

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

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Eighth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
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, Hon.	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, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 3, 2004

The House met at 1:30 p.m.

Highway 227

### PRAYERS

### ROUTINE PROCEEDINGS

### PETITIONS

#### Minimum Sitting Days for Legislative Assembly

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

The background to this petition is as follows:

The Manitoba Legislature sat for only 37 days in 2003.

Manitobans expect their Government to be accountable, and the number of sitting days has a direct impact on the issue of public accountability.

Manitobans expect their elected officials to be provided the opportunity to be able to hold the Government accountable.

The Legislative Assembly provides the best forum for all MLAs to debate and ask questions of the Government, and it is critical that all MLAs be provided the time needed in order for them to cover constituent and party duties.

Establishing a minimum number of sitting days could prevent the government of the day from limiting the rights of opposition members from being able to ask questions.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider recognizing the need to sit for a minimum of 80 days in any given calendar year.

Signed by Corazon Pineda, Eduardo Pineda and Anne Woloszyn.

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

**Mr. Ralph Eichler (Lakeside):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition.

It is unacceptable for the residents of Manitoba to travel the unsafe gravel roads of Highway 227 in the constituencies of Lakeside and Portage la Prairie.

Inclement weather can make Highway 227 treacherous to all drivers.

Allowing better access to Highway 227 would ease the flow of traffic on the Trans-Canada Highway.

Residences along Highway 227 are not as accessible to emergency services due to the nature of the current condition of the roadway.

The condition of these gravel roads can cause serious damage to all vehicles, which is unacceptable.

Residents of Manitoba deserve a better rural highway infrastructure.

We petition the Manitoba Legislative Assembly as follows:

To request that the Minister of Transportation and Government Services to consider having Highway 227 paved from the junction of highways 248 and 227 all the way to Highway 16, the Yellowhead route.

To request the Premier of Manitoba to consider supporting said initiatives to ensure the safety of all Manitobans and all Canadians who travel along Manitoba highways.

Signed by Edna McRae, Brigitte Rivard, Lucien Cosyns 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.

### Proposed PLA—Floodway

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in the Legislature that may result in the \$660-million expansion of the Red River Floodway by the summer of 2005.

The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

Approximately 95 percent of heavy construction companies in Manitoba are currently non-unionized.

The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated, "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

\* (13:35)

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Signed Conrad Nordman, David Dick, Jason Coreau 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.

**Mr. Jack Reimer (Southdale):** Mr. Speaker, I ask for leave to present a petition on behalf of the Member for Charleswood (Mrs. Driedger).

**Mr. Speaker:** Does the honourable member have leave?

**Some Honourable Members:** Leave.

**Mr. Speaker:** Leave has been granted. The honourable Member for Southdale to present on behalf of the honourable Member for Charleswood.

### Alzheimer's Disease

**Mr. Reimer:** Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition.

Alzheimer's is a debilitating disease.

Cholinesterase inhibitors are known to slow or even prevent the progression of Alzheimer's.

The provincial government asked for the development of an Alzheimer's strategy in 2000 and was presented with nine recommendations in 2002, none of which has yet been implemented.

In the absence of a provincial Alzheimer's strategy, the Winnipeg Regional Health Authority

put in place a policy in November 2003 whereby Alzheimer's patients entering personal care homes are being weaned from certain Alzheimer medications in a move that the WRHA's vice-president of long-term care has referred to as financial necessary.

The administrative costs of the Winnipeg Regional Health Authority have more than tripled since 1999, to a total of more than \$16 million a year.

In a move that amounts to two-tier medicine, the families of Alzheimer's sufferers in personal care homes may request that the drugs continue to be delivered at the family's expense.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Mr. Chomiak) to ensure that his attempts to balance his department's finances are not at the expense of the health and well-being of seniors and other vulnerable Manitobans suffering from this debilitating disease.

To urge the Minister of Health to consider reversing his decision to deny Alzheimer's patients in personal care homes access to certain medications.

To request the Minister of Health to consider implementing a provincial Alzheimer's strategy.

Signed by Carol Hawkins, Nina Logan, Jill Scott 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.

### **Proposed PLA—Floodway**

**Mr. Kelvin Goertzen (Steinbach):** I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The Province of Manitoba has tabled legislation in the Legislature that may result in the \$660-million expansion of the Red River Floodway by the summer of 2005.

The Premier of Manitoba plans to subject all work related to the project to a Project Labour Agreement (PLA).

The proposed PLA would force all employees on the project to belong to a union.

Approximately 95 percent of heavy construction companies in Manitoba are currently non-unionized.

The Manitoba Heavy Construction Association has indicated that the forced unionization of all employees may increase the costs of the project by \$65 million.

The chair of B.C.'s 2010 Construction Leaders Taskforce has stated: "Major industrial projects built under project labour agreements from the energy sector in Alberta to off-shore development on the East Coast have repeatedly incurred cost overruns, labour disruptions and delays."

Organizations including the Winnipeg Chamber of Commerce, the Canadian Taxpayers Federation, the Manitoba Heavy Construction Association, the Canadian Federation of Independent Business, the Merit Contractors Association of Manitoba, the Winnipeg Construction Association, the Construction Association of Rural Manitoba and the Canadian Construction Association have publicly opposed the Premier's plan to turn the floodway expansion project into a union-only worksite.

\* (13:40)

Manitobans deserve an open and fair competition that protects taxpayers from unnecessary costs and respects workers' democratic choice.

Manitobans support the right of any company, both union and non-union, to participate in the expansion of the Red River Floodway.

We petition the Legislative Assembly of Manitoba as follows:

To request the Premier of Manitoba to consider ending his Government's forced unionization plan of companies involved with the Red River Floodway expansion.

To request the Premier of Manitoba to consider entering into discussions with business, construction and labour groups to ensure any qualified company and worker, regardless of their union status, is afforded the opportunity to bid and work on the floodway expansion project.

Mr. Speaker, this is signed by John Peters, T. Peters, Tavis Peters and others.

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

### TABLETING OF REPORTS

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** I am pleased to table the Supplementary Information for Legislative Review, the 2004-2005 Departmental Expenditure Estimates.

**Hon. Diane McGifford (Minister of Advanced Education and Training):** Mr. Speaker, I am pleased to table the Manitoba Student Aid Program Annual Report for 2002-2003.

### MINISTERIAL STATEMENTS

#### National Forest Week

**Hon. Stan Struthers (Minister of Conservation):** Mr. Speaker, I have a statement for the House.

Mr. Speaker, this white spruce seedling is presented to all members of the Legislature in celebration of National Forest Week and Arbour Day by Manitoba Conservation and the Manitoba Forestry Association. This white spruce is, of course, Manitoba's provincial tree, and those seedlings are locally grown at our very own Pineland Forest Nursery in Hadashville.

I would like to take the opportunity to announce that May 2 to May 8 is National Forest Week. In Manitoba, the Manitoba Forestry Association has marked this annual occasion by providing white spruce seedlings to all honourable colleagues. I commend the MFA for their ongoing efforts to celebrate and create awareness of our valuable forest resources.

The MFA, along with their partners including Manitoba Conservation, have recently been chosen to host the 2006 Canon Envirothon. This Olympic-style, environmental education competition will see over 250 high school students from over 50 provinces and states compete for scholarships during the week of July 23 through the 29, '06, here in Winnipeg.

I would also like to note that the 2003 Manitoba Envirothon champion team representing the Swan Valley Regional Secondary School placed fourth out of 47 teams in Maryland, the highest ever placing for a Canadian team.

Mr. Speaker, sustaining Manitoba's forests for environmental, social and economic benefits is a priority for Manitoba Conservation. Over the past year, Manitoba Conservation has worked toward meeting the commitments that were laid out in the document *Next Steps: Priorities for Sustaining Manitoba's Forests*.

It is appropriate to make a note of these important accomplishments as we celebrate National Forest Week. On behalf of the people of Manitoba, I thank the Manitoba Forestry Association for the white spruce seedlings and for its continued efforts to promote sustainable and wise use of our forests. We look forward to working with all those interested in sustaining our forests for the future. Thank you, Mr. Speaker.

**Mr. David Faurshou (Portage la Prairie):** I am pleased to see the Minister of Conservation rise in the House today, exercising ministerial authority that had been bypassed the last couple of years by previous ministers of Conservation. This particular week had only been marked by a member's statement, so I am pleased to see the minister's rising today.

\*(13:45)

Mr. Speaker, I would like to thank the Manitoba Forestry Association for placing upon our desks today Manitoba's recognized provincial tree, that being the white spruce. I want to bear thanks to the previous administration for recognizing the white spruce as the provincial tree and the efforts of conservation that were taking place at that time. I also want to congratulate the Manitoba Forestry Association for 85 years of dedication to the forests of Manitoba. They have outdone themselves in promotion of this very valuable natural resource we have here in the province of Manitoba. In fact, in the province of Manitoba, currently 94 percent of our woodland area is controlled by the Crown.

I also want to congratulate the young individuals from Swan River that did represent our province extraordinarily well in Maryland, and looking like we might have an opportunity in 2006 to have the

competition within our boundaries of Manitoba. We look forward to the high school students of Manitoba competing well in that regard.

I want to encourage all members to participate in this week's activity, Arbour Day being today, and plant a tree, and continue, as we all know that there is concern for our environment and the rising temperatures globally. This is a way to combat that. Thank you very much, Mr. Speaker.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I ask for leave to speak to the minister's statement.

**Mr. Speaker:** Does the honourable member have leave?

**Some Honourable Members:** Leave.

**Mr. Speaker:** Leave has been granted.

**Mr. Gerrard:** Mr. Speaker, I rise to give all-party recognition of the importance of trees and forests in Manitoba. I rise to compliment the Manitoba Forestry Association for their efforts in promoting wise stewardship of our forestry resources. This is important not only for the economic job benefits of the forestry industry, but it is also important for the recreational potential of our province and, indeed, as an important way of enhancing the scenic beauty of Manitoba.

## INTRODUCTION OF BILLS

### Bill 210—The Legislative Assembly Amendment Act (2)

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, I move, seconded by the Member for Inkster (Mr. Lamoureux), that Bill 210, The Legislative Assembly Amendment Act (2); Loi no 2 modifiant la Loi sur l'Assemblée législative, be now read a first time.

**Mr. Speaker:** It has been moved by the honourable Member for River Heights (Mr. Gerrard), seconded by the honourable Member for Inkster (Mr. Lamoureux), that Bill 210, The Legislative Assembly Amendment Act (2), be now read a first time.

**Mr. Gerrard:** The goal of this legislation is to recognize the need to improve democracy in Manitoba by including in the requirement for a

recognized Opposition party the need to obtain 7 percent of the popular vote in the most recent provincial election. The changes proposed would also recognize that for a functional political party there is a need to have two elected members in order to move and second bills and to introduce resolutions.

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

## Introduction of Guests

**Mr. Speaker:** Could I have the attention of all honourable members to the public gallery where we have with us Mr. Jim Potton who is the president and Patricia Pohrebniuk who is the program administrator of the Manitoba Forestry Association who are the guests of the honourable Minister of Conservation (Mr. Struthers).

Also in the public gallery we have from Neepawa Area Collegiate 34 Grade 11 students under the direction of Mr. Bob Ferguson. This school is located in the constituency of the honourable Member for Ste. Rose (Mr. Cummings).

Also in the public gallery we have from École Christine-L'Espérance and their guests from Lethbridge, Alberta, 23 Grades 8 and 9 students under the direction of Mr. Raymond Marion and Ms. Bonnie Lamoureux-Maclean.

\* (13:50)

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

## ORAL QUESTIONS

### Pharmacare Deductible Increases

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, last Friday we launched a toll-free Pharmacare hotline so Manitobans who are concerned about this Premier's heartless increase to the Pharmacare deductible had a central location to express their concerns. We have received a significant number of calls, and the stories we are hearing are heartbreaking.

Some Manitobans indicate they will have to go without medicine. Others are indicating that they

may have to cash in their RRSPs. The message is very clear. This Premier's heartless cash grab is hurting seniors and low- and fixed-income Manitobans.

I would ask the Premier: Will he do the right thing and reverse his discrimination and reverse the Pharmacare deductible to what it should be?

**Hon. Gary Doer (Premier):** There is a \$5-million increase in the Pharmacare line.

**Mr. Murray:** That is cold, cold comfort to those seniors and fixed-income Manitobans who have seen a 15% increase from this Premier. What is incredible is that these fixed-income Manitobans are seeing their Pharmacare deductible hiked up because this Premier is loading onto those seniors the tough decisions rather than making them themselves. He is just increasing the deductible on seniors.

I would ask this Premier to do the right thing and listen to Manitobans who are calling the hotline because they are concerned about choosing between medicine and milk. Will he do the right thing and reverse his heartless cash grab?

**Mr. Doer:** In the member's frantic attempt to justify closing music and physical fitness in schools, he came back with a so-called alternative budget almost a year ago, in May of 2003. He called on an increase in health care in 2004 of 1 percent. Mr. Speaker, that would translate into a \$1.75-million increase for Pharmacare instead of a \$5-million increase. This member opposite obviously had more draconian measures in mind. I would point out that they cut Pharmacare by 40 percent in '96. That was a cut in cash, in support. This is a \$5-million increase.

When you do raise a deductible, it will have some impact on people. We recognize that. It is the only way to sustain a Pharmacare program with the thousand additional drugs that we have placed in the program, with the coverage of palliative care, home care drugs in the coverage of the program. I would point out that his so-called alternative budget, not the member from Emerson's alternative budget, would have a 1% increase. Ours is a 3% increase.

**Mr. Murray:** Mr. Speaker, I am surprised that this Premier can be so heartless to seniors and those on fixed income when he himself is quoted as saying that this increase in the Pharmacare deductible will be tough on low- and middle-income Manitobans.

That is what this Premier has said. Now we have centralized an opportunity for Manitobans to call their concerns and express their issues on our Manitoba Pharmacare hotline. They are telling us that some of the increases are going as much as 50 percent. Some of their deductibles, they are having to pay more than 50 percent from a year ago.

\* (13:55)

Mr. Speaker, it is very, very clear. Mike Silver, who represents the Manitoba Society of Seniors, said that at the end of a month if there is only a dollar or two left over, these Pharmacare increased deductibles are significant. Will the Premier listen to people like Mike Silver who represents a wide variety of hard-pressed Manitobans, seniors on fixed income? Will he listen to those Manitobans and do the right thing and reverse his heartless cash grab?

**Mr. Doer:** Mr. Speaker, we have added close to \$80 million since we have been in office. We have added a thousand drugs, added palliative care for home care. It is a program that is income tested with the greater burden on the coverage of this program on the higher-income individuals in Manitoba. I would point out that the Pharmacare and pharmaceuticals are not covered under the Canada Health Act. There is no national program for Pharmacare. We are carrying the \$177 million almost entirely by the provincial government taxpayer.

We recognize that there needs to be a national Pharmacare approach. We support that and we are perfectly prepared to be accountable for a national Pharmacare expenditure with the national government. It was promised in '97; it was promised in 2000. We understand that is going to be part of the so-called 10-year plan that eventually will be discussed in Canada. We think it is long overdue to have a national Pharmacare program. There are 10 separate Pharmacare programs in Canada according to the health information sources. We are spending the third most money on a per capita basis of any other province in Canada.

A cut was the 40% reduction in '96. That is a cut. This is an increase of \$5 million in this Budget. It still presents challenges for people. We recognize that, but the member opposite last week asked that we reduce taxes and spending. We think we have a managed approach to the future.



### Pharmacare Deductible Increases

**Mr. Jack Reimer (Southdale):** Mr. Speaker, in the recent budget that the Doer government brought down, we have seen the increase in Pharmacare deductible which is proving to be a tremendous hardship on seniors and Manitobans on a fixed income. In fact, we have been contacted by a senior who has Parkinson's disease which requires \$700 per month for medication. With the increase in deductible, he is now having to cash in his RRSPs.

Mr. Speaker, I want to ask the Minister responsible for Seniors (Mr. Rondeau): How can this minister allow this Government to attack the seniors in this province who are retired and on a fixed income?

