an amalgamated division which finds itself, as we have seen in Sunrise and now in Prairie Rose, where they are in fact support workers who are seeing themselves as out of sync with the other side of the division they are now amalgamated into.

Is there a page of criteria? Can the minister even create one between now and tomorrow? There should have been, if this was going to be done in a logical way, a plan that could and would be shared with the public, particularly when we might be talking about chunks of money as large as what happened at Sunrise.

Continually, we hear that Sunrise has a 56% spread in costs. Well, that is significant but, believe me, when you are downloading onto the local tax base, and I know the dollars are very hard to determine, but we know these salary levels are only determined by a cost-sharing basis, that the responsibility of any excess costs ends up accruing to the local tax base. We are so distrustful of what we have seen happen over the last few years in that the tax base of what comes out of local levy relative to the total funding of the province leaves you with a serious concern about what will eventually shake down to the local tax base on these changes in cost.

Apparently, there was going to be a cost to Sunrise that would be quite significant. The Government was prepared to intervene. If they would have intervened by having a policy and a criteria that said: Here is what we will do when school divisions find that the spread is so much that they impact relative to their tax base, their

mill rate can only be raised so much before we will intervene. Even those types of simple, very, very simple criteria would have brought a little bit of clarity to this. We, in passing, have referred several times to the fact that there is another strike going on out there right now.

There are kids who are being disadvantaged. Do not tell me that you had to settle the strike in Sunrise because there were kids and parents. I forget the exact words of the minister, but he said, what it amounted to was they were disadvantaged and they were not going to be able to be educated was the implication. What do we see? We see the same thing happening at Prairie Rose.

Now have they got better roads in Prairie Rose? Have they got more affluent parents? Have they got kids who are smarter and they do not need to get to school as readily on a bus? That is a frivolous response and one that is demeaning for the Minister of Education to give. He needs to have criteria. He cannot show it, so he is not going to be prepared to give us something useful. Therefore, we have to assume that he allowed or his Premier directed or the Minister of Finance (Mr. Selinger) directed an improper intervention in the mediation process at Sunrise.

All of the reasons that he has talked around have not helped. Having heard that the Minister of Finance now has said, well, it was Mr. Schreyer who approached the MAST organization. Nobody will acknowledge who provided the direction. So I simply ask, no criteria, will you provide direction?

Point of Order

Mr. Chairperson: Point of order being raised.

Hon. Gord Mackintosh (Government House Leader): Mr. Chair, will you please canvass the committee to see if there is agreement to temporarily interrupt proceedings to put the Speaker in the Chair to change Estimates sequence.

Mr. Chairperson: Is there an agreement that we temporarily interrupt? *[Agreed]*

* * *

Mr. Chairperson: Call in the Speaker.

IN SESSION

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please canvass the House to see if there is unanimous consent to change the Estimates sequence in 255 so that the departments of Intergovernmental Affairs and Labour and Immigration are switched.

Mr. Speaker: Is there unanimous consent to change the Estimates sequence in Room 255 so that the departments of Intergovernmental Affairs and Labour and Immigration are switched.
[Agreed]

We will now resume Committee of Supply.

COMMITTEE OF SUPPLY (Concurrent Sections)

EDUCATION AND YOUTH (Continued)

Mr. Chairperson (Conrad Santos): Will the Committee of Supply come to order, please. Would the minister's staff please enter the Chamber.

Mr. Glen Cummings (Ste. Rose): I have just been reminded by my House leader that there is a general agreement that both questions and answers should be more succinct, so I am telling the Chair that I am prepared to be more succinct. I hope that he will exercise his discretion relative to the answers. Thank you.

* (16:40)

Mr. Chairperson: The Chair acknowledges the confession.

We are on page 59 of the Estimates book, Resolution 16.1.

Mr. Cummings: My preamble was all in aid of the fact that I believed there needed to be criteria, but more importantly, because there has been no criteria, there appears to have been an

improper intervention. I would suggest that we still have not been told who directed Mr. Schreyer to involve himself in the process, and I would ask the minister to respond to that.