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, when we introduced some increases in the deductible, we did it on a graduated scale so that those on the lower end and most income levels would see a very small increase in the deductible. Eighty-five percent of Manitobans who receive Pharmacare, which is, by the way, double than when members opposite were in government, but 85 percent of those Manitobans will see an increase in their deductible of \$1 to \$9 per month, and after that they will get 100% coverage.

Mr. Speaker, 100% coverage of the 48 people who receive Gleevec cost us \$1.2 million; 100% coverage of the 244 patients who receive Betaseron cost \$3.2 million; 100 percent of the drug Eprex for cancer, of which 167 patients receive the drug, cost the drug program \$1.6 million. We are providing 100% coverage.

**Mr. Reimer:** Mr. Speaker, we are being contacted by seniors who are saying they are having a problem making things meet, that it is costing them more money. What does the Minister responsible for Seniors (Mr. Rondeau) say to the lady who contacted us that has annual drug costs of about \$1,800 per year, when her deductible will be going from \$700 to \$800, who said to us when she cannot afford her medication, she goes without because she is forced to make a choice between her cholesterol pills and her high blood pressure pills? What does the Minister responsible for Seniors say to this lady?

\*(14:00)

**Mr. Chomiak:** Mr. Speaker, one of the other significant factors of the change to our Pharmacare approach is that we are going to more generic purchasing, more generic drugs that are put on that will decrease the costs, finding other ways of costing and providing drugs so that drugs like Pulmozyme, which 43 patients receive at a cost of \$472,000, that is \$10,990 per patient, of which, after they achieve their deductible, will get 100% coverage. Rebetrone, which six patients receive, costs \$30,000 for coverage. Flolan, which is for pulmonary hypertension, a benefit at a cost of \$26,000 per patient, of which we provide 100% coverage. We want a Pharmacare program that will provide that kind of coverage universally in the future.

**Mr. Reimer:** Mr. Speaker, seniors on a fixed income or on a very limited budget find no comfort in those facts. We see this Government announcing capital expenditures of \$100 million for new VLTs. We talk about \$30 million for a laundry and a sandwich factory but we do not seem to have the money to help the seniors, the people on a fixed income, the people who are going to have to carry this Government's debt for years and years.

I want to ask the Minister responsible for Seniors (Mr. Rondeau): How is he going to make priorities and how is he going to make it easier for the seniors to survive here in Manitoba?

**Mr. Chomiak:** Mr. Speaker, the member talked about the laundry facility. When members were in office, they had a report that said you had to rebuild the laundry facility. In October, when one of the two tunnel washers at HSC imploded, there were no parts to replace that tunnel washer. Those washers do 30 million pounds of laundry a year. It is sterilized laundry, et cetera. They waited for 10 years and that laundry facility imploded in October. We have no choice but to rebuild. Otherwise, people will not have sterilized sheets, sterilized equipment, sterilized clothing. It is inappropriate to talk about something they failed to do for 10 years and then talk about a capital cost.

### Education System Standards Testing

**Mr. Stuart Murray (Leader of the Official Opposition):** Mr. Speaker, various media reported differently over the weekend on what the Doer government is planning on doing regarding standards

testing in Manitoba. Some reported that the Government wants to make standards testing mandatory again for Grades 6 and 9. Others reported that the Government is abolishing tests for Grades 6 and 9. Could the Premier please clarify for the House what his Government is doing with the Grades 6 and 9 tests?

**Hon. Gary Doer (Premier):** Members opposite will have members that were in Cabinet in 1999, who will have letters that were sent by the former deputy minister. The minister's direction on August 12, 1999, reiterated in the deputy minister's letter, that is the status today.

**Mr. Murray:** I have repeatedly stated, Mr. Speaker, and I believe that if we are going to help our children in Manitoba build a strong educational foundation then our efforts must be driven by standards and measured by assessments. If the Premier was truly interested in the education of Manitoba's children then he would not be waiting until the fall to start his consultations. He would be making a firm deadline and he would be talking about a new assessment approach that would be implemented.

I am simply asking this Premier: Why is there a lack of urgency? Why is it that he puts this very important issue off? Will the Premier begin his consultations immediately and will he commit to a date today?

**Mr. Doer:** Mr. Speaker, I reiterate that there was a decision made by the former Minister of Education on August 12, 1999, not released publicly, I might add, seems to be reminiscent, and reiterated in a letter in September of 1999 prior to us being sworn into office in October of 1999. So, when members talk about consultation, they had a letter that nobody saw except when we came into office.

**Mr. Murray:** Well, Mr. Speaker, I am simply trying to get from this Premier a sense of clarification on what his Government, what he as the Premier of Manitoba stands for. We hear reports coming out of the Minister of Education (Mr. Bjornson) that there is no definite time line as to when this consultation process is going to start.

I am simply asking this Premier: Will he make a commitment today to ensure that by the year 2004-2005 all of those assessments will be completed? We want some sense of clarity from this Premier. What

is it that they are doing to ensure our children in Manitoba are getting a quality education?

**Mr. Doer:** Notwithstanding the situation from 1999, Mr. Speaker, in Manitoba under our Early Childhood Development program, we are the first province in Canada to have EDI testing for children in kindergarten on a voluntary basis. I am really pleased to say to the people of Manitoba that this first and very important program has now moved from 60% enrolment of EDI testing with children in kindergarten up to 70 percent. We are the only province in Canada that is providing that.

I want to congratulate the educators that are having the testing at the first entry into our school system, doing assessments, EDI testing at the starting stages, the starting days of children going into school. I want to congratulate all those educators. Fraser Mustard, at the meeting dealing with educators and child care workers, praised Manitoba for being the first province in Canada with EDI testing in kindergarten. Members opposite should catch up to what is going on.

#### **Education System Standards Testing**

**Mrs. Heather Stefanson (Tuxedo):** The Minister of Education said in a *Free Press* article this past Saturday, and I quote: "We are looking at developing a very comprehensive assessment approach through consultation with teachers." I am wondering where the parents are, where the administrators are. Will those people also be a part of this consultation process?

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Well, I would like to say that, with respect to our direction in an assessment approach, I had said at the outset that we will not be cancelling the standardized test until such time that we have an acceptable assessment approach model in place. That is first and foremost.

The honourable First Minister (Mr. Doer) has referred to the dog that will not hunt. Coming from Gimli, that fish does not swim when it comes to what is happening right now with the standardized test, Mr. Speaker. As an optional uptake of standardized tests, less than 50 percent of our students are writing them and that is why we are moving towards an assessment approach. I had said repeatedly that

education is a consultative, recursive and inclusive process, and we will be engaged in consultation with regard to what we are doing on our assessment approach.

**Mrs. Stefanson:** Mr. Speaker, I will inform the Premier that I too am a parent and I am extremely concerned about the education system and the lack of consultation process by this Government.

My question for the Minister of Education: Will the minister assure parents of children who will be affected by this change that they will have meaningful input into the final outcome and have a seat at the table for deciding the future of these Grades 6 and 9 assessments?

**Mr. Bjornson:** Mr. Speaker, I too am a parent of three children and have been a teacher in the education system for 13 years. I intend to engage all stakeholders in the consultation process. We are looking at an assessment approach that will provide indicators to students, indicators to parents, indicators to myself as minister on how we can improve our education system. It will be linked to the curriculum and it is going to be cost-effective. It will involve a lot of consultation with all of our stakeholders.

**Mrs. Stefanson:** Mr. Speaker, it sounds like it has already been decided what this is going to be.

I would ask this minister again: Will the minister assure Manitoba parents and children that they will have meaningful input into developing a program for assessing our kids in Grades 6 and 9 and make sure that all options remain on the table so our parents, teachers, principals and administrators will have the necessary feedback to determine whether students have attained the desired provincial learning objectives?

**Mr. Bjornson:** Mr. Speaker, our consultation model is going to involve all of our stakeholders throughout this process as it always has. I have been in the classroom for 13 years, as I said, and I intend to keep my ear to the ground with our partners. Parents, teachers, all stakeholders will be involved in this process.

The cost of the standardized testing is prohibitive. As such, Mr. Speaker, to extend it when the field has essentially ruled it out with less than 50%

uptake on the standardized test, we are leaning towards an assessment approach which will be province wide. It will provide meaningful feedback to parents, to teachers and to my department so we can continue to work to improve our education system.

\* (14:10)

### Education System Funding

**Mr. Speaker:** The honourable Member for Tuxedo, on a new question?

**Mrs. Heather Stefanson (Tuxedo):** Yes, on a new question, Mr. Speaker.

**Mr. Speaker:** On a new question.

**Mrs. Stefanson:** Mr. Speaker, last spring the Doer government released, and I quote from a *Free Press* editorial, "A hollow pledge to ease the burden of taxes on property owners. The plan lacks detail, deadlines and a guarantee that taxpayers will even notice any savings."

Now, after three years, the Minister of Education has advised he anticipates receiving the education funding report, and I quote, "before the end of June, perhaps." Can the Minister of Education provide the tax-weary property owners a more definitive date when he will be in receipt of a long overdue education funding report? Does this minister even have a draft of that report?

**Hon. Gary Doer (Premier):** Mr. Speaker, members opposite raised taxes on the education portion, on average, 68 percent in the 1990's, from 1990 to 1999. We again announced another \$10-million reduction in the ESL, that was on top of \$17 million and another \$10 million before that. Every promise we have made on education taxation, we have kept. Every promise they made, they have broken on education financing. The people know that.

**Mrs. Stefanson:** Mr. Speaker, perhaps the Premier is unaware of the fact that education funding has hit a historic low in Manitoba. Terrible.

The Minister of Education said that he expects the report to call on the Province to assume 70 percent to 100 percent of costs of funding public education. How does this minister anticipate finding

the resources to achieve this target when last week he announced \$1 million for arts and music in schools, but when pressed admitted he does not have the money in this year's Budget and has no idea when the Government can afford this announced program?

**Hon. Peter Bjornson (Minister of Education, Citizenship and Youth):** Mr. Speaker, with respect to the \$1-million commitment to arts as an election promise, what we have done so far this year is \$100,000 committed to the curriculum and development of the curriculum for that arts initiative. We have made election promises and we have kept those election promises.

Members opposite during the election were looking at eliminating the tax burden by eliminating arts, by eliminating music and cutting phys ed programs. We value education in this Government and we value the benefits of offering our students as many opportunities as possible. Members opposite in this direction of cutting arts, cutting music, cutting phys ed, we would be back writing on chalkboard slates with that type of view.

**Mrs. Stefanson:** The Minister of Finance's Budget is less than two weeks old, and he has already announced a government garage sale to try to keep it balanced. Mr. Speaker, can the Minister of Education tell Manitobans how he expects to achieve the goal of the Province assuming 70 percent to 100 percent of the cost of funding public education as his minister has said would happen?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, our funding for the operating budgets of education has been increasing double the rate it did under the former government. It is over \$105 million. Our funding for capital programs in the schools is at double the rate of the former government. In addition, inflation has been increasing double the rate it did under the former government. It is over \$105 million. Our funding for capital programs in the schools is at double the rate of the former government. In addition, we have increased property tax credits by \$56 million and we have increased spending to reduce the education support levy by \$37 million. We are over \$90 million in tax relief. We are over \$100 million in operating funding. We have over \$27 million a year more for capital funding plus we cover the pension liability for teachers as well. All of that together is about 74 percent of education funding in this province.

### **Microbiology Lab Location**

**Mr. Denis Rocan (Carman):** All members of this House believe strongly that Winnipeg's National Microbiology Lab should be confirmed as the headquarters, the command and control centre, for Canada's new public health agency. In fact, it was the Progressive Conservative Party at the federal level which made the decision in 1987 to build the lab here in Manitoba.

Others are arguing that the new public health agency cannot be anywhere but Ottawa and that a decision to put it here would be based on politics, not science. Could the Premier tell this House what scientific reasons, what substantive reasons, he has been advancing to support Manitoba's case to be the CDC of the North?

**Hon. Gary Doer (Premier):** Indeed, former Premier Pawley and former national Health Minister Epp in 1987 confirmed the location of the lab here in Winnipeg. Members opposite will know it took a number of years to actually implement a decision that was made by the government in '87. It took a number of years. In fact, I remember at the constitutional discussions with former Prime Minister Mulroney former Premier Filmon reminded the national government of their commitment and the lack of expediting that decision.

I want to, first of all, thank the members of the total Manitoba community who have, across all party lines, been working together on the merit of the lab being located in Winnipeg, the extended role of public health and science to deliver the programs that are needed for Canadians. The SARS cases last year and subsequent cases of avian flu have made it clear that Canada's capacity for dealing with disease on the basis of science must be enhanced. We believe that Manitoba, having the only Level 4 lab in Canada, the only Level 4 lab that deals with both human and animal disease, is logical. This case is being made by civic leaders, business leaders, the Province of Manitoba and, I am pleased to see, and I know the support is there, from members opposite, members from all sides of this Chamber, to make sure that the decision is made on the basis of merit, which is Winnipeg, not on the basis of politics.

**Mr. Rocan:** Mr. Speaker, I thank the Premier for that. We know that this Premier, along with business

and community leaders, was in Ottawa several weeks ago to present Winnipeg and Manitoba's case to have the command and control functions for the new public health agency here in Winnipeg. Can the Premier tell the House what has happened since that time to follow up that mission?

**Mr. Doer:** I am not privy to all the discussions in Cabinet at the federal level, but I have discussed this on an ongoing basis with the business representatives and with our own federal Cabinet minister that is responsible for Manitoba, the lead minister for Manitoba. I think it is clear, in our view, in follow-up we have had a number of business people who have had dealings with the federal government, follow-up in letters to the Prime Minister. I thought the meeting with the Prime Minister was very helpful to show that the whole community is together.

I would point out that Manitoba has a \$300-million advantage with the only Level 4 lab in Canada. It has also a time advantage because it takes a number of years to get an environmental licence, and we have a scientific advantage because all the major scientists are located in Winnipeg and working with the lab. I would also point out that Doctor Plummer and Doctor Glavin are the two scientists that are co-chairing the G8 work on bioterrorism and bring an international perspective and have the close relationship with the Atlanta lab.

I cannot apprise the member. I cannot deal with all the rumours that I have heard, nor do I know if the final decision is made. We understand the decision is pending, and we certainly hope that the great reputation and the scientific role that has already been established here in Winnipeg, which helps also the science in the private sector, is enhanced by the decision of the federal government because it will be good for not only Winnipeg but for Canadians' public health into the future.

**Mr. Rocan:** Mr. Speaker, in an effort to secure this vitally important infrastructure to be based in Manitoba, would the Premier commit to working together with the Leader of the Official Opposition (Mr. Murray) to have a strong, united and concerted effort on the part of all Manitobans to ensure that Winnipeg is chosen as the headquarters for the CDC of the North?

**Mr. Doer:** Mr. Speaker, I am committed to working with all members and I know that members are

committed to working with us. I do not see this as a partisan issue. I see us together. I would say no matter what decision is announced this week or next week or dare I say the week after that, if any decision is announced, it has also been our collective experience that we will have to work hard to make sure science triumphs over any other considerations.

Science is still the key to this. We have the scientific advantage, but I do recall that it took between 1987 and sometime in the late nineties to get some of the science located in Winnipeg that is now in place, the leadership we have now.

So no matter what the decision is and what is announced, I think all of us can work together, must work together. I pledge us to do that, with all members, because this is bigger than political parties. It is really important. Science is crucial for Manitoba's future. We already have the scientific cluster here and we have to continue to build upon that. I know we are all committed to doing that.

\* (14:20)

### **The Architects Act Enforcement**

**Hon. Jon Gerrard (River Heights):** This morning in my office, Mr. Donald Oliver, president of the Manitoba Association of Architects, and Judy Pestrak, the association's executive director, raised their concerns that the NDP government is failing to enforce The Architects Act and, as a result, Mr. Speaker, this may allow drafting firms and interior designers to do architectural work without charging the Government's new retail sales tax on architects. All other provinces are enforcing their architect's act. The NDP in Manitoba are the last holdout.

I ask the minister responsible for The Architect's Act: Why has the Government moved to introduce a new 7% retail sales tax on architects without first resolving this issue?

**Hon. Greg Selinger (Minister of Finance):** The day the Budget was delivered in the Legislature, my officials sent out faxes to the professional associations and have, during the course of the last two weeks, been meeting with these groups to explain how the new tax will apply. In the case of the architects, I am sure they will meet with them, address

their issues, and work out a method of implementation that is fair to all.

### **Provincial Sales Tax Professional Services**

**Hon. Jon Gerrard (River Heights):** The Minister of Finance has said that, rather than consulting before the Budget, he has performed an analysis which shows that he will raise \$17.2 million this year from the increase in the Government's retail sales tax on professional services.

I ask the Minister of Finance to be accountable to the members of this Legislature and table the analysis which he says he and his department have performed which indicates that the new retail sales tax will raise \$17.2 million this year. I ask the minister to give us how much he will generate from each professional group; that is, from lawyers, from the accountants, from the architects, from the engineers, from the private investigators and from those providing security services.

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, we started the Estimates process on Friday in this Chamber. I invite the member to attend that process. I will be happy then, with my officials in attendance, to deal with all the detailed questions he asked about revenue projections and what, in fact, the \$17.2 million is composed of.

### **Budget Advertising Campaign**

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, that is an absolute cop-out of an answer from the Minister of Finance.

My question is in regard to a government double standard. The government of the day approaches the opposition MLAs and says, "We are in tough times. We want the MLAs to cut back on their abilities to be able to communicate with their constituency," and thereby saying that instead of us having three mailers a year, now we can have three printings and one mailer. It is a significant cutback, and you know what? All MLAs have agreed to it. Well, on the other hand, what we see in terms of our double standard, what we are seeing is a government that is advertising on its Budget. Mr. Speaker, now we see it is advertising on the floodway. It does not have a problem in terms of spending taxpayers' money.

My question is: How much tax dollars are you spending on your double standard, Mr. Speaker? I pose that question to the Minister of Finance.

**Hon. Greg Selinger (Minister of Finance):** The amount we are spending on—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order.

**Mr. Selinger:** Thank you, Mr. Speaker. The amount we are spending on the Budget this year is lower than it has been in several years, 40% lower than it was when the previous government was in power. We are completely prepared to be accountable for all the spending we do on educating Manitobans about important opportunities in health care to improve their status, quality of life, important opportunities on how we can build the floodway to best ensure protection of the city of Winnipeg and communities around the city of Winnipeg.

Any time we move forward to make sure that Manitobans have a better quality of life, we are prepared to engage with them in doing that. That is very different from the members from Ottawa in the Liberal government that passed the money to their friends and were not accountable for it.

### **Sherridon Rail Line Status**

**Mr. Gerard Jennissen (Flin Flon):** Mr. Speaker, my question is for the Minister of Transportation. Residents of Pukatawagan have rightly been concerned for some time about the potential closure of the Sherridon line. Could the minister explain what the recent agreement on the Sherridon line means for the residents of Pukatawagan?

**Hon. Ron Lemieux (Minister of Transportation and Government Services):** Mr. Speaker, I thank the member from Flin Flon for the question. It is a very, very important one for northern Manitoba.

We will be providing as a government support to assist the First Nations in purchasing the asset up North. I can tell the people up there that people of the area have the opportunity now for continued economic and community development as a result. Once again, Mr. Speaker, we are the Government that is supporting northern Manitoba, and here is the

proof once again that we are there to stand up for northern Manitoba. Thank you.

### **Gull Harbour Resort Funding**

**Mrs. Mavis Taillieu (Morris):** Mr. Speaker, Gull Harbour Resort, as beautiful and desirable a destination as it may be, has been constantly losing money and is now \$8 million in debt. At a time when this Government is in financial crisis, why is the Minister of Tourism (Mr. Robinson) now sinking another \$700,000 into this facility?

**Hon. Greg Selinger (Minister of Finance):** Mr. Speaker, there is no question that the Hecla resort has been struggling over the last decade with finding a way to remain viable. Several initiatives have been taken on all sides to improve the capital in that facility to make it more attractive. We are currently working with a private consulting firm to see how best to position that facility for the future, whether it is in the public- or private-sector or what the best alternative for the future is.

**Mrs. Taillieu:** Well, yes, Mr. Speaker, we know that last January the Minister of Tourism was looking for a private partner to run the facility, and they did hire consulting. Can the minister tell us then what private partner they have and what is the plan for Gull Harbour Resort?

**Hon. Eric Robinson (Minister of Culture, Heritage and Tourism):** I believe that the Minister of Finance did cover a lot of ground in his response. Allow me to say that the Gull Harbour Resort is one of our most scenic resorts in Manitoba and, indeed, in Canada. It is a place for all Manitobans to be proud of, Mr. Speaker, but as a government, we are just as committed to getting out of the hotel business as well.

We have engaged the services of Ernst & Young to find other possibilities. First Nations are being consulted about using the location as an alternative to perhaps another industry.

**Mrs. Taillieu:** Well, Mr. Speaker, the minister has really said that they have no final plan for Gull Harbour. Why did they not wait for the consultant's report? Why is another \$700,000 of public money being funnelled into a losing venture without a solid plan of recovery?

**Mr. Robinson:** Mr. Speaker, the \$700,000 indicated by the member is certainly a lot less than it has been in previous years. We are committed to ensuring that we do find a solution to the ongoing problem. We are looking at finding other alternatives that the location could be used for. In the meantime, it is business as usual at Gull Harbour until a viable solution has been found.

Our officials have been meeting with union officials, Mr. Speaker, as well as business owners and municipal officials. These meetings are providing information, we believe, on the Government's intentions. We are soliciting input from the area and developing a long-term plan for the viability of the resort.

### **Red River Floodway Expansion Advertising Campaign**

**Mr. Kelvin Goertzen (Steinbach):** Mr. Speaker, the Doer government's mismanagement of the floodway expansion project before dirt has even been turned is alarming to all Manitobans. Its forced unionization plan has fallen flat with the public. Now the Doer government is spending taxpayers' dollars on floodway feel-good ads to repair the damage that the Premier (Mr. Doer) has caused. Why is the NDP wasting taxpayers' dollars in what is supposed to be a tough budget year trying to repair its own damage, and how much is it spending?

**Hon. Steve Ashton (Minister of Water Stewardship):** Mr. Speaker, we are engaged in a very extensive process of informing Manitobans about the reality of the floodway. I say "the reality" because members opposite, I thought, were making some progress last week. They actually tabled the position that indicated the floodway expansion is going to be built, but I noticed today they went back to saying it may be built.

As is indicated by the success of many of the consultation meetings, we have set up meetings in Ritchot, West St. Paul, Taché, Springfield, Morris, St. Clements, St. Andrews, right down to East St. Paul, Niverville, Selkirk, Winnipeg. We have found that many Manitobans are interested in the opportunities of the floodway and, of course, the most important part, the impact in terms of floodproofing.

\* (14:30)

What the member is referring to in terms of the advertising is a part of that, but we make no apologies for informing Manitobans about what is going to be one of the most important projects of this decade.

**Mr. Goertzen:** Well, Mr. Speaker, that was a pretty long tirade for a very simple question about how much was being spent, so I will ask again. You know, I see the members seem to have a bit of a trend here. They cannot seem to fix health care, so they put out some health care ads. They cannot seem to produce a budget, the tax-them-all and tax-them-often budget that falls flat, so they put out some budget ads.

Well, I am asking a very simple question. I just want the minister to stand in this House and tell us how much taxpayers' money in a tough budget year is going in on these floodway feel-good ads.

**Mr. Ashton:** Well, you know, it was not that long ago the PC caucus was spending taxpayers' money putting the PC leader's face on billboards so let us not have any lectures from members opposite in terms of advertising. They may wish to ask for their money back if the results are any indication there—

**Some Honourable Members:** Oh, oh.

**Mr. Speaker:** Order. I cannot hear a thing.

**Mr. Goertzen:** Mr. Speaker, I do not know if the member opposite is trying to mix up what party funds are and what government funds are, but I would like to tell him there is a significant difference.

Mr. Speaker, I asked a very simple question. The question was regarding taxpayers' dollars. Taxpayers deserve to have an answer on how much money is being spent on floodway feel-good ads when the Government is cutting back on Pharmacare, when the Government is taxing entrepreneurs, when the Government is bringing in a whole host of new taxes. They will not tell taxpayers how much of their own money is going to try to convince them about the floodway.

Will the minister now stand up and tell us a very specific answer to a very specific question? How much money is being spent on these ads, Mr. Speaker?

**Mr. Ashton:** Mr. Speaker, I am quite prepared to get the exact amount of all the outreach for the floodway. It was not a tirade to list the many communities that the Floodway Authority has met in, but I am quite prepared to provide the member with that information in terms of the specifics because I do believe it is important to bring accurate information.

I would hope the member, by the way, will start tabling those other petitions which say the floodway expansion is going to be built. It is going to be built and we are proud to share with Manitobans the many benefits that are going to come from building that expansion.

**Mr. Speaker:** The time for Oral Questions has expired.

## MEMBERS' STATEMENTS

### Access River East

**Mr. Harry Schellenberg (Rossmere):** Mr. Speaker, we are making positive improvement to the health of our communities. Last week, the Premier (Mr. Doer) officially opened the first community access centre in Manitoba, Access River East.

This new centre makes it much easier for individuals and families to find the essential services they need to stay well. Delivering integrated health and social services from community sites allows staff to be more focussed on the unique needs of people and that means better co-ordination of services and improved care.

This access centre will provide residents of northeastern Winnipeg, Mr. Speaker, with improved access to health and social services, including a primary care clinic with a team of family doctors, midwifery, home care, child and family services, children's special services, child day care licensing and co-ordination, community mental health services, employment support to persons with disabilities, vocational rehabilitation, employment income assistance, public health and a seniors' health resource team and supported living.

There are a number of excellent facilities in the building, including well-equipped clinic rooms, audiology lab, comfortable waiting areas, private consultation rooms, a community kitchen and education



rooms and meeting spaces available to the community.

Students from four local high schools, Elmwood, Kildonan East, Mennonite Brethren and River East, are designing a mural for the children's waiting area in the coming weeks. There is also a beautiful round room that highlights the important contribution that Aboriginal culture makes to our community.

Mr. Speaker, the centre will provide information to area residents, and staff will work closely with organizations in other sectors to support community activities and contribute to the development of robust, healthy neighbourhoods.

I want to thank the talented staff at Access River East for their work leading up to today's announcement. This initiative takes innovative approaches to service integration to better meet the needs of Manitobans.

#### **Roger Cross**

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, I rise today to ask the members of this Chamber to join me in congratulating Roger Cross who has recently been named as the Conservation Officer of the Year for his 35 years of service to the province of Manitoba.

Mr. Speaker, Roger has toiled in the Department of Conservation, the department responsible for the protection and enhancement of the natural resources of this province for, as I said, 35 years and has seen an enormous amount of change during those years, starting off with the officer's only means of protection. The only thing at their disposal to assist them with their duties might well have been a flashlight or occasionally a shotgun, I suppose, if they had a wildlife problem where today they now carry side arms, collapsible batons and, I believe, pepper spray.

They have also seen their duties change because very often they are called on backup to the RCMP for some very serious situations. As I am sure Roger would say if he was here, they deal increasingly more and more with people who are more desperate and probably more dangerous in their day-to-day work of protecting the wildlife, particularly in this province.

Having been involved with firefighting, involved with flood protection and fighting the flood of '97, I

think that Roger Cross has indeed earned the respect of his fellow officers and I believe, certainly, my respect and I hope the respect of all members of this Legislature.

#### **Healthy Living Web Site**

**Mr. Conrad Santos (Wellington):** Mr. Speaker, King Solomon said, "Get wisdom, get understanding for they are life to those who find them and health to all their flesh."

Our health is our wealth. Without health there is no happiness. If we care for ourselves well then we can expect to enjoy a healthy and long life. One way to ensure such a good and healthy life is through education. Knowledge and a healthy lifestyle lead to long and healthy living.

On April 27, 2004, the Department of Healthy Living announced a new Web site which provides healthy living information to all Manitobans. The Web site emphasizes health promotion and accident prevention. It provides links to information and advice on healthy eating, active living, injury prevention and quitting smoking.

It will also provide information on injuries in Manitoba and injury prevention resources. The Department of Healthy Living encourages the consumption of natural and nutritious food. Good food and balanced meals are key components to promote health and to prevent disease. The department also promotes physical activity, which increases energy, reduces stress and strengthens the heart and lungs. Physical activity also helps us to achieve and maintain proper body weight. These are some of the important aspects of a healthy lifestyle.

The Department of Healthy Living has been created to support behaviour and improve conditions in our daily lives. Our physical, mental, social and spiritual health are needed for us to make healthy decisions in our daily lives. Healthy people make a healthy community. Healthy communities make a healthy province like Manitoba. Thank you, Mr. Speaker.

#### **Prairie Dog Central**

**Mr. Ralph Eichler (Lakeside):** I rise today to share with my colleagues and fellow members of the House a wonderful tourist attraction and a piece of

our Manitoba history. Mr. Speaker, the Prairie Dog Central passenger cars were built between 1901 and 1913. They are pulled by vintage locomotives, including an 1882 steam locomotive and a 1960 diesel locomotive. The Canadian Northern Railway, known as the Canadian National Railway, purchased by the Vintage Locomotive Society in 1999, built the line in 1905.

The Prairie Dog played an important role in shaping our Manitoba and Canadian heritage in the transportation industry as this train was used to transport the early pioneers to settle our province. This train also carried many dignitaries, including prime ministers of our country. Even today, through the efforts of the Vintage Locomotive Society, we are able to keep the Prairie Dog running so our friends and family have an opportunity to experience what the early settlers experienced when they first came to our great province.

Mr. Speaker, it is through the efforts of the R.M.s of Woodlands, Rosser and Rockwood, the Western Lake Trading Company and the Vintage Locomotive Society that we are so fortunate that a piece of Manitoba history has been preserved. I encourage all of you to take a ride on the Prairie Dog Central. It will be one of your more memorable experiences.

### Highway Improvements

**Mr. Tom Nevakshonoff (Interlake):** Mr. Speaker, I am very pleased to make mention of an important partnership between the Government of Manitoba and the R.M. of Bifrost. The two have just entered into a cost-sharing agreement to improve road and drainage conditions on 3.2 kilometres of Provincial Road 326, north of PR 329. The total cost of the project is estimated to be \$200,000 and is to be completed during the '04 construction season. This will improve access to Okno and surrounding farming communities.

\*(14:40)

Manitoba has provided special support to rural highways through the cost-shared \$32-million Prairie Grain Roads program of which the Highway 68 project from No. 8 to Poplarfield was the premier project.

Every cent of provincial fuel tax is invested in roads. Manitoba's five-year \$600-million highway program is now in its third construction season. This year's Budget added \$10 million for the upcoming season and a further \$10 million for next year.

This announcement continues our commitment to highways and transportation infrastructure in northern Manitoba and the Interlake. The Province will provide \$3.6 million for paving 11 kilometres on PTH 8 from PTH 68 to north of PR 329 at Riverton.

Manitobans travelling on the southern half of Highway 6 will be pleased to know that there will be \$4.6 million spent for the rehabilitation on the Fairford River control structure. This work will be completed over two years and is cost-shared between the departments of Transportation and Conservation. Two thirds of the \$3 million will be flowing in '04.

Mr. Speaker, there will also be \$2 million for bituminous paving and culvert replacement on Provincial Highway No. 6 at Provincial Road 229, the Clarkleigh intersection. This project is the first stage of upgrading on this section of Highway 6. The Highway 6 intersection at Steep Rock will also see a further \$360,000 in improvements. Improvements to Highway 6 continue as the Province purchases right-of-way near Grosse Isle.