Hon. Ron Lemieux Minister of Education and Youth): Mr. Chairperson, we have often made reference to comments that were made by the Minister of Finance and others, but also with regard to the Sunrise School Division, the letter they sent, stating to the Government that they want to enter into discussions relating to the disparity in wages between the two former parts. Much has been talked about, about the 15 percent to 60 percent, much different than what is in Prairie Rose, I understand, at least what I have been advised. It is regrettable that in Prairie Rose there is a strike taking place currently. Conciliation broke down and the conciliation officer, I guess, is still there to work with the parties, but the fact of the matter is that the parties just broke off their discussions, and they have not gone to mediation as was the case in Sunrise School Division.

The difference there, and what the difference is that, but there is a process, Mr. Chairperson, that people have the opportunity to work through, and they worked through that process in Sunrise. So the process is in place for assisting parties that have differing views and, in this particular case of Prairie Rose, they definitely have differing views obviously, that conciliation has not been able to address, and mediation is certainly open to them. I have mentioned to the Opposition before that this is open to both parties, and I would hope that they would take advantage of that. Thank you.

Mr. Cummings: Given the minister's answer, then, is the criterion X number of dollars apart, or is the criterion that they have to be in mediation before he can send in a fixer?

Mr. Lemieux: The Opposition may speculate all they wish, I guess, but the point of the matter is that you had the representative from MAST and also the superintendent of the school division state to a representative of the Government that there was a shortfall, and the shortfall was so great that the school division could not absorb that difference. So here you have, in this particular case, the gap being so great that you

have the representative from MAST and the superintendent letting the government representative know that two thirds of the portion that needed to be covered was able to be covered by the division, but one third could not be. The members opposite are saying, well, they are not getting any answers. They asked this before, and we said, well, we will look, we will find out, we will get the answer for you, and we did.

They also asked us how much money it was. And we said we will look into it, we will find out, and we did. So \$112,000 the first year; \$158,000 the second year; and \$158,000 the third year, for \$428,000. Now, members opposite have asked these questions. If we did not have the answers at our fingertips, we were able to get them for them, and we have done so over the past week. So, for the member from Ste. Rose to say that we are not forthcoming, we absolutely have been forthcoming on letting them know the financial aspects with regard to Sunrise School Division.

We have also said the same thing with regard to Louis Riel and also said the same thing with regard to Pembina Trails and now Prairie Rose. They are in a situation where they are on strike, and we are very, very concerned about the impact on the children there. It is something that the department as well as myself are very concerned with the impact on the children in Prairie Rose. They have been out for, I believe, six days now, or seven days, working days, and it is something that we are really concerned about.

Mr. Cummings: No doubt the minister is concerned about the children. That is the basis upon which an awful lot of decisions have to be made in his department. What we are concerned about and what he is not responding to is a process that was followed seems to be highly irregular, probably politically driven, and it makes it appear that this Government was prepared to try and buy peace on the eve of an election in a riding that they assumed was going to be very close. It was certainly very close in the previous by-election and in previous general elections.

The second part, which is even more troublesome in terms of pure mechanics and

relevant to the administration, is that it seems that while there was a political decision to do amalgamations, there was a political decision that drove some of those amalgamations. They were not based necessarily on criteria. If they were, government broke its own criteria, because the variety of divisions that were untouched was significant.

Thirdly, really, if they had a process in place they would not be in this pickle. They have no criteria that school divisions can look to and say, well, I can expect some assistance in this area.

Every time a problem comes up it seems the minister's answer is, well, we will have a look at it. That is reprehensible in terms of any kind of continuity in funding out there. We may be returning to a situation that occurred probably 10 years ago, where the majority of school divisions were not on the formula. Everybody had an exception to the formula. I think we finally got down to, and I cannot remember the precise year, but we finally got down to where there were only two or three or a handful of school divisions that were still strictly on the formula.

You could argue that that is a reflection of flexibility on the part of the government of the day and all those good things, but the fact is it showed that there was increasing discrepancy on formula-based support to divisions, so it had to have an end run done on it. Now the minister, not only with his amalgamation and with his directives on management costs and so on, has now added another factor that says, well, we will deal with it when it comes up.