I am proud to be part of a government that has spent more than \$130 million on northern transportation infrastructure and has more than tripled the budget for winter roads since 1999. Thank you, Mr. Speaker.

### Introduction of Guests

**Mr. Speaker:** Order. Could I have everyone's attention for a second. I just spotted a very special gentleman who is up in the public gallery. I want to introduce Morris Chaychuk, who is the father of our Clerk, Patricia Chaychuk. He is from Dauphin.

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

### ORDERS OF THE DAY GOVERNMENT BUSINESS

**Hon. Gord Mackintosh (Government House Leader):** Please call Supply.

**Mr. Speaker:** In accordance with our Rule 23(5), the House will now resolve into the Committee of Supply.

**COMMITTEE OF SUPPLY  
(Concurrent Sections)**

**AGRICULTURE, FOOD  
AND RURAL INITIATIVES**

\* (14:50)

**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 Agriculture, Food and Rural Initiatives. As had been previously agreed, questions for this department will follow in a global manner. The floor is now open for questions.

**Mr. Jack Penner (Emerson):** I think when we left off on Friday afternoon we had discussed the total loans portfolio that the Manitoba Agricultural Credit Corporation had under its jurisdiction, and I believe it was somewhere in the neighbourhood of \$575 million that had been indicated the previous year. This year, Mr. Chairperson, I believe, was somewhere in the neighbourhood of 598. I stand corrected on it; it may be 600 and a few million, but I believe it was somewhere in the neighbourhood of \$40 million, the loan authority, more than the previous year. I am talking about the loan authority.

I wonder whether the minister could indicate whether her Government has given any consideration to the extra funds that would be required by them announcing a hundred million dollars loans program without giving any authority to the corporation to actually extend those monies over and above what they had paid out last year.

**Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives):** Mr. Chairman, I would like to take the opportunity to introduce the staff who are joining me at the table. Of course, I have previously introduced my deputy minister, Barry Todd. We have with us Charlene Kibbins, who is the acting chief executive officer, and Karen McEachen, who is the chief financial officer for the Agricultural Credit Corporation.

Mr. Chairman, with respect to the question, the capital lending requirement in 2002-03 was \$145.6 million. In '03-04, it is \$204.85 million. So additional capital requirement has been provided for.

**Mr. Penner:** I wonder if the minister could indicate exactly by how much.

**Ms. Wowchuk:** Mr. Chairman, it went up \$59.25 million. The reason it did not go up by the full \$100 million was that we still had some lending authority within the existing operations of the corporation.

**Mr. Penner:** What is the process then within government when you would approach the amounts of authority that would limit you from lending? Mr. Chairperson, would government then order a special warrant or how would the authority be given to the Credit Corporation to, in fact, extend the full \$100-million worth of BSE loans if you actually thought that you were going to extend that?

**Ms. Wowchuk:** Mr. Chairperson, if there was need for additional funding, if we exceeded the \$100 million, we would then go back to Treasury Board for approval for additional funds.

**Mr. Penner:** Mr. Chairperson, that tells me then that the Government was almost certain that they would not be extending \$100 million under the BSE program when they first announced it because they did not make the proper arrangements to extend the authority to the corporation to advance that amount of money to the livestock producers in this province. Is that correct?

**Ms. Wowchuk:** No, Mr. Chairman, that is not correct. We had about \$40-million of authority. We wanted to be able to lend out \$100 million, so we put in place an additional 59.2 to ensure that we had the \$100 million. We had the authority to lend \$100 million.

**Mr. Penner:** Then I go back to page 38 of the Supplementary Information that the minister has tabled in the House for Agriculture. I go back to the objectives of the Agricultural Credit Corporation to provide administrative and operational support to the delivery of programming carried out by Manitoba Agricultural Credit Corporation to provide farmers with loans, to administrate the Young Farmer Rebate, provide for guaranteed loans and provide special farm assistance in co-operation with the

mediation board, provide disaster relief assistance as directed by the Government of Manitoba in emergency situations. Mr. Chairperson, expected results provide a total loan and guarantee portfolio in the range of \$575 million for the approximately 5000 Manitoba farmers and provide an estimated total of \$80 million in new loans.

That, I would suspect, was before the BSE crisis, so I would suggest that the minister was either aware that she was not going to extend the full amount of the \$100 million announced, or would have made provisions by providing the loan authority to the corporation in its funding announcements.

When I look at the total amount to provide an estimated \$30 million, which includes the Bridging Generations loans, \$20 million, direct loans of \$30 million and stocker loans of another \$30 million, if that is not so, is it then true that the stocker loans program has become part of the \$56 million that the minister has announced, has been extended out of the BSE program to farmers?

\* (15:00)

**Ms. Wowchuk:** Mr. Chairman, the Government fully intended to lend out the loans as they were called for by the producers and I can indicate to the member clearly that, had the \$100 million been used and there was need for more, we would have had more money for producers. The member also has to remember that it is a very large portfolio. Some money is being lent out, payments are being made, so the money is going in and out of the portfolio, but if I look at what we had last year in accounts receivable and in guarantees, we had \$525.5 million. This year, our portfolio is \$611.2 million, so there is an increase in the portfolio. Money goes in and out and we have provided adequately to be able to loan out the \$100 million if producers were to take out additional loans.

**Mr. Penner:** The minister said \$611 million?

**Ms. Wowchuk:** \$611.2 million.

**Mr. Penner:** Does that mean that during the BSE crisis or during the year of the BSE crisis we are expecting to borrow, or loan, \$36 million more than we did on a year without a BSE crisis, is that correct?

**Ms. Wowchuk:** Mr. Chairman, the amount that was loaned out during the BSE crisis is included in that number.

**Mr. Penner:** So you are suggesting to me that the \$56 million that you said Friday that had been loaned out under the BSE program is included in the 575.

**Ms. Wowchuk:** It is included in the 611.2.

**Mr. Penner:** Okay, that is clarified. Can the minister tell me how much of the \$20 million that has been dedicated toward Bridging Generation loans has been loaned out?

**Ms. Wowchuk:** Mr. Chairman, last year in '02-03 we loaned out \$14.6 million; in '03-04 we loaned out \$10.9 million under the Bridging Generations loans.

**Mr. Penner:** The direct loans, how much of the \$30 million was extended to producers?

**Ms. Wowchuk:** I gave the number for Bridging Generations, and for Bridging Generations there was \$20 million provided. Then I have given the member the numbers of what the actual activity was. On the direct loans there is \$30 million provided; last year's activity was \$19 million.

**Mr. Penner:** Could you indicate how much money was loaned out to the stocker loans program?

**Ms. Wowchuk:** Last year we loaned out \$10.8 million on the stocker loans.

**Mr. Penner:** So you were significantly under budget.

Could you tell me what the various interest rates are on the various loans? The young farmer loan, what would the base rate of interest be without the rebate?

**Ms. Wowchuk:** Mr. Chairman, the rate of interest will depend on the terms that the individual chooses to take. For example, if you are taking a five-year, the MACC interest rate that is effective April 2, and of course the member knows that the interest rate has been moving so it has to be updated on a regular basis. But a five-year term would be at 5 percent.

Off that, you would get a 2% reduction on the first \$100,000 and that would result in a \$10,000

saving for the individual. So it depends on the length of time that the individual chooses to take their loan for, but the rate is set and then there is a 2% reduction off of that rate.

\* (15:10)

**Mr. Penner:** What are the other terms? Let us say 10- and 15-year or have you no 10- and 15-year programs, or 20? What is your maximum, 20 years? *[interjection]* Mr. Chair, 25? What is the interest rate at the maximum level?

**Ms. Wowchuk:** As of today, the interest rate for a 25-year term is 7.125 so you have a reduction of 2 percent off of that up to a maximum of \$10,000. The member asked for 10 years, that is at 6 percent; 15 years is at 6.6 percent.

**Mr. Penner:** What would your 10- and 15-year rates be?

**Ms. Wowchuk:** Mr. Chairperson, 10 years is 6 percent, and 15 years is 6.6 percent, 6.625 percent.

**Mr. Penner:** How about loans to anybody over 40 years of age? Are these interest rates concurrent with what anybody can borrow for? Do you have a standard rate?

**Ms. Wowchuk:** Yes, those are MACC's interest rates and they would be the rates that everybody else would pay except a young farmer who would get a 2% rebate.

**Mr. Penner:** Could the minister tell me why your rates are higher than most other financial institutions?

**Ms. Wowchuk:** Mr. Chairman, if you look at the bank rates, the loaning rates that are offered by banks, our rates are very competitive with those facilities. As well, the rates that a farmer would get from the bank, the loans that they would get would be much shorter term.

We were talking about the rates for 15, 20 and 25 years, and the commercial banks do not even post a rate for those kinds of long-term loans. The rates, as you look at what is posted, we feel that we are very competitive.

**Mr. Penner:** I would suggest to the minister that she should go check the rates at banks and the terms of

loans that one can get and/or negotiate with various institutions. Secondly, I would also suggest to her that she should look at the federal, the FCC program and the rates offered there and the terms of the loans.

**Ms. Wowchuk:** If I could, just on that, Mr. Chairman, on a one-year loan, these are posted rates for the banks. For a one-year loan, ours at the Credit Corporation is 4.05, whereas the banking institutes are, across the board, 4.5 to 4.55 on a one-year loan. On a five-year loan, our rate is 5.125, and the banking institutes posted rates are from 6.0 to 5.9, 5.8. So, again, they are posted at a higher rate. Yes, people can negotiate on those. With respect to the Farm Credit Corporation, they do not post their rates, and we do not have them included in our information.

**Mr. Penner:** Are the MACC rates also negotiable?

**Ms. Wowchuk:** Mr. Chairman, MACC loans are not negotiable. Those are the rates that we have. Our negotiation is our rebates that we have on programs. Where we have our flexibility is on our Young Farmer Rebate program, but our rates are fixed.

**Mr. Penner:** How much money does MACC have outstanding on the loan guarantees, and how large would the largest one be?

**Ms. Wowchuk:** There has been a lot of activity in this area. Between 2002-2003 and 2003-2004, there was an increase of 13.8 percent and the total portfolio of the guarantees is \$250.5 million. I will just get you the highest one. The largest loan that we have under this program is about \$20 million. That means we have a guarantee of about \$5 million on it.

**Mr. Penner:** Are these loans mostly extended to livestock operations such as hog operations?

**Ms. Wowchuk:** Mr. Chairman, there is a large portion of the portfolio that is in livestock production, but it covers a large area. For example, there are people in seed cleaning, forage production and, of course, I have a tremendous interest in adding value to all of the agriculture products that we have here, so I am pleased to see we have additional loans that are going into those areas. We have loans in the potato area, poultry production, cow-calf, but the majority are in livestock production.

**Mr. Penner:** Well, the minister makes an interesting comment. She says she is very interested in value-

added production. Could the minister indicate to this committee how many value-added projects, new value-added projects, have come on-stream since she has been the minister?

**Ms. Wowchuk:** Mr. Chairman, in this portfolio, all projects are adding value, because if you are feeding grain, that is adding value. If you are cleaning grain, that is adding value. If you are processing forage, you are adding value. All the diversification loan guarantee programs are really looking at how we can add value to primary products in this province and get additional job creation, additional revenue for farmers. So they are all adding value.

**Mr. Penner:** Could the minister indicate how many new value-added projects have come on-stream since she has been the minister?

**Ms. Wowchuk:** Since we have taken office, there are about 165 projects that have been funded through this program for a total value of about \$180 million. That is a significant amount of activity that has happened under this loan program since we have taken office.

**Mr. Penner:** You need not do this today, but could you maybe by tomorrow or the day after tomorrow give me a list of the names of those projects?

**Ms. Wowchuk:** No, we cannot give you the names of the projects. Those are individuals. That is private information. I can give you the areas as I have of where the investments are, but I cannot disclose who has borrowed the money.

**Mr. Penner:** I was not referring specifically to either the loans portfolios or the amounts of loans. I was just wanting the names of the companies that have been established by your Government. If there are 165 new companies operating, I would like to know what the names of the companies are, without giving any information as to whether they have had loans with you or not.

**Ms. Wowchuk:** Mr. Chairman, I cannot divulge the information of who has loans with us, but I can also say to the member that many of these are people who were in business before, but who have diversified their business, so that is the number of projects that have been started or expanded through this program and that is the amount of investment that has taken

place. I cannot divulge the individuals who have borrowed money.

\* (15:20)

**Mr. Penner:** Could the minister then indicate how many new ones there have been, not expanded ones but brand-new ones?

**Ms. Wowchuk:** That would be very difficult to do. The staff would have to review every individual file to find out whether they were an existing user of a program who have then decided to expand it. I am indicating to the member the number of people who have used the program in each year and the total number of the people who have used the loan program since 2001.

So that is what I can indicate to the member rather than say we can figure out which one is a new one or which one is an expanded one. I do not see any value in that. What I am indicating to the member is that there has been a fair amount of activity under this program and whenever you have activity here there is added value to the province.

**Mr. Penner:** Thank you very much. That adds a very significantly different light. It throws a different light on the whole matter than 165 new projects. This would appear that the minister is now saying she has had some involvement in financing, whether through various operational modes, 165 projects in the five years that she has been in government. That is fair ball. I have no problem with that. I would like to know, however, at some point in time how many new projects have come on stream since the NDP government has been in power.

The second question that I would like to ask, Mr. Chairperson, is does the minister know how many of these companies would be numbered companies.

**Ms. Wowchuk:** Mr. Chairman, I do not have that information at the table here. But I can indicate to the member that it would be a small portion of these loans that would be numbered companies.

**Mr. Penner:** Well, if the minister finds it in her heart to maybe provide that information, I would find it useful to know how many numbered companies we are borrowing money to. There are other people here that might want to ask some questions on MACC.

**Hon. Jon Gerrard (River Heights):** I wonder if I could ask a series of questions on agriculture, not necessarily specific to MACC, in order to be able to fit these in on a timely basis.

The first would relate to circumstances with BSE and the fact that we all are hopeful that the border will open, but, if it does not, it will certainly create a difficult situation for many producers. So I would ask the minister: What is her contingency plan if the border does not open?

**Ms. Wowchuk:** Mr. Chairman, the whole BSE situation has been very difficult for all producers across the country. Certainly, we recognize that our close tie to the U.S., even though it is our largest market, is one that we have to address. That is why people have been working at Rancher's Choice to increase our slaughter capacity in this province. Many other facilities are looking at how they can be part of increasing our slaughter capacity. One of the challenges is we need federally inspected facilities in order to ship out of this province.

We have been in discussion with the federal government of looking at ways when someone is willing to move to a federally inspected standard to have that process go quickly. We, as ministers of agriculture across the country, have been working with the federal government to look at what the opportunities are for new markets, because we know we do not want to be just dependent on the United States. Boxed beef is going to the United States. Certainly we have developed a fairly significant market in Mexico for Canadian product. They have been very pleased with the boxed beef that has been coming into Mexico. So we have to look at how we can continue to develop that market.

I took some comfort in the words of President Bush on Friday when he indicated that he wants to see the border opened. I hope that the words that Secretary Veneman put on the record very early indicating that decisions would be based on science will become a reality. But we have to continue to work to get back to the integrated North American market that we have.

\* (15:30)

Certainly the work that Canada, Mexico and the United States have committed to, to taking a position at the OIE to change some of the rules where one

animal is not considered in the same vein as an animal when there is an epidemic, as they had in Europe—so, yes, people are dealing with it, looking at what our options are in other parts of the world and continuing to take the steps to have the border open. Certainly the steps that were taken to remove the SRMs out of the product were a significant step because, in reality, that is where the risk is and having those kinds of harmonizations on both sides of the border are also significant.

*Mr. Gerard Jennissen, Acting Chairperson, in the Chair*

**Mr. Gerrard:** I would ask the minister, people who are sheep producers, goat producers, bison, elk have been really sideswiped by a disease which does not affect their animals. Many producers feel that they have been treated by this Government as second-class citizens instead of really putting the kind of effort that might have been put in to advancing the cause of these producers, so I would ask the minister specifically what she is doing for these people who have been badly affected.

**Ms. Wowchuk:** There is no doubt that the people raising some of the other ruminants have been hurt, if not as badly, even in some cases worse, because of the lack of slaughter capacity to slaughter these animals. I can tell the member that all the programs that Manitoba has in place cover the other ruminants, whether they be sheep, goats, bison or others.

As well, when we made our comments on the U.S. rule, we asked that the other ruminants be addressed as well. We have not neglected them, but we do have also the challenge again of slaughter capacity and who is going to provide slaughter capacity for these other animals. Certainly, this incident has pointed out how significant our lack of slaughter capacity is, but we are always conscious of all producers in this province. They are included in our programs, and they were included in our comments. I can tell the member, Mr. Acting Chairman, that I also raised their case at the meetings that I attended.

**Mr. Gerrard:** My next question concerns the potato industry, producers who are concerned about cutbacks in contracts. There is a rumour which is going around that some of the cutbacks were prompted by the unionization of the Simplot plant and Simplot, as a result, deciding to take its production elsewhere. I

just would ask the minister for a clarification on the situation here in light of such rumours.

**Ms. Wowchuk:** Mr. Acting Chairman, I can tell the member that I met with Simplot within the last couple of weeks. I met with Midwest last week and the issue of unions did not come up in those discussions. This is really an adjustment imposed by the fast-food industry. There has also been some decline in consumption of some of the fast foods in the major chains, and they are very conscious of quality. We are working very closely with the producers as we have indicated. We will work with them, but the issue of union contracts did not come up in any of the meetings at all. So I am not sure where the member heard that rumour, but it was not part of our discussions with either company.

**Mr. Gerrard:** Just to give a quick view of the Government's strategy with regard to the potato industry, in light of what is happening.

**Ms. Wowchuk:** I am sorry.

**Mr. Gerrard:** What I am asking is what the Government's strategy is in terms of the Manitoba potato industry, in light of what is happening with the decreased number of contracts.

**Ms. Wowchuk:** Mr. Acting Chairman, this is an important industry to us. It is a growing industry and it is absolutely important that the consumers, the people who are buying our product, have the confidence that Manitoba can produce a reliable quality and a consistent quality to the suppliers.

We will work very closely with the growers to address these quality issues and ensure that quality is there on a consistent basis. As I have said, we have met with the companies and we have an irrigation program. We have to continue to promote irrigation and work with the producers to see that that expansion continues.

One of the issues that is there for the industry is the issue of dry land corners and the impact that has on quality. We want to work with the industry to provide the technical advice and help that they need. The producers are going to have to work as well to be sure that their product is consistent.

As I say, Mr. Acting Chairman, there is the issue of the dry land corners and not wanting to separate

those potatoes out from potatoes that meet the standards. There are storage issues, a variety of issues that we are prepared to work on with the producers and provide the training. We are prepared to work on the irrigation and we hope we can see growth in that area.

I can also indicate to the member that we have told the companies and we intend to follow up with the fast-food industry, who are the major buyers in this, to ensure them that Manitoba does have high quality and that we are willing to work with the producers to meet some of those demands.

There are a few issues, as I say, with regard to storage, with regard to irrigation, but I can also indicate to the member that this is not only a Manitoba problem. The Alberta potato industry has also taken a decrease of 7 percent.

So it is a fairly significant issue and one that we have to continue to work with. We will be working with those producers, not only at the technical level, but also on the marketing end of it and building their confidence in the Manitoba supply.

\* (15:40)

**Mr. Gerrard:** Now, a question on the hog industry. Under The Planning Act, the responsibility for regulating storage and spreading of manure becomes now provincial and completely out of the jurisdiction of the rural municipalities.

Some municipalities have mandated an injection standard, that is, that all hog manure be injected into the land. Others have used a standard which would see the manure spread on the land. I would ask the minister: What are her plans in terms of the provincial standard? Will it be based on the practice of spreading manure on the land or of injecting manure into the land?

**Ms. Wowchuk:** When you talk about the application of manure, there is solid manure, liquid manure. Solid manure will continue to be spread in the way that it is spread. With liquid manure it is reasonable. There are good agronomics to indicate that it should be injected on cropland. However, when you go to forages it is not feasible to inject. So you cannot make just one blanket policy on how manure will be applied, because there are different aspects to



agriculture and different ways that farmers apply this given the crops that they grow.

**Mr. Gerrard:** And so will the Province put regulations which kind of micromanage the circumstances of when manure is injected and when it is spread?

**Ms. Wowchuk:** Each individual who has over 300 animal units will put in place their manure management plan. That manure management plan will be reviewed and if there are issues with respect to neighbours or the landscape that is when it will be addressed. But it is not government's intention to micromanage every farm. It will be through the manure management plan that is put forward and reviewed.

**Mr. Gerrard:** As the minister knows, the amount of manure that can be spread on an acre at the moment is based primarily on a nitrogen standard. That is the amount of nitrogen that is in the manure and can be applied to those acres.

But the Minister of Water Stewardship (Mr. Ashton) is dealing with a lot of circumstances where it is the phosphorus which is causing critical problems, for example, in Lake Winnipeg. So there has been a lot of discussion about whether it is going to be important to move to a phosphorous standard as well as a nitrogen standard in this regard. I mention this because the Manitoba contribution, for example, on the Red River management Web site specifically talks about concerns about phosphorus coming from agricultural lands.

**Ms. Wowchuk:** The issue of the nutrients in all fertilizers is a very important issue, and what you have to do is have a balance between what you apply and what the crop can take up. What has to be done is there has to be more work done in this area here in Manitoba, and there is. There is research that is being done on phosphorus right now. There is a manure management committee and there is work being done on phosphorus to see how we should collect this data. There is a phosphorous expert committee that includes the University of Manitoba and the agriculture producers, including Keystone Agricultural Producers.

So there is a lot of work being done on phosphorus right now, and we have to work to ensure that there is a balance between the nutrients that we put in the ground and the amount that is built

up in the soil. It is a significant issue, but one that work is being done on, and it is always that we have to look at the types of soil that we have, the types of crops that we grow. There is data being collected on it.

**Mr. Gerrard:** I have talked to a number of farmers recently who are very keen to see there be a lot of opportunities which would take advantage of an IP system, identity preserve system for grains, and just—although this probably falls more appropriately, for the most part, in the federal domain in terms of approach, I would ask what the provincial government's approach is to this.

**Ms. Wowchuk:** This is an important issue and one we have had significant discussion on. Farmers have a desire to grow a lot of crops right now that cannot be identified under the KVD or the kernel visual distinguishability. This is limiting our ability to grow some of the crops that will be important to us as feeds for livestock, important to us in the ethanol industry. I have raised this issue many times.

\* (15:50)

The Canadian Grain Commission did some work on trying to find a way that could identify the crops. It was a volunteer system that did not get off the table. So I believe that the IP system is important. It is one I have raised with the federal government, and he is right, it falls under the jurisdiction of the federal government. But we continue to raise it.

Mr. Acting Chairman, I think that it is particularly important to Manitoba as we see our livestock industry increase and look at other alternate energy sources. We know that the IP system works well in other crops such as Canola, with the high erucic acid variety. So the system works. We need to continue to encourage people to do the research and develop the equipment that will allow for this to happen.

**Mr. Gerrard:** Another area that I have had farmers approach me on has to do with the concerns over infectious diseases broadly. For instance when we were discussing foot-and-mouth disease some time ago, there was clearly a need to be able to regionalize a disease very quickly so that problems in another province would not have the kind of disastrous impact that they potentially could have if there was a case of foot-and-mouth disease in another province.

I would ask the minister whether she has been making efforts to push for better approaches to regionalization so that, for instance, if there was a foot-and-mouth case in Saskatchewan that it could be quickly regionalized and Manitoba producers would not suffer the terrible and potentially disastrous consequences?

**Ms. Wowchuk:** Mr. Acting Chairman, one of the examples of regionalization was with the outbreak of avian flu in British Columbia. British Columbia was really set out as a region and the rest of the country was not affected by it.

There has been a lot of discussion about how we could do some regionalization in the country. There is a zoning project that hopefully will move forward this summer dividing off a zone at West Hawk Lake, Mr. Acting Chairman, which is the entry point into Ontario where you would see, should there be an outbreak, that you could zone the west and the east and start at that.

There is a lot more work to be done on it but I think we have to start as a pilot project and get everybody co-operating. You talk about zoning provinces and that may happen, but we have to start at a point where you can have some control on movement across the country. It would be a lot harder with Manitoba.

We have examples of zoning around the Riding Mountain Park where there is a zone identified as a TB zone. So there is zoning and I think there is a recognition that we have to continue in this area. I want to introduce Dr. Allan Preston who has joined us at the table here and certainly is the one that has been working very hard on all of the disease issues and has represented Manitoba very well.

**Mr. Gerrard:** I was in the Cartwright-Mather-Clearwater-Pilot Mound-Crystal City area last weekend and there was a lot of concern about a meeting which was held on Friday and what the future is of the delivery of agricultural services and the agricultural rep in that area. I wonder if the minister could enlighten us.

**Ms. Wowchuk:** Well, yes, we did have a meeting in Brandon on Friday. I have to say to the member that I was there to speak to the staff and we were in the amphitheatre at the Keystone Centre. When I got in

there, I was quite impressed when I saw the number of people there.

You know, they say there are 600 and some people working in the department, but they are all over the province. We had them in this room and it is quite impressive to look at the number of people that are working in Agriculture and the different divisions of Agriculture.

I can also tell the member of the enthusiasm by the people there to have the opportunity to talk about the future of the industry, the future of the services that they deliver, the changes in agriculture, and they really appreciated having the opportunity to have input into delivery of services.

I went to that meeting and I said to the staff that I was not bringing pink slips. There have been other places in the past where it has happened, where there has been a budget and pink slips have been handed out. There have been other meetings that people have been invited to by the minister or by someone else in charge and have to hand out pink slips.

I told the people in this department this is not about handing out pink slips, this is looking at the departments, all the different divisions, and how we can improve. There has not been a review of this department since, I believe, in the eighties, about 25 years ago.

A lot has changed in agriculture in that time and jobs have changed. The programs have changed. This is a time to think about the programs and look at what we can do better because, ultimately, this is about providing a better service for the people, for our farmers, for the people of rural communities.

The department has grown. We started out Agriculture. We changed it to Agriculture and Food. It is Agriculture, Food and Rural Initiatives and I think it is a very good fit to have our economic development officers working with our ag reps and with our other people.

We did a vision statement for the department in 2001. This is building on that vision statement and looking at how we can build on all those resources that we have in those rural communities.

**Mr. Gerrard:** Now, my question, and this is the last area that I want to address. As the minister knows,

the sign-up date for the CAIS program was April 30. It has, I gather, now been moved back. Can the minister tell us, No. 1, what proportion of Manitoba farmers were signed up by April 30?

Then I have a couple of follow-up issues.

**Ms. Wowchuk:** Mr. Acting Chairman, we are joined at the table by Mr. Lorne Martin, who is the acting ADM in the Policy and Economic division.

\* (16:00)

I want to indicate to the member that this is as of April 25, so these numbers are slightly outdated. For the 2003 year, there were 6660 applicants. For the 2004 year, we have had 7136 applicants. So that is 36 percent of the forms that have been sent out have been returned. We are above average. Other provinces are about 34 percent. Manitoba producers are signing up at a faster rate than other provinces, and 93 percent of those are going for the maximum coverage.

**Mr. Gerrard:** Even though we are about the same rate as the other provinces, that is still a lower rate than I would have expected. I know that there was fair amount of uncertainty about whether the Province of Manitoba was fully into this program and with its own resources, and I wondered if that had anything to do with the way things were communicated with the lower than might have been expected sign-up.

*Mr. Chairperson in the Chair*

**Ms. Wowchuk:** Mr. Chairman, if that were the case, we would be substantially lower than other provinces. We are, in fact, ahead of other provinces. Producers know we have a program. There has been a lot of work being done in discussion of the program and they are making the decisions.

So to imply that Manitoba has a lower sign-up rate is not accurate. We are ahead of other provinces.

**Mr. Gerrard:** I know that there was a group that was looking at trying to provide advice to farmers that would not be as costly as a chartered accountant, in terms of certain aspects of the program. It was questioned about whether the Province was going to use this approach and the opportunity to partner with individuals or groups who were ready to provide

lower-cost advice where that was appropriate, in terms of trying to make sure that that was available.

**Ms. Wowchuk:** Mr. Chairman, we were just talking about all this wonderful staff that we have throughout the regions, and we have chosen and are using our staff to do workshops and CAIS. We have held some 30 to 40 meetings, some on large-scale, some on small-scale. In fact, as well, at Rural Forum this year, there was a workshop on CAIS, which is a new addition to the forum and a way to provide information to farmers.

With respect to the specific project that the member is referring to, I want to indicate to him, Mr. Chairman, that we have been working with ACC, who have indicated that they are willing to develop a program, a course, for more in-depth information so that there could be additional training. That project has not yet been completed, but that is the route we have chosen, to use the staff and to work with ACC to develop a further program.

**Mr. David Faurschou (Portage la Prairie):** I would like to ask the minister, as a follow-up to the comments she made in regard to KVD and the regulations and restrictions of that particular grading system that has been in place for as long as I can remember: Are you going to effectively lobby the Canadian Wheat Board for further expansion of the identity-preserved programming that has effectively been done in small part with the Warburton contract which specifies specific variety for that particular contracting program?

I will give the reason for background of that, Madam Minister, insofar as the identity-preserved contracting program that has been available to producers in Ontario has seen a significant rise of identity-preserved contracting in that jurisdiction. However, outside of some very, very limited production in western Canada, that particular type of marketing of new cultivars has not seen anywhere near similar results.

**Ms. Wowchuk:** Mr. Chairman, as the member is well aware, the Canadian Grain Commission went out and did some work on this particular issue and came back with a study indicating that it would be quite long before anything could be done in this area and we were quite disappointed in that study because we felt that a lot more could have been done.

I can indicate to the member that, Mr. Chairman, the four western CARD Councils are leading an initiative to work to replace the KVD system and we are supportive of the work that they are doing. I met with some of them just recently and looked at what the options might be but certainly, as I said to the previous question, this is a very important issue for Manitoba. As we build our livestock industry, we need those additional crops to be grown so that we can have a feed supply, and with the potential and the desire to build the ethanol industry in this province, we also need those products. We have had discussions with the Wheat Board, we have had discussions with the CARD Councils, and we would like to see this move forward.

**Mr. Faursehou:** I appreciate the minister's answer. Truly I do. However, the time is now to effectively lobby the Canadian Wheat Board for this type of contracting program. We are all aware of the changes in the seeds industry for instance that provides for a very specific history of production which affords the contracting company the ability to designate a specific cultivator and be assured that that is what the individual purchaser will be receiving.

At the present time, the minister is well aware that we have approximately 70 percent of the containers that are handled here in Manitoba leave Manitoba empty. Identity-preserved type of contracting for specific varieties, that resource would be made available and would fit very, very well.

I will say on this KVD program, as late as last December we had a gentleman, Mr. Oleson, from the University of Manitoba state on the record that KVD was a low-cost grading system. That could not be further from the truth. Mr. Chairperson, all of the studies that have been effected by various organizations to the Canadian Wheat breeding industry, the wheat breeding industry will state front and centre that we give up between 12 and 20 percent of potential yield advantage by restricting ourselves to this type of grading factor. So there is a significant cost to western Canada producers to maintain this KVD system, and we as producers can ill-afford to have that costly a system in place today.

\* (16:10)

This is why I asked the minister to be very active in this area because there are, and she is well aware, changes in federal minister. There have been changes

in different board members and the opportunity to lobby the new board members and potential consideration for policy change is here and now, so I would like to leave that with the minister for her response to effect such change.