I find that just so disheartening after all the work that so many superintendents, so many people in government, so many politicians over the years have pulled their hair trying to get so that there was some uniform and reasonable way of provincial funding to relate to the cost of education in various divisions.

It is almost the worst answer the minister could give when he said, well, we will look at them when they come up. Surely, he must have some criteria, Mr. Chairperson, that he is prepared to explain to us.

Mr. Lemieux: Mr. Chairperson, the Opposition has said repeatedly about how, you know, yes,

we want you to get involved with Prairie Rose even though there is mediation available to them. We want you to get in there. We want you to solve their problems, yet with Sunrise, no, why were you assisting them, why did you, you know, when the superintendent and a high-level representative from MAST told the government representative what the problem was. The problem was dealing with wage harmonization. The problem was that there was a shortfall of funds. There was a gap that they felt could not be overcome because of the huge difference, that 60 percent.

* (16:50)

So, on the one hand, they are saying, oh, yes, why did you ever get involved there? Return the money. I never heard the member from Lac du Bonnet say that we are really disappointed that the strike is over, you know, absolutely not. I mean, most people felt that there was a will in Sunrise School Division to address this strike that was escalating. The parties agreed to mediation and they went to mediation. It is a willingness of school board employees and the school board to resolve their situation. They had disagreements.

I am not going to go through a list and a repertoire of many of the advantages of amalgamation. We have done that over the past week. But I just want to say that you had a superintendent and a high-level official from MAST tell the government representative exactly where the shortfall was. It was dealing with wage harmonization, wage. That was a huge stumbling block. So, when that was passed on to government, that was the option to look at. It was not option A, B, C, D. It was looking at a specific item.

The Minister of Finance (Mr. Selinger), I believe, has touched on that, talking about how we wanted to ensure that certainly there was no interference, he did not interfere with the collective bargaining or mediation process. Only after the strike started, he came in to resolve a uniquely wide range disparity for which the school division could find two thirds of the money and the Province, through the Schools Grants program and through the Department of Education, was able to find the remainder.

Mr. Cummings: The minister is trying to imply that this side has been urging him to get involved in Prairie Rose. Prairie Rose is an example of another situation out there that can be held up as a contrast to the way he reacted to Sunrise or the way the Government reacted to Sunrise.

As I said in the beginning, I am afraid this minister is starting to look like roadkill in this process. Somebody else wanted this fixed. It was not the Department of Education official who was out there talking. It was a representative of the Treasury Branch.

It was not the school board that was involved. It seems to have been a direct intervention. The minister keeps saying they did not interfere. I do not know how many times I have heard him say that and I really have not been in these Estimates very much, that they did not interfere in the bargaining process. They did not interfere. They went to mediation. Is he saying that when they went to mediation, that is when it was okay to circumvent normal processes?

The school division was facing a cumulative problem, a problem that will be in that division in perpetuity. It is not a one-off. There has been a permanent downloading of a cost as a direct result of the actions of this minister's Government.

Why they do not want to be forthcoming about how they fixed it, plus on top of that why they do not have some criteria on how they might fix these problems—as my colleague from Russell asked me rhetorically when they say it was 56 percent and they had to interfere. So what were the criteria? Anything over 50? Anything over 40? Anything over 35? If that was the criteria, say so. I think you will find there will be a lot of school divisions out there that will be pretty annoyed if that was the criteria, but he cannot point to a criterion, other than to say they were in mediation. Is it now the criterion that he will intervene if the next school division goes to mediation? Is that what he has been saying and I have missed it all along?

Mr. Lemieux: I am very pleased, Mr. Chairperson, to stay here long and late into the night. As long as the members opposite want to discuss education, I am more than happy to. I look forward to that.

I have had the pleasure of working with many officials in education. There is an absolute concern out there with regard to the well-being of children and the effect on children as the result of strikes.

The members opposite have heard me about Ontario and Alberta and other places where there are strikes. We are very fortunate that 80 percent of the contracts in Manitoba have been dealt with through arbitration.

In Manitoba, we have conciliation and then mediation. We have been very fortunate that is how in Manitoba we have addressed our challenges with regard to labour differences and contractual differences. I just want to make the comment that prior not only to Sunrise's strike—but I have had many meetings with and talked to MAST officials, not only their president but other people there, about the challenges in education and the challenge being wage harmonization.