*Mr. Daryl Reid, Acting Chairperson, in the Chair*

**Ms. Wowchuk:** I want to say to the member that I recognize what he is saying. There is a great change in the industry, new varieties that are out there, but cannot be registered because of the system. We know that the Grain Commission looked at one option. They looked at a voluntary register system; they said that would take too long. We have to think about our customers that we have now to ensure that the customers continue to get the supply that they need and they are comfortable with that, but we have to also continue to lobby for change, and we have to find a system that will give our customers the comfort that they need but also have a system in place that will allow for the new varieties to be growing.

So I say to the member that I have raised this issue before, and I will continue to raise it.

**Mr. Faursehou:** I appreciate the minister's statements, and I just want to emphasize that the timing is very critical. We are losing markets, and as far as any argument to state that purity of variety cannot be guaranteed with the current system that we have now, starting with the pedigreed seed growers and through a contracting and certified seed usage and the contractual obligations of the producer under contract to the end user, if there is a glitch in the system, we know exactly who is responsible for it.

There are other considerations now as well that, with the restricted elevator space and fewer and fewer points of delivery, opportunities to diversify and to try and garner a greater value from the marketplace through this type of contractual arrangement is vitally important to the producer, and I once again encourage the minister. I will explain even the more specific. Two new varieties in extra strong have been recommended for registration, those being CDC Rama and soon to be known as AC Burnside. Those two varieties cannot be co-mingled with any other variety in the extra strong class of wheat because, if they do, they lose their potential market premium price. Those two new varieties are higher in protein, they have greater flour extraction, higher

water absorption, lower ash. They are very desirable varieties, and specific-end users want those varieties rather than anything else in the class.

In order to maximize on those two varieties, and those two varieties will be available to producers within two years, this is a very short time frame in which the department has to make the case be known and these changes made, because Saskatchewan and Manitoba figure to benefit significantly through these advantages, all built on the breeding research that happened right here in Manitoba based upon the old variety Glenlea, which sports the name of the test research farm in which it had its preliminary crossings just south of Winnipeg.

**Ms. Wowchuk:** I will thank the member for his comments and indicate that, as a province, we will continue to pursue this, but I know the member is aware that no provincial jurisdiction can do this on its own. We have to work with the federal government, and we will.

**Mr. Penner:** We left a little while ago the CAIS program and some of the numbers that were put out. I was rather surprised at the low number of applicants that we had received, even though the minister took some comfort in probably being one of the higher sign-up provinces.

I do not know whether the sign-up in the CAIS program, the final sign-up in the CAIS program, will be any indication as to how many farmers we really have in this province. Number one, I fail to understand why farmers would not sign into this program if they are looking at their long-term interest in their farm operations. Secondly, I think it can be done in a manner now that costs very little money through arrangements through the banks.

The reason I raise this, I would suggest to the minister that she could, as the minister and the department, raise the level of sign-ups, I think, if the minister would choose to write letters of guarantee to the program and to the banks on behalf of farmers. It would only mean—the minister needs to understand this. I am not sure that this is well enough understood. But it only would mean that the Government of Manitoba would guarantee that the portion that the farmers would contribute, that one day, really it is a one-day contribution by farmers into the program, because it goes into the bank on that given day and

comes out back to the farmer on that given day, and that is really all that is needed there.

If the Premier (Mr. Doer) and the Government could come to a position where they would write that letter of credit to the banking institutions saying we will guarantee that that money will be there that one day, just to transfer it in and out, and then later on the letter of credit would have to be there again to give comfort if that should happen next time, we would do the same thing. It is silly, in my view, to have farmers put large amounts of money in a deposit account that does nothing for them. They cannot use it; the banks can only use it to further their credits.

*Mr. Chairperson in the Chair*

So I would strongly suggest the minister give this some serious thought. I do not need an immediate answer on this, but it certainly would benefit, I think, the accommodation and give farmers a degree of comfort that they should sign into this. It really constitutes no draw on the provincial treasury and no liability to the provincial treasury. It would only give comfort to the bank and the federal government that this money by number would be there only to come in and out on the same day. There is no financial liability really to the Province on this whatsoever.

As I say, the minister need not respond immediately to this, but I suggest this only that she and her department should give this serious consideration before they say no to it, because it has some significant benefits to I think encouraging a broad base of farmers to come into the program.

\* (16:20)

**Ms. Wowchuk:** Mr. Chairman, I think the member is saying, you know, do not rule out this option, continue to look at it. It is a new program. We continue to look at the various options that are there. But I want the member to be aware that we have met with all the banking institutes, and nobody is asking for this. Bankers have indicated that they recognize this as a good program for the farmers because they will get their money. They are really lending them the money at a very, very reasonable rate. There has not been a demand for anything like this. The member suggests we keep options on the table. We will certainly do that. But I can also say that this has not been raised.

When you talk about sign-ups, it is a new program. There has been a lot of work done to promote it, get the information out to the producers. The federal government recognized that the sign-up rate was not as high as people would like it. That is why they have extended the deadline for further sign-ups.

**Mr. Chairperson:** The honourable minister—no, Member for Emerson.

**Mr. Penner:** Well, thank you. I just thought you gave me a promotion, Mr. Chairman. I hope I am not misunderstood. The requirement, as it stands now under the CAIS program, is that a farmer have an amount of money, as required by the program, in a bank account. It is simply only a number, because the bank is saying, "Well, we will put that number in your account, but, for that number being there, nothing changes, nothing transfers. For that number being there, we will charge you a percent or a percent and a half or some percent and three quarters of money." What that actually does, it gives then the bank an ability to borrow out more money. They can use that as collateral to borrow money, and it is an artificial number really. The deposit account when a draw is triggered under CAIS only brings out that amount of money that is required by the producers. If the producer wants to at the same counter draw the money out and put the money back in, or put the number back in and continue the interest draw, that is really all that is required under that program, because it is his own money and all the Government would do by signing a note saying that, yes, this farmer's money is in place in that account.

Again, it is only a number, but the Government would guarantee that the money will be there to be taken out of the producer's account and put right back in again. So it is a two-minute transfer that is all that is required here. Quite frankly, if the federal government would change its mind and not require a producer to deposit any money would be just as well from a producer's standpoint. It would not cost the federal government and the provincials any more money if there was no producer money in the account in the first place.

I think it is one of the silliest proposals I have ever seen for a requirement of a producer to set aside for instance, a chunk of money; that is what the initial proposal was. A chunk of money could be up to as much as \$100,000 sitting in a bank account

forever and not doing anything there. It does not achieve anything. It does not give the farmer any line of credit, any further credit ability. It just sits there. It is dead money. I have never seen a proposal like that come from government.

So I suggest, Mr. Chairman, for serious consideration, the minister said she will keep that on the table and consider this, and I would strongly suggest to staff, clearly understand what I am talking about before you say no to it. This would be a great benefit to the producers. I think you could present a model to the rest of the provinces that could be accepted. The federal government would not have a choice but to accept it because the money would be there, in the account, as it will be now if you borrowed an amount of money. Because the money never transfers into the account, it is just a number sitting there. There is no money sitting in that account.

I would strongly suggest you give that some serious consideration and I think you will be amazed at how many people come forward. There are still many producers, that I have talked to, they are of the firm belief that they are going to have to put fairly significant amounts of money into a bank account and then just have it sitting there. They cannot afford it. They are going out to borrow money now for operating loans and they cannot afford to have their own money sitting there doing nothing.

I leave it there and if the minister wants to respond to that, she can. If not, she has said she will consider it and I appreciate that.

**Ms. Wowchuk:** Mr. Chairman, farmers will make their choices. Some farmers are putting their money in. There is a significant amount of money sitting in NISA accounts. There is a significant amount, there is significant money that was in CAIS accounts. In fact, in Manitoba there was about \$450 million that people had in CAIS accounts, I am sorry NISA accounts. Some have chosen to move some of that into CAIS accounts. Not everybody has that amount of money. Some have chosen and will be making arrangements with the banking institutions and then making those arrangements to have at a very low cost have a transaction for money to be available.

I know that the banking institutions have held workshops. We have held a lot of workshops for people to become aware of the program. The federal

government recognized that there was not as high a sign-up rate as there should be. I hope the member opposite is encouraging producers to sign up to the program, because if you look at what the bankers told us why would anybody not sign up as long as you have your money, in fact you do not even have to have your money in the program. For the first year you do not even have to have money in the program to draw down.

As programs are designed, we look back at when GRIP was designed, when the other programs were designed, there are always changes being made to them.

The member said that this money, that this sits in their account, is of no value to the farmer. The farmer can draw against that money as well. So there is a value to it. I can also say that there have been suggestions, and Manitoba had the discussion, about not having money in farmers accounts. That was not agreed to by other provinces but there is always a possibility of changes and when the farmers' income goes down there will be money available for producers through this program.

**Mr. Penner:** Mr. Chairperson, I want to say to the minister, what I suggest, I suggest in good conscience. I do not do it frivolously. I think the money that is currently sitting in accounts, in NISA accounts, that if I look at the income that farmers had last year, 40% net decline in net income, I think is very dramatic, I think the NISA accounts will be used to underpin their operating cost and if they choose to put those into the CAIS accounts and have them sitting in the bank drawing maybe 1 or 2 percent of interest, I think that is not good business, not good sound business management. I would suggest that the minister seriously consider what I have suggested to her, but be that as it may.

I want to ask the minister whether she is aware of the equipment restrictions on road travel in the province of Manitoba that the Highways department is imposing on Manitoba farmers. I got a call on Friday from a neighbour at St. Jean that he had been stopped by the Highways inspector, and at the same time had a flat tire on his air seeder, but the department of Highways proceeded to measure his air seeder and said he could not travel on the roads because it was too long. Then he measured the height, and he also told the farmer that he could not travel on the roads because it was too high. So this

farmer phoned and said, "Now what do I do?" He said, "I haven't got a cutting torch. I can't make it lower." He said, "I'm not going to disconnect it to travel a mile down the road, because the whole operation is computerized and with seed monitors and fertilizer monitors on it." He said, "I am not going to disconnect it to travel down the road." That was the suggestion.

The other suggestion by the Highways department had been that they could phone for a permit. Now I wonder how much more frivolous we want to get in our approach to farmers and how many more impediments we want to put in their way requiring them to have permits for equipment that is manufactured and produced for exactly what we are doing.

\* (16:30)

The reason I want to raise this is because we have talked a lot about the environment and we have talked a lot about Kyoto accords and all about those kind of things. Whether one agrees with that or not is totally immaterial. When one looks at this last April, again, I think we are into a cooling spell instead of warming, but be that as it may as well.

This farmer has an air seeder which applies the seed by cultivation, has a harrow behind the air seeder and the seed tank behind that and the anhydrous tank behind that. It is all operated by computer and it is all monitored. It is a one-pass operation. That is where you guys, the Government, have been wanting us to go for years. Instead of having four tractors in the field, we have one tractor in the field. Our operation is exactly the same as this. It is big tractors, it is big equipment, it is long equipment. It takes a lot of power, but it certainly saves the environment.

There is very little compaction compared to what we used to have. There is a tremendous saving in fuel. There is a tremendous efficiency. You only need one person instead of four people being built into this. You keep your straw and your stubble on top of the ground in the fall of the year and in spring you just spike it in and leave the stubble there, do not disturb it. It stops water flow. It stops soil erosion, does everything that we have been told we should be doing. Yet here the Highways department comes along and says you cannot take this machine out on the road. The Highways department said you could

decouple it and haul it separately. It is all computerized. It is all wired up with computers.

I suggested to the deputy minister of Highways, "Andy," I said, "Come on down and dismantle it and reconnect it back in the field." I said, "If you can do it in under five hours, I will hire you." It is not easy to hook all this stuff up and decouple it and then hook it all back up again. It is a very significant chore, and I would suggest strongly that you, Madam Minister, would talk to your colleague the minister of highways and suggest to the minister of highways that we operate in the 21st century and that if hydro lines are too low then Manitoba Hydro should be instructed to raise their lines, because we will keep operating the way we are if we are going to stay in business.

If it is government's will to keep us in business, the machines will get larger instead of smaller. They will not get smaller. I would strongly suggest that there be some initiative taken to allow farmers to practise their trade in the most efficient and environmentally friendly manner. I think they are attempting to do that, but there are impediments there that need addressing. One of them is the roads we travel on and the lines we have to travel under and other areas. So I would ask the minister to take that into consideration.

**Ms. Wowchuk:** Farm safety, highway safety is a very important issue for us. As a government, you know, we recognize that agriculture is changing. We recognize that there are needs for education so people understand more about agriculture. That is why we hired a farm safety co-ordinator. Certainly, I will check with him on these issues.

The member talked about Hydro. Hydro also recognizes the importance of farm safety. That is why we have Hydro participating in the farm safety awareness issues at Ag Days, and that is why we have the displays there.

As we get into the agriculture season and we see all of this equipment, there is no doubt the equipment is becoming larger. We have to make the public aware of the importance of being cautious around farm equipment, being cautious on the highway. But I will certainly check on this issue.

Mr. Chairman, it is not our desire to put impediments on farmers. Farmers have a very short working

season. We know that they are under pressure to get their work done, but we also have to think about farm safety. As equipment becomes bigger, we have to be conscious of the oversized equipment that is out there and that things are changing. But, certainly, I will raise the issue with the minister of highways and ensure that indeed what we are doing is safe practices, but also being very conscious of the shortness of time that farmers have both in putting the crop in and in harvesting the crop later.

We are always aware of the larger equipment. That is why we work so closely with the Labour Department, with Transportation and Government Services, Manitoba Hydro and with the farming community. Whenever we are working on these there is a consultation process. I will just check to see what has happened here, whether there have been some changes and make the minister aware of them.

**Mr. Penner:** I thank the minister for that. Mr. Chairman, I also want to ask the minister whether she could have this discussion with her colleagues in Cabinet as to whether there could be provisions made during seeding time that farmers could at least haul enough grain in their trucks to do at least one air-seeder filling legally. Right now the way the weight restrictions are on some of the roads that we travel, we cannot even fill our air-seeder, get one filling on the truck for an air-seeder. We travel back and forth for virtually every filling and try and come as close to weight restrictions, but we are still overweight. If we fill both the fertilizer and the seed tank we are quite overweight on one load. We would like to at least be legal and to be allowed to put our crop in the ground in the spring of the year. Weight restrictions are still on and probably will be on until virtually we finish seeding.

The same thing applies to the seed houses, the seed plants that provide the seeds. Farmers very often have agreements with the seed houses that they pick up seed right from the plant and go plant them. That is becoming a significant problem because of the largeness of the seeding equipment that we use. So I leave that with you, Madam Minister, to have that discussion.

**Ms. Wowchuk:** There is always a need to find a balance between farmers or other people doing their work and maintaining the road condition. I will certainly pass this on to my colleague, but I would encourage the Member for Emerson (Mr. Penner) to



also participate in the Estimates for the Department of Transportation and Government Services and raise those issues with the minister.

**Mr. Faurschou:** Mr. Chairman, I hope the minister continues to support the highways minister for additional resources towards repair and maintenance of our roadways. The minister may not be aware, but over 40 percent of our provincial roadways are currently under restriction. That is an increase over last year, which has been increasing year over year over year. We had less than 30 percent of our roads restricted just five short years ago. Now it is over 40 percent of our roads are restricted, just because we have not been able—I say we—you, as the Government, have not been putting the resources into the highways department that are necessary to maintain the level of maintenance on the roads through normal wear and tear.

\* (16:40)

**Ms. Wowchuk:** Again, Mr. Chairman, I would encourage the member to go to Transportation and Government Services Estimates when they are up. But it is very interesting because the member had a little bit of a slip of the tongue when he said we have not been able to maintain, and during their times they were not able to maintain. I believe their highways budget was at about \$93 million. Since we have taken office, we have raised it to 120 and we have made a commitment for an additional \$10 million. But I digress, Mr. Chairman. We are in Agriculture Estimates. I would ask that we get back to Agriculture issues.

**Mr. Penner:** I just want to put some correct figures on the record. The capital investment and infrastructure by Transportation and Government Services this year is budgeted at 87,167.6. That is what is budgeted this year. That is substantively less than the 1999 budget in highways was, which was 110,000 provincial plus the federal infrastructure money. So I would remind the minister that 87 compared to 110 is a significant decline.