So MAST was saying to government that they wanted government's intervention. They wanted government to step forward, government to help out these divisions. That is the fact. You had not only the president of MAST but their staff, who we have met with formally and informally, state that quite emphatically that they felt government had to step up to the plate and be involved.

I mention that and I am sure it is no surprise to members opposite. When they were government, they certainly met with all kinds of officials, whether it was MAST or MTS or other organizations, stakeholders in education, no difference with this Government.

The point I am trying to make is that you had MAST pointing out to government on many, many occasions about the challenges around amalgamation. We as a government never said there were not going to be any challenges around amalgamation. We knew that. The members opposite knew that, also with the Norrie report. They knew that when you go from 57 school divisions down to 22 and you take such a drastic whack at the school divisions that there are going to be repercussions as a result.

Well, we did not. We took the more balanced approach. We just felt with that balanced approach we would try to address the challenges there. It is not easy. We are not perfect. There are a lot of issues out there that we are going to have to deal with, financial and otherwise, but we are prepared as a government to do that.

When you had MAST officials mention to a government representative about the shortcomings and the shortfall, no pun intended, that the fact of the matter is it was dealing with a specific gap that they were talking about, that gap being \$112,000 the first year, 158 the second year, 158 the third year, which amounted to about one third of what they were talking about. It was very specific in nature. It is a vision that absolutely, when you take a look at it, compared to any other division I have been advised, that this gap is so great and the discussions that have taken place between MAST and government over the last while, as well as a letter we received from Sunrise, as well as their discussions with a government representative, led government to want to assist them, to get those children, as the Minister of Finance has pointed out, back in the classroom. They were willing to go to mediation, which they did and they were able to resolve their differences.

It is regrettable there is another strike taking place in Prairie Rose right now. No matter what our political differences are here, we all feel the same way. We do not want children inconvenienced. We do not want children out of school. We want them in school. We do not want them having trouble with transportation.

Out of the 1400 children, I believe there are 900 children affected that are transportable or bused. Certainly as a government department responsible for this area, it is a concern. We want to know how many children and what is happening with regard to those children, how many children are not making it to school and what is the attendance like and so on.

We have given, I have tried to certainly give answers to the questions members opposite have asked. We have been very straight forward in telling them the amounts of money necessary,

the kind of timelines with regard to those dollars. The superintendent of the division and a high representative from MAST whom the government official had conversations with, with MAST, made it known what the shortfall was.

* (17:00)

As a government, we wanted to get those children back in school for the well-being of these children so they could get back to their regular routine. It is regrettable—well, not necessarily regrettable, but for whatever reason, and I will try not to be too longwinded on this; I will try to be short—that Prairie Rose feels it is not necessary to have government involvement. Maybe they feel that amount of money we are giving them, that \$50 per student, is enough to cover their differences on wage harmonization. Louis Riel did. Pembina Trails, the other school division, apparently did as well. They received larger sums of money. They have a larger student population.

It is a real challenge because you have two rural divisions that are having a challenge and you have two city divisions that appear not to have a challenge. They were able to resolve their differences. I thank the member for the question.

Mr. Cummings: I guess, as my colleagues have experienced, getting a direct answer to the issues around this problem is pretty difficult. The minister can wax eloquent and I could do the same I suppose about the need to be caring and concerned about what is happening to the students out there, but when he starts talking about the mismatch between the four school divisions and then points directly to the larger gap he feels he was addressing or someone in his Government was addressing with Sunrise when they intervened to put money on the table, it makes the very point I was trying to make at the beginning. That is, there were no criteria.

Now the criteria can be the cost relevant to the tax base of the division. There are a hundred different ways you could come at this as what would be the criteria for intervention, but when there is no criteria for intervention then the Government has exposed itself to the accusation of political intervention.

They can have the best of motives that they may wish to explain here, but the Premier (Mr. Doer) simply walked away from the question today. He did not want to answer. What is he afraid of? What is the Premier afraid of in terms of answering why and how direction was made to intervene in this process?

If the criteria were the relative costs in the various divisions then he could deal with this problem, but when there is no criteria and when they intervened so directly and when it was on the eve of an election, it comes only to one conclusion. That is that somebody made the decision: You have to fix this before we go to the polls.

It would be pretty obvious that the Premier knew he was going to the polls. He made no secret of the fact in the Legislature here that he was going to go to the polls. Therefore, I imagine the fix was in out there. Everybody was being told to get all the problems they could off the table before the writ was dropped.

If this Minister of Education did not know that it was coming, if he was not able to hold up some criteria that said this is how we will fairly deal with this, and when it was delegated by someone to a Treasury Board official to deal with and when the process was already in mediation and when the school board was not engaged in the discussion, then there is only one conclusion. Someone out there with a reason to want this settled off the government side was looking for any excuse to intervene and get this off the educational agenda. Guess what? It did not come up until late in the day in the fall session.

Why will this Government not acknowledge who directed Mr. Schreyer as the Treasury Board emissary to get involved and who talked to the mediator or the mediation process? They will neither confirm nor deny that someone talked to people involved in the mediation process. That is pretty close to admitting guilt. Who did this Government send, and how far did they go in getting into the mediation process?

Mr. Lemieux: I am glad that the member opposite from Ste. Rose is talking about mediation because Prairie Rose School Division is a

division that has not looked at mediation at all. We take a look and the members opposite are critical about having to deal with a case-by-case basis. I will tell you, there is a big difference from division to division. Members opposite know that and should not put in on the record that somehow all these divisions are the same. They certainly are not. The circumstances are far different—

Point of Order

An Honourable Member: Mr. Chairman, point of order.

Mr. Chairperson: A point of order being raised. State the point of order, please.

Mr. Cummings: On a point of order, I would ask the minister not to put words in the mouths of his critics.

Mr. Chairperson: Disputes as to facts are not points of order.

* * *

Mr. Lemieux: Just even though it was not a point of order, it is a point well taken. No, I will not do that. I will say, though, that there are differences between school divisions. They know this. There is a big difference between Sunrise School Division and Prairie Rose School Division, an absolute big large difference. Not only geography, but also circumstances.

I mean, you do take a look at a case-by-case basis. You take a look at the impact on children, where in the process they are, what the gap is. All of that is there. You have the Manitoba Association School Trustees' official telling the government official what the gap is and how much it is. They have negotiated; they are at a point where they feel that they can get the children back into school; and they let government know that.

It is quite clear and quite straightforward exactly what the circumstances in Sunrise were. Prairie Rose is different. Prairie Rose is a different situation. For whatever reason, the school board there and the employees do not want to go to mediation. I wish they would. I

asked them repeatedly that, if they cannot get by their differences and conciliation is not working for them, they go to mediation and get it resolved. This is a huge impasse for them, and many children are being affected overall. I understand that, because of the busing, most parents have been able to manage quite fine. We are concerned as well as the members opposite about this. We are certainly monitoring the situation to determine what the effect is on the children.

I think the children are what we are all concerned with. I know members opposite are as well. With regard to, for example, Sunrise School Division, you had Agassiz School Division, where their taxes went up on a dollar basis by \$343 increase on an \$80,000 home. You have these differences, for example, taking place in the province. That went on in the nineties, from 1990 to the year 1999. You have these big differences. That created a huge challenge for that division, and, yes, we are aware of a lot of the numbers. The difference when they are negotiating like that, there is a huge difference and we felt as a government we needed to work earnestly to have these children return to school, as the Minister of Finance (Mr. Selinger) pointed out in two Question Periods, now that I can recall. Thank you.

*(17:10)

Mr. Cummings: When we are talking about taxpayers' dollars being at stake, the minister has not yet made the argument that he can more carefully manage the dollars as a result of trying to deal in a one-off situation. In fact, he has deepened the concern about how taxpayers' dollars might get managed in the overall picture of amalgamation.

The minister likes to reference Norrie and the sweeping changes that Norrie put in place. One of the concerns that obviously grew from the Norrie report was that there would be a massive change, but that there would be some massive implications, and there was also an attack on the integrity and the managing ability of a number of boards out there. Unfortunately, that very same argument will come back to haunt this minister. His Premier talked about a \$10-million saving. I believe this very minister

stood in his place and indicated that the \$10 million was achievable. Certainly his predecessor was very proud of standing up and saying, every time there was a question that reflected on cost, that it would be covered by the \$10 million he was going to save in the amalgamation of school divisions.