I asked the minister of Highways not too long ago why he would have reduced the capital spending, not the budget, but the spending, by \$30 million, and he said, "Well, that is just the way it came out." I think our roads are showing it. You are right, Madam Minister; it is not a discussion for this table.

I want to ask the minister regarding the potato industry, some of my producers in my area are becoming very concerned. It appears that there is a total lack of contracting this year by all the companies. One of the companies has indicated that they will need substantively less potatoes in their operation, but I understand, as of yesterday, there were no signed contracts with the companies. I do not know whether there have been any prices established according to the information that I got yesterday.

I wonder if the minister could update us on that industry and what her views are on the long-term viability of the industry as we see it today.

**Ms. Wowchuk:** Mr. Chairman, the issues of the potato industry are very important issues and ones that we are working at and, we believe, have to be worked on. It is my understanding that contracts are being worked on but, there are no contracts. We feel that contracts have to be settled pre-planting, rather than the kind of pressure that producers are on right now. We would like to see industry come to the table sooner than they do, to give the producers some certainty about what they are planting for, what their markets are going to be. Those are in discussions right now.

There has been growth in the industry and I believe that it will continue to grow. I believe we are, Mr. Chairman, in a bit of a downturn now. I believe that the industry has the opportunity to grow. We are in a bit of a downturn right now and there have been a few things that have influenced it. In reality Manitoba's industry is quite a new industry, if you look at where potatoes have been grown for some time. There are issues with quality and our producers are going to have to work on those quality issues to build Manitoba's standard.

I believe that the processors and the farmers are going to have to work together to create a value chain. It is important. The producers cannot live without the processors. The processors cannot live without the producers. They have to work together to build that quality that will be recognized.

Those are some of the issues now that some of the fast-food industries are looking at. There is not the quality they were talking about because of some of the quality, their cooking time has to be longer, their browning is not even. The big food chains want this consistency. They want the same size potato.

There is the issue of seeding in the corners where the irrigation does not go and that getting into the system. We have said we would work with the producers. Our industry is growing. If you look at the potato industry, the acreage has gone from 50 000 acres in 1990 to 103 000 acres last year. There are opportunities to continue improving and expanding the irrigation in this province. Ultimately, it is about the consumer. It is about the grower, but if you have not got a market then you have not got anybody to sell it to, then the grower is in trouble.

Mr. Chairman, I would like to see the processors and the growers work much more closely together. Certainly, if they could get contracts settled pre-planting, it would be much better for the producer.

**Mr. Penner:** There is one other, and this might just be a rumour, but there is one other point of interest that was raised with me yesterday and that was that one of the potato companies, I understand, has a mothballed plant in the States and that there might be some interest in opening that plant, that is, one of the plants that is operating in Manitoba. I wonder if you know anything about that.

\* (16:50)

**Ms. Wowchuk:** Mr. Chairman, there is no doubt that there is excess capacity in the potato processing facilities in North America. There are some plants that have closed. We are not aware, nobody has come to us and said that they are closing a plant in Manitoba and re-opening one somewhere else.

Mr. Chairman, there has been some shift in the product, and when there was this quality control issue of inconsistency of supply, one of the major buyers decided to move back to the area where they had the comfort zone, which is in the northwest region. But that just goes to show, and reinforces the fact, that we have to continue to give our customers the confidence that we have the highest quality product in the world, in North America. In Manitoba, we can grow the highest quality.

We will continue to make improvements so that we maintain our share of the market. Those processors came to Manitoba because they saw a land base. They saw people who could work in this industry and produce a high quality. There has been some slippage in the quality, and we are going to have to work to regain those markets and give the

fast-food industry the comfort that they are looking for, that there is going to be consistency and high quality in the product that comes from this province.

**Mr. Penner:** That brings me to the point I want to raise. The potato industry has, as you know, Madam Minister, over the last decade been very pro-active in encouraging farmers to develop irrigation on their farms. I think the current government, the NDP government, had indicated a willingness to participate in that irrigation development. We have seen very little of that development that was supported verbally by this Government on the ground. We have seen very little of that put in the ground.

I wonder if the minister could indicate today, and this might give some greater degree of comfort to the processors when they are talking to their customers, that they could actually indicate to the customers that, yes, we are going to have irrigated potatoes. I understand quality production has a lot to do with irrigation, the application of water at the right time raises substantially the quality of the potatoes and reduces the sugar levels in many of the potatoes, especially in the fall of the year.

I wonder whether the minister could indicate to us how much is going to be spent this year on irrigation development to indicate clearly to the potato industry that we want to keep them in this province.

**Ms. Wowchuk:** Mr. Chairman, we have had the discussion with the processors on our irrigation program and our commitment to continue to work on it. I want to indicate to the member as well that earlier this year we worked with the processors and producers on a workshop on irrigation, what could be done, things that have to be improved. There is money and we negotiated money available under the APF and the National Water Supply Enhancement Program that will have funds available for producers to continue expanding the irrigation. We will work with them because our goal is to increase the number of irrigated acres in this province.

**Mr. Penner:** Can the minister tell this committee how much her Government has budgeted this year for irrigation and whether that money will actually be spent?

**Ms. Wowchuk:** Mr. Chairman, in this year's budget, we have \$922,500 available for irrigation. In addition

to that, there is an additional \$900,000 in the APF and \$758,000 in the national water supply expansion program.

The member is right. We have lapsed money in this area because we just have not had the uptake. We have talked to the processors and indicated that we want to see this money used, we want to see irrigation expanded and we will be looking at the programs to see how they can be improved so that we have better uptake on it, but the commitment is there and we are going to have to work with processors.

I can indicate that currently there are 12 projects in the final design and approval stages and part of the issue is that it takes some time. You do not just say you are going to irrigate and start doing the work in the upcoming or, in this year. It takes a lot of planning and work, and we have committed to the producers and to the industry the processors that we want to work with them to see how we can use this money to increase our irrigated land in this province.

**Mr. Chairperson:** Honourable minister.

**Mr. Penner:** Again, twice in a row?

**Mr. Chairperson:** Member for Emerson.

**Mr. Penner:** Thank you, Mr. Chairman, three times and I become the minister. You know the rules. Thank you very much. It is good to have a bit of fun.

\* (17:00)

I wonder if the minister could indicate to us, Mr. Chairman, what kind of discussion she has had with producers and producers' groups, how much encouragement she has extended to the irrigators or non-irrigators to get into irrigation and whether she has had significant discussions with the companies to give them the assurance that she, in fact, is serious and her Government is serious about developing the irrigated acres that could be developed in this province and that we can give a level of comfort to the processors that they in fact will be able to get the quality that they desire and that the producers we know can produce in this province.

However, it does take significant ministerial initiative and government will to make those things happen. I want to know what kind of meetings have

been initiated by this Government with the producers of this province and with the industry to make that happen.

**Ms. Wowchuk:** As I indicated earlier, this is an important issue for us and for me as minister, it is one that I would like to see further growth in. We have had discussions with the processing facilities about our commitment to increased irrigation. Mr. Chairman, we have had discussions with the Association of Irrigators and their regional groups on the opportunities. But we all know that irrigation is very expensive and we all know that the producer has to be at the right stage in their business where they can start to move forward on this. When that happens there has to be a lot of planning, and we have worked with them.

We have also worked with the industry through our potato specialists in a variety of areas, doing diagnostic schools, doing work with them on their management of crops. Those things are important too, because you have to work with them to ensure the quality. Through the year, there is a lot of work that has to be done with the producers and we have done that and we will continue to do it. We have said to the processing facilities and to the producers that we will look at the program. What I want to know is why it is not working. I have had discussions with the Member for Portage la Prairie (Mr. Faurichou) on this issue as well. But there is a serious commitment and there was a commitment when Simplot came to Manitoba. We made a commitment on irrigation and we will stand by that commitment.

**Mr. Penner:** I think what the producers are really looking for is not the commitment, I think they want action. Producer groups that I have talked and met with over the last while say they see there is a very soft approach by this administration toward irrigation. They would like to see some more aggressive approach by the Government. So I suggest strongly to the minister that she could encourage her colleagues to take a more aggressive approach to irrigation development in this province. I think that would give a greater degree of comfort to the industry as well, if that was done.

I think governments need to be proactive and not followers all the time. They need to be followers sometime, but very often they need to be leaders. I think leadership is what is being asked for here, and really needs to happen. So, Mr. Chairman, I know my colleague also has some questions on irrigation.

**Ms. Wowchuk:** If the member is questioning our commitment to this, if there was no desire to move forward on this, there would not be the number of projects that are there now. There are projects that are ready to move forward. Government has money on the table. It has been there and it is there. I indicated earlier that I was disappointed with the number of acres that we have been able to irrigate and that is why we are looking at how the program can be changed so that we will get more acres irrigated.

There is additional money available now through the APF and through the national water supply expansion program. Over \$2 million is a significant amount of money. Government is at the table, and I hope that we can make the program work so that producers can take advantage of it.

**Mr. Faurchou:** Mr. Chairperson, I do appreciate the minister's response. I failed at the beginning to recognize Dr. Barry Todd as the acting deputy minister at the present time, at the table last year but acting this year in a different capacity, so that is a very welcome appointment.

Now, Madam Minister, I want to say that you are probably aware that we are in extraordinary times, and the drought of last year certainly tried many producers because the contractual obligations for potato production, essentially, you look at 3 and 4 inches of supplemental water. Many producers last year were required to put 7, 8, 10 inches of supplemental water just to maintain quality, and a lot of producers ran out of water, so hence the quality problems that some producers are fielding.

Leadership is required in this area, Madam Minister, and, so far, the changes under your watch that have taken place with PFRA in this regard as a federal agency operating in our province have absolutely been dramatic.

When you took office, you could effectively as an irrigator go out and ask PFRA to survey your property. They would outline the property and pinpoint the most efficient, effective positioning of whether it be a central pivot, a lateral operation, travelling gun. They would also provide for you a mapping of the entry of where effectively your supply lines, the capacity required for that supply line, the size of your pump, if you required a damming of a water course or an off-stream storage

facility, they would totally spec those particular projects. Madam Minister, currently none of the above are available through PFRA to potential irrigators here in our province because of a change in mandate, a change in focus of the resources of PFRA.

I will say that I do not know whether it is you being not aware of the changes or whether you have—I would very much like to see in the correspondence the type of efforts from the Department of Agriculture here in Manitoba that made the federal government aware of the significant impact here in Manitoba.

When we are trying to expand our irrigated acres and an agency that was providing that type of resource to the industry here in Manitoba is lost to us, there is a significant backfilling of resource that is going to be required by the province of Manitoba. Frankly, Madam Minister, that does not exist today.

I cannot go to any provincial department that will afford me as an irrigator those types of resources aforementioned that were previously provided for by PFRA. I will be very specific. The PFRA used to provide for a complete property land mapping where effectively the property lines were, to make certain that your irrigator did not travel over a property line.

\* (17:10)

None of this is available to individual producers at this time. I bring this to the minister's attention and I effectively would like to see the department, if they are not going to be able to get PFRA to reverse or change their level of support to potential irrigators here in the province, that the Province then look to what the department can in fact provide.

**Ms. Wowchuk:** Mr. Chairman, you know, the member talks about the services that PFRA has pulled back, and certainly we are concerned and we were concerned about it. PFRA was a prairie service and the program changed. It becomes a service for all of Canada now, and the number of people that are there, there is not as much service that we had.

However, we do have assurance from them that they will provide the resources at staffing for the projects that they are involved with and certainly a National Water Supply Enhancement Program is a sign that there is commitment, and in those projects

they will provide resources. Mr. Chairman, we continue to be a partner with the federal government in the APF and the national water supply expansion program, and they have said that they will be providing engineering resources for those projects, they will be contracting out some of them, but there is a commitment.

I can tell the member that we did, and continue to, raise the issue, that when we saw a downturn in the availability of resources we did raise it with the federal government. We have a commitment now that they will work less on the projects that they are involved with. The member is also right that they will not provide some of the resources for private projects that they used to provide previously, so there is a change, but we are pleased that they are still partnering and that there is money for Manitoba producers.

**Mr. Faurshou:** I am pleased that the minister is aware of the changes in resources available, but I would like to be very specific and walk it through. I would hope that you take the producers' positioning and just walk a scenario through to see where the needed resources are from that perspective because you said 12 different regulatory agencies one has to be faced with from start to finish on a program. We need basically a one-stop shop. We are in the business of producing agricultural products and not akin to the time required in the bureaucracy to get this type of movement done.

I know my colleague wants to move on, but I do want to leave with the minister, in regard to potato production here in the province of Manitoba, that you do have the ability to exercise intervener status from the minister's chair. I know that it is a precarious position that our potato industry is in right at the present time with changes in diet, and perhaps our major market is looking to see more home-grown product, but the minister, through legislation that exists, does have the ability to put forward a pressure on the two parties to come to an agreement because, effectively, if the crop goes in the ground without an existing agreement, it no longer qualifies under the legislation for the pre-plant exemption under the marketing laws we have in this province. Therefore, Madam Minister, you effectively do have the ability to step in because, if the crop goes in the ground and there is no contract signed, the exemption of the pre-plant clause in legislation is null and void. So you do have the opportunity to intervene.

The other is that—currently we are on the PFRA—other sectors have also been cut back as PFRA service to producers here in the province of Manitoba. We want to see more tree plantings and today, Arbour Day and commencement of our National Forestry Week, here in the province of Manitoba, years ago, not that very long ago, PFRA would effectively survey for shelter belt plantings and make certain that everything was in a straight line and they would stake it and allow for property line assessment and tree-line designation. That is no longer available to the producers of Manitoba either, so I encourage the minister to raise these issues, and if the federal government is not going to make provision for these resources, that she be prepared to do so because these are fundamental programs that are so necessary for our continued prosperity in the rurals of Manitoba.

**Ms. Wowchuk:** I would like to indicate to the Member for Portage la Prairie (Mr. Faurshou) that I am indeed aware of the intervener status and the role that the minister can play, but where there has been discussion with the producers. That is why we are working with the producers and the processors and would like to work out that we had discussions with both sides, and we would rather work with them. That indeed is what is happening now. Hopefully, we can move forward on this issue.

With respect to PFRA, I am not going to apologize for what the federal government has done. The federal government has made some dramatic changes, and we have raised those issues with them. We hope that they will work with us, but I can clearly state to the member that we are not taking over federal responsibility. In fact that comes as a strange suggestion when just for the last week, two weeks, during the budget speech the member opposite, his party was saying, make some tough decisions, you have a spending problem.

Now we have the member opposite making suggestions of where we should spend more money. Well I would ask him then where he would suggest we make cuts. I know they have suggested cutting the Laundromat that is being built. They have made some other suggestions but you cannot keep asking for new money.

We have had the federal government offload an awful lot on us, and I am sorry, we will not be picking up the federal government's responsibility

under PFRA. We have worked out an agreement. They have made a commitment that they will provide the engineering projects. We have some new people working here. Hopefully, we can work with them in co-operation and indeed get some of those services back.

**Mr. Faurschou:** Madam Minister, I do not want to start sparring with you in regard to what level of government should be providing what to the producers. I am just wanting to emphasize that it is the producer that always ends up being the loser in respect to programming and resources available. In looking at the minister's budget the last number of years you have been under budget. You have been returning dollars to the Treasury that were allocated through the Budget to Agriculture.

You stated just earlier, in the last discourse, that you had unallocated resources. So I was suggesting that, before we return those dollars, agriculture is in desperate need of these types of supports. If an agreement cannot be made with the federal government as to their own responsibility, which I fully support they are backing away from, it is the producer that is the end user of these resources and ultimately the one that gets hurt.

**Ms. Wowchuk:** You know if we do not manage properly it is all Manitobans that are losers. The member talked about lapsed money. Indeed there was lapsed money under irrigation and I indicated that; that we were under budget.