So I really cannot accept that we are simply dealing with a problem that can be handled one-off. I do not think the minister wants to tell us that they had no idea what was going to shake down out of this amalgamation. I think they knew very well what was going to happen. That is why I am so flabbergasted that there is not a plan in place to deal with it. After awhile, after you have looked at amalgamation, after you get past the plethora of reasons why various boards were created and then the movement of population that creates changes and shifts that does ultimately require some reorganization for efficient management, the most obvious thing that hits you is that there is a discrepancy out there in salaries, and there is a discrepancy in services. Sunrise is probably a pretty good example of the discrepancy in services that would come to haunt the ministry as well.

I submit, Mr. Chairman, that this Government and this minister knew full well what was going to happen, and they wanted to get past an election window before they had to deal with it. But this one would not go away. So they sent in a fixer, and now the minister does not want to talk about and will not share with us how that fixer was instructed, who he talked to, and in what manner they were approached. We have a commitment of significant dollars based on a group that was already in mediation. Perhaps the minister would be more forthcoming if it was not talking about the actions of his own responsibility. Perhaps he would care to tell me: Did the union contact him asking for a solution? Did the union representatives contact him to ask for a solution?

Mr. Lemieux: Mr. Chairperson, I have already addressed that in days gone by, and I know the member from Ste. Rose was not there, but I have already addressed that, and I just wanted to mention that members opposite say they are not being derogatory. They have called Mr. Schreyer a hatchet man, a political goon, a fixer, all kinds

of comments that they have made towards him. He is highly respected. He is a person who works in the public sector and is very familiar with labour relations in the public sector, has a good idea with regard to this whole area and is a person that when he was approached with the amount, that Sunrise School Division could cover two thirds and could not cover the other one third, this was obviously, a real challenge for Sunrise School Division. There are differences between divisions around the province—and I know that members opposite know that—the financial wherewithal, whether or not they can cover the amount that is a gap for them in harmonization.

Not only that, there are truly differences from division to division. Some divisions may not wish to deal with wage harmonization. They may want to deal with pension, and that is all part of negotiation. That is what the negotiation process is all about. The members opposite know. I use the example that, if you are going to build a new school and you tell that school that there is \$5 million there—that is before you send out any tenders—guess what the tenders are going to come back at.

So, anyway, the point I am making here, Mr. Chairperson, is that it varies from school division to school division. Maybe at Prairie Rose, they are negotiating benefits as opposed to pure dollar increase per hour. I can tell you that what I have been advised, as opposed to the difference in Sunrise School Division, is that the children were being affected in Sunrise School Division. In Prairie Rose, they are not being affected, I understand, with regard to transportation, anyway, in attending school because of the strike. Children might be ill, they might not be feeling well and so on. But, when we have been monitoring this labour dispute, we have determined that there are not any kids not attending because of the strike.

So we are monitoring it, and we do have a concern about the children there and the busing that they are able to get. I know it could be an inconvenience to the parents. Granted, I understand that. There is a collective bargaining process taking place there, and the two parties, hopefully, will get back to the table and start talking and will be able to resolve their issues. If

not, mediation is available for them to ask for mediation and ask for assistance, but they certainly, to the best of my knowledge, have not asked either through MAST or through us for any assistance, financial or otherwise.

So our monitoring of the situation shows that there are not any children missing school in Prairie Rose as a result of the strike. That is what I have been advised. But it is a concern for us, and I know it is a concern for members opposite as well, to ensure that children are back in school. They have had a great holiday with school starting after Labour Day, which is something that we implemented, and I know they are very thankful for that. But there are not any children, to the best of my knowledge, what I have been advised, missing any school because of the current labour dispute in Prairie Rose.

Mr. Cummings: Because I firmly believe that there are some very competent people in the Department of Education who know, probably within a few bucks one way or the other, what the cost of amalgamation was really going to be, I think this minister, probably, has some idea what the real costs are going to be to his department as a result of amalgamation. Is he prepared to share with us any of that information, or is he going to stick with his mythical answer of \$10-million worth of savings?

Mr. Lemieux: I believe that I am on record of stating all the benefits of amalgamation and I repeated that on numerous occasions with regard to not only Sunrise but many other school divisions in the province that amalgamated. We talked about the long-term benefits as well as short-term benefits that have been as a result of amalgamation and, anecdotally, comments that were made to us by superintendents and others about the benefits that they have accrued as a result.

* (17:20)

A perfect example of this is that, when you have three school division offices and now they only have one school division office, and instead of having three superintendents, you have one superintendent, I think most Manitobans would see that as a real benefit. Continually, the previous minister mentioned that he felt there

would be short-term, medium- and long-term benefits as a result. It is an evolving process where there is no end date because, as I believe it and I have mentioned before to my critic from Tuxedo, I have been told that you do not have a personal opinion when you are in government—but, personally, I believe that there will be more amalgamations five to ten years down the road, but they will be voluntary. The reason is because of the benefits that have been accrued of the ones that have been amalgamated.

I just want to comment that a lot of school divisions have anecdotally stated that they want to get together. They would like to amalgamate. Maybe government will have to consider some year whenever that happens. They will have to consider what they can do to best facilitate that amalgamation process. Again, it is one of those situations where they are going to have to make a decision themselves whether or not they want to amalgamate. If they see all the economies of scale and all those benefits that they are going to accrue, they will have to determine that themselves.

I know the member from Ste. Rose is a rural MLA as well as myself from LaVerendrye, and there are areas of Manitoba that are depopulating. There are areas in Manitoba that their student enrolment is dropping. There is declining enrolment, to contrast that, for example, with Winkler or the Steinbach area where you have many, many students coming into those communities, where we have had to build new schools, whether it was in Winkler or Mitchell, Manitoba, because of the influx of immigrant children and new citizens to Canada.

I do not want to belabour the point. I know that my critic from Tuxedo has heard me repeat this before, but, once again, the Province of Manitoba will stand by amalgamated divisions. It will work with them not only financially but in any other way we can to assist them. We repeated that. We are on record as saying that. We are prepared to work with them in a very close fashion.

Mr. Cummings: Occasionally, I like to send out communication to some of my constituents about current and relative issues. I would just

love to send out the last paragraph of the minister's comments as an example of how this Government is dealing with amalgamation.

That is not a plan. That is a throw this egg up in the air. We know we cannot unscramble it after we are done, but we will work with them to deal with the problems. We will work with them.

An Honourable Member: People already ruled on them in the election.

Mr. Cummings: Maybe the Premier would like to answer that question; we did not get at Question Period. Would you like the floor?

The fact is that the Government—and this minister is left holding the bag—[interjection] I was being polite. I was calling him roadkill a little while ago. The fact is that the answer you just gave me about how you will manage amalgamation just will not wash with the public who are asking: What is the plan? There would be known costs. There would be known problems that would be associated with this, and government is expected to have at least of some of the ideas on how they are going to solve those problems or how high the hill is that they are going to have to climb if there is an unexpected expenditure. As I was saying earlier, there are school divisions out there that this administration avoided involving in their amalgamation. I represent some of them. They avoided amalgamating them because they did not want the backlash. Now they have a bunch of amalgamated school divisions out there that they do not know what the cost of amalgamation is likely to be.

I remember the Premier when he came into office. He said, I have been here two weeks; I have not found that billion dollars yet. I have been here three weeks, and I have not found that billion dollars. Well, I have been asking for the last year: Where is the \$10 million on amalgamation? We have been in Estimates for five days and we have not found that \$10 million. Maybe the Premier can elucidate on this down the road, but we have not found the \$10 million. I am a little concerned that maybe it is going to be one with a red mark beside it, not a black one. The fact is, you can string this out, and the minister just said, this is an ongoing problem.

We will work with the divisions and we will solve these problems as they arise and it will be an elongated and evolving process. Well, the longer it is elongated and evolved, the more difficult it will actually be to find out what the real cost of amalgamation has been.

The real cost, I suggest, may never truly be known by the people. The only way that we might be able to put any kind of proper adjustment against this is the level of education, the standard of education, but do not try and blow one by us that talks about the cost savings that arise. Any good, caring parent who has an educational concern is going to be carefully looking at the quality of the education that is delivered. That is a given. I mean, nobody is going to argue about that, whether it is approved or not. The amalgamated divisions will be held accountable. But, in the end, when we ask where the \$10-million worth of savings is, I do not think there is ever going to be an answer, because, I suspect, it may have red ink behind it, not black.

The second part of it is, when it is an evolving—I mean, I get quite concerned about the answers. I like the minister personally; but, when he talks about the elongated, this ongoing process—I mean, I do not really want to see him as roadkill; that is just an expression of what might happen as this process evolves, because he has not been able to answer the questions about the real cost of putting these school divisions together at a forced march basis.

One of those issues that has been avoided is the amalgamation of salaries. They do not amalgamate to the lower level. They never do. I mean, this administration, of all administrations, with the number of union and professional people that are involved in this Government, they know which way those amalgamations are going to go. They just inherently know. As farmers out there and taxpayers, I sort of have to think about this for a while, but, yes, it kind of looks like that is where it is going to end up.

Mr. Chairperson, we have not received any straight answers about the process that has evolved around Sunrise. I suspect that it is going to be extremely difficult to get a straight answer from anyone in this administration about what

actually happened in the process. Who actually made this happen? One of the reasons—as I said earlier, that the minister could put this to bed, it could be gone, it would be away, it would be forgotten—is, if they would simply look us in the eye and say this happened this way. That has not happened. We have asked it in multiple, different ways. I mean, we are running out of ways to rephrase the question, Mr. Minister.

I hate to admit defeat, but that is what it is coming to. We are going to have to bring in fresh horses. We cannot get a straight answer. We keep re-asking the question, and we keep getting a re-avoiding of the answer.

I will wonder, one last time, will the minister explain how Mr. Schreyer interacted in this process and did he talk to the mediation group.

Mr. Chairperson: Only briefly, because the hour is coming.

Mr. Lemieux: A high-level representative from MAST, as well as the superintendent, spoke to the representative from the Province and let the Province know the gap—

Mr. Chairperson: The hour being 5:30 p.m., committee rise. Call in the Speaker.

IN SESSION

Mr. Speaker: The hour being 5:30, this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, September 23, 2003

CONTENTS

ROUTINE PROCEEDINGS			
		Day Care Oswald; Caldwell	1150
Presenting Petitions		Bovine Spongiform Encephalopathy Penner; Wowchuk	1150
Dialysis Services Driedger	1141		
Supported Living Program Dyck	1141	Speaker's Ruling Hickes	1151
Tabling of Reports		Members' Statements	
Annual Report of the Manitoba Education Research and Learning Information Networks (MERLIN) for the year ending March 31, 2003 Sale	1142	Pembina Wellness Complex Dyck	1153
Revised Estimates of Sums Required for the Services of the Province for Capital Expenditures for the year ending March 31, 2003 Hickes	1169	St. Norbert Behavioural Health Foundation Brick	1154
Oral Questions		Gill Bramwell Driedger	1154
Public Utilities Board Murray; Doer	1142	Folklorama Melnick	1155
Tweed; Doer	1143	Irvin Goodon Maguire	1155
Tweed; Selinger	1144	Matters of Grievance	
Goertzen; Selinger	1144	Tweed	1156
Goertzen; Doer	1145	Faurschou	1159
Sunrise School Division Cummings; Selinger	1146	Cummings	1162
Derkach; Selinger	1147	Goertzen	1164
Mitchelson; Doer	1150		
Agricultural Policy Framework Penner; Wowchuk	1148	ORDERS OF THE DAY	
City of Winnipeg Gerrard; Doer	1149	GOVERNMENT BUSINESS	
Hells Angels Lamoureux; Mackintosh	1149	Committee of Supply (Concurrent Sections)	
		Family Services and Housing	1169
		Labour and Immigration	1181, 1186
		Intergovernmental Affairs	1185
		Education and Youth	1194, 1198