I am very concerned. We are not spending the irrigation budget and that is why we are working with producers. That is why we have committed to the producers that if there is something that has to be changed in the program we will change the program. That is what we will work at. I want to indicate to the member that in these projects PFRA will be working with us. There are new staff here, we will be discussing with them what their role will be, but I have raised the issue with the federal government on the changes that we have made.

\* (17:20)

Certainly the issue of tree planting is a very important issue. You look at the farm sites around this province where PFRA provided the trees, they helped with your farm plants. It has been a long tradition, and I hope that we will continue to have

that service provided to us by the federal government.

**Mr. Penner:** I want to look at the animal industry for a few minutes before we adjourn today. I think we have about seven minutes left on that area. I want to ask the minister whether she has had any discussions with the equine industry lately to see what the future is for the PMU industry and the horse industry in general and the province of Manitoba.

Has the Government, or you personally, Madam Minister, had any discussion with the PMU industry or representatives of, to see what their future is?

**Ms. Wowchuk:** Indeed, we have met with the industry and talked about what the other options are. As the PMU industry went down there is obviously a large land base that is controlled by these producers and a lot of very large facilities that they want to look at. We have met with them. We have talked about what different options are, provided them with the various services, talked about what financial services we can provide for them. We will work with them on an ongoing basis. There are meetings with producers on an individual basis as they come forward but certainly the information was provided and discussions have taken place.

**Mr. Penner:** It is very obvious that some of the producers have been severely hurt. I am not sure whether some of them can financially survive, Mr. Chairman, because there are a few of them who have made fairly large investments. I believe that over the last couple of years there are a few of them that are virtually out of production now. That is why I ask the question whether the minister has had any discussions with them to try and help them get into another line of business or what the state of the industry is right now. Is the minister confident that there will be a return of the industry or some of the production?

**Ms. Wowchuk:** You know, Mr. Chairman, I know many of these people who are involved in this industry. Many of them are in my area and some of them have made major investments, one in particular, who has one more year contract, but they are looking at options. Some are looking at beef and they are looking at beef because of the type of land that they own. This is not land that can go back into grain production. It is marginal land that is useful for pasture.

People are looking at various options. I can tell the member that there are people in the industry that are looking at aquaculture, because they have these very large facilities, but that is a new area for us. It happens in other parts of the province, but some people are looking at that very seriously. We are working with them.

With respect to the return of the industry, I doubt it. It does not look positive. In fact, Ayerst has indicated to the producers that they do not expect to see increased production. In fact, the word that I hear is that there could be further reductions, because the market is not there. There are new products, the dosages have been reduced to a half or a third. There is change, different products. I believe that these producers have to look at other options.

I know that some of them have been buying cattle, some of them are looking at other alternatives. I think those people who decided not to make the big investments are counting their lucky stars because they were the ones that decided not to make the big investment to continue in the facilities. But these people were required by the company to make these investments. In this group they do have some planning time because some have another contract and then they will get paid for another year. But over the next two years they are going to have to make some tough decisions.

Producers who have strong breeding programs are proceeding in producing horses for sale. There are still equine ranchers in other parts of the world, in North America, but it is not just the PMU industry.

Mr. Chairman, we think we will see this evolve. There is a horse market out there, maybe not PMU, but there is strong breeding stock. I believe over the next two years they will make some adjustments, but there is no doubt that those who have made significant capital investments are the ones that are going to be very challenged.

**Mr. Penner:** Mr. Chairperson, just to conclude the irrigation portion, I want to say to the minister that phone calls that I have received from the irrigators—I am sorry I am going back to this, because it just skipped my mind before—are very concerned about The Water Protection Act that has been introduced by the Province and the powers given to the minister to move whole operations off of a given area if the

minister should choose so because of aquifers and other the Government decides it needs to protect.

They are also very concerned how the minister's right to shut off water whenever he or she chooses to do so. I think those initiatives need to be rethought and/or the legislation maybe needs to be rethought and softened up somewhat to give some comfort to the industry that there will not be a rash of water plant closures because somebody decides that there is not enough water in the river to flow through the city of Winnipeg to make sure that their sewage is able to be flushed. I think the industry is far too important and the security of the industry is far too important to want to leave doubts in those people's minds that own the industries and build the industries and operate them in this province.

I think we need to give the producers a level of comfort that when they need to, they will be able to draw on water unless it absolutely totally dries up. So I would suggest to the minister that she should take back to her Cabinet colleagues discussion to really rethink that Water Rights Act and take a second hard look at it before we proceed too far down the line to ask for help.

**Mr. Chairperson:** The hour being 5:30, committee rise.

## HEALTH

\* (14:50)

**Madam Chairperson (Bonnie Korzeniowski):** Good afternoon. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will be continuing with consideration of the Estimates of the Department of Health. It was previously agreed to consider these Estimates in a global manner. The floor is now open for questions.

**Mrs. Myrna Driedger (Charleswood):** Madam Chair, I think the first thing I would just like to say is that after Friday's Estimates I was left with some very serious concerns about the new Ministry of Healthy Living, and the Minister of Healthy Living's (Mr. Rondeau) answers to those questions certainly did not alleviate those concerns, only exacerbated them.

He indicated that the ministry itself was an evolving process and that there was not necessarily, at the time it started or even now, a full understanding of what that particular ministry and minister are going to be doing.

It appeared to me, however, that the whole issue of it being an evolving process really said that it had never been thought through right from the beginning, and it was certainly obvious with vague and fuzzy answers from the Minister of Healthy Living.

It certainly appeared that the ministry had been thrown together in a quick fashion and appeared that this particular Minister of Healthy Living and even the Minister of Health (Mr. Chomiak) did not really have a good idea of what all of this was going to look like in the end.

Now, I can appreciate, you know, evolving processes in certain things, but not when you are setting up a new ministry, especially when you have a minister that has been given a full salary, a minister that has been given some staff, but oddly enough a minister that did not have a budget allocated to him.

So it makes it very difficult in Estimates to be able to assess and evaluate the whole Estimates process around what he has been doing for the last six months because we do not have a clue exactly what the job is and which budget lines are attached to that particular ministry.

I think what happened was the Minister of Healthy Living was put in place to take some of the load off the Minister of Health. I think the Minister of Health was tiring. We saw that in the last set of Estimates where for the first time, I think, that I have sat in these Estimates, the Minister of Health did not have as good a handle on the answers as he normally did in the past.

I think that he was given some relief with this Minister of Healthy Living. I think that instead of a Cabinet shuffle, the Premier had slim pickings to replace the Minister of Health and so instead shored him up with a helper, who is the Minister of Healthy Living.

Well, when asked what that role was for the Minister of Healthy Living, I do not know how many times we heard the words co-operative and collaborative approach. Certainly, Madam Chair, when

asked how he was going to relate to other departments, when asked how he related to the Minister of Health, he just kept referring to a co-operative and collaborative approach. Well, that is sort of a no-brainer; when you are working in a government, most departments should be co-operating and collaborating. Interesting, though, and interesting that the Minister of Education is here, because that was one of the areas where the minister's answer was actually weak. He could not say exactly how he was going to co-operate and collaborate with the Minister of Education.

The Minister of Healthy Living said he meets with people, but he could not say what measurable objectives he is going to achieve from those meetings. When asked if he had any disease prevention programs for the chronic diseases of diabetes, cancer and cardiovascular disease, which is a supposed major component of his portfolio, he did not know. All he could say was, "I am going to work closely with" or "I am going to work co-operatively and collaboratively with."

Madam Chair, it became clear that there was not a real definitive answer that he had to say more concisely what his job would be. Then to have such a goofy response when he was talking about his new Safeway and what they are doing to promote healthy living, his only role in all of that was to take advantage of a photo op. To be answering some of the questions about what his role was in health promotion, he goes off on a tangent about what Safeway was doing to promote healthy living.

Madam Chair, the concrete things we did hear from him are that he was put up front as a spokesperson on abortion, on Alzheimer's and on the PHIA review, and he has cut ribbons for CT scanners. So those are things we know he has done. Never could he explain, though, how these fit into his role as Minister of Healthy Living.

I did give him credit for his Web site that he set up. I think there are some advantages there. I think that there are some good opportunities there for the public to certainly access the Web site and find out more information about health promotion and illness prevention.

Outside of that, Madam Chair, it really was very unclear the direction this minister was taking. He turned to the Minister of Health for many answers.



On one occasion the Minister of Health appeared to be so worried about the Minister of Healthy Living's answer that he came running back to his chair to take the question, afraid of what the Minister of Healthy Living would say.

The Minister of Healthy Living had to ask the deputy minister and the Minister of Health how many staff actually worked in his own office. The Minister of Health would not let the Minister of Healthy Living answer a number of questions when we first started out on the line of questions for the Minister of Healthy Living.

Yet the Minister of Health is trying to say that they are on par, that the Minister of Healthy Living has the same status as he does around the Cabinet table, that he is not a junior minister and he is paid a full ministerial salary. It is interesting, then, why this Minister of Healthy Living has no budget and has no department and is on the same line within Health. In a very odd way it seems to set up a minister when he is considered on par, on status, full salary, but is not allowed to answer questions. You have to wonder where the accountability is going to be in this area. The Minister of Health (Mr. Chomiak) said it was a developing role, so he chirped in with his responses too.

It certainly was obvious when the Minister responsible for Healthy Living (Mr. Rondeau) was first appointed that nobody really knew what they would look like and how much it is going to cost. One newspaper has labelled the Minister of Healthy Living as being an official "nag" or "nanny" in reference to nagging people to exercise more and eat better. I would think it is in the Government's best interest to try to put better definition around this role, so that the public also has a better understanding of what they are trying to achieve.

\* (15:00)

Madam Chairperson, how do we measure the effectiveness of this role if it is so fuzzy as to what he does that is actually measurable? Are taxpayers going to get their money's worth? Certainly, from the responses that we were getting on Friday, where neither minister would answer when asked if the Minister of Healthy Living took direction from the Minister of Health, it has become very obvious that there is some close observation that needs to be made of this new ministry.

Interesting to see that the Minister of Healthy Living often looked to the Minister of Health for direction on how to answer a question. So I think taxpayers are going to need to be very diligent about watching for concrete, achievable, measurable, useful outcomes from this new minister, and so far it has been more of an illusion of activity, but very hard to say if the Minister of Healthy Living has actually really been doing anything of significance that warrants the kind of salary that he is getting.

A number of the initiatives that he talked about were initiatives that were already happening across a number of departments, Madam Chair, so they have been pulled together. It will be extremely important that over time, over this next year, we watch how all of this evolves, and we see some clear definition being put around what this role is and if there is going to be any value for the dollars being spent in this area.

Madam Chairperson, I think Friday was a bit of an eye-opener in Estimates, in asking questions in this area. But there were some other questions from the day before that still also leave us with some concerns about what is happening not just in the Ministry of Healthy Living, but in the Minister of Health's office too, and that was around the area of who are the staff in all of the positions, and where we can find them in the Supplementary Estimates book.

I would like to begin there with some questions. I would like to go through all of these one by one to find out from the Minister of Health who all the staff are in his office, and we will begin there. Madam Chair, the Minister of Healthy Living confirmed the other day that he had one SA, Chad Samain, one EA, Esther Herbert, and one clerical person, Marina Portz.

The Minister of Health has given us some indication of the positions in his office. As we are starting out new today at the beginning of the week, I would like clarification or verification from the Minister of Health, confirmation, again, who the special adviser is currently in his office.

**Hon. Dave Chomiak (Minister of Health):** Madam Chairperson, with respect to the member's opening statement, I will not comment other than to say the member was wrong in a number of factual assertions she made. She was wrong in her opinions. I know

she was preoccupied with getting a Pharmacare press conference together on Friday, but not only was she factually wrong, her opinions were wrong.

I will leave it to readers of the Estimates process to look at the answers that were provided on Friday and make objective judgments, because I believe any objective observer that would review the questions and responses would not arrive at the conclusion that the Member for Charleswood has arrived at.

As I indicated on Thursday when we discussed the issue of special adviser, Ms. Alissa Brandt is the special adviser in my office. I might point out that, if memory serves me correctly, the component in terms of political staff in my office is the same this year as it was in previous years. There have been a number of changed positions and people moving, partially as a result of the structuring of a new office and change of personnel, partially as a result of people moving to other positions, leaves and related matters, but the number of individuals who are political staff in the Minister of Health's office are the same this year as in previous years. That has not changed.

**Mrs. Driedger:** Can the minister indicate who his EA is?

**Mr. Chomiak:** As I indicated on Thursday, Evelyn Livingston is the EA.

**Mrs. Driedger:** Can the minister tell us who his SA is?

**Mr. Chomiak:** As I indicated on Thursday, Jeff Sulymka is an SA.

**Mrs. Driedger:** Can the minister indicate where his second SA went? In the past, he has two special assistants. Can the minister indicate if he has a second special assistant?

**Mr. Chomiak:** Elisa Brandt was a special assistant, and she is now become a special adviser.

**Mrs. Driedger:** Can the minister indicate whether he has a second special assistant?

**Mr. Chomiak:** The individual that is backfilling as special assistant is titled the policy adviser and is someone who has been brought in from the department, Yvonne Block.

**Mrs. Driedger:** Can the minister just indicate, this policy analyst, whether this Yvonne Block is also his special assistant, or is this person his policy analyst?

**Mr. Chomiak:** She is on secondment as a policy adviser.

**Mrs. Driedger:** Is she also filling the special assistant role as well?

**Mr. Chomiak:** If the member is asking whether or not the special assistant role is backfilled by another person, I do not believe that is the case.

**Mrs. Driedger:** In the past, the minister has had two special assistants. At one point, K. Morrison and S. Harland were special assistants. Now, we see that Jeff Sulymka is one of them. What happened to that other position of special assistant that in the past he has had filled with a second person?

**Mr. Chomiak:** Madam Chairperson, as I indicated previously, Chad Samain was actually in the office. Now, the member may not appreciate the changing nature of the operation, but the original thought had been for Mr. Samain to, on a temporary basis, move from my office, because of his experience in Health, to work with the Minister responsible for Healthy Living (Mr. Rondeau) on a temporary basis.

The idea was to have him move on a temporary basis and backfill. At this point he is now, still with the Minister of Healthy Living and probably will stay there for some time, depending upon his own personal desires and aspirations, et cetera. So that is why the movement around and the inability to definitively define those roles and functions because, certainly, it is something that we asked Mr. Samain, whether or not he had wanted to do, and whether or not he wanted to move over to assist the new Minister of Healthy Living.

\* (15:10)

He indicated that he would like to do that. The thought was that he would eventually come back, and perhaps the Minister of Healthy Living would then acquire someone in that position, et cetera. As the members know, and I have heard this from fellow caucus members of members opposite, Mr. Samain does very excellent work, and people are very pleased with the work he does. I acknowledge that one of the members of the committee is nodding.

So Mr. Samain is sort of caught in one of those positions where he is doing such good work over there that, at this point, he is going to stay there and into the near future. Then we will make some decision, I suppose. He will have to make a decision. I do not want to impose any decisions on individuals in that regard, because working in the Department of Health, the office, is a very strenuous role.

I remember, in fact, just this afternoon, when I attended the Heroes in Mental Health Awards, I had occasion to talk to an individual who was a former special assistant to the former Health Minister in the Conservative government. We talked about the pressures and the difficulty in the office and how their office had to second individuals periodically from the department to come into the minister's office to assist. He likewise acknowledged that when he was a special assistant to the Minister of Health, they had also seconded departmental officials into the Department of Health to backfill and assist in transition periods.

I could speak at long length on this issue and the kind of quality people that served, both in the former administration and this administration, undertaking the very, very difficult tasks. But I think anyone who has knowledge of the kind of work and the kind of pace that goes on in that office will appreciate, and I do not need to illustrate it any further.

**Mrs. Driedger:** Can the minister indicate what has happened with that position that Chad Samain has vacated? Is that position still there vacant, or is it filled with somebody else?

**Mr. Chomiak:** Madam Chairperson, as I indicated on Thursday when we reviewed the Estimates book at the bottom, at the bottom of the Estimates book it is indicated that, well, FTEs, the member has made a lot about a kind of conspiracy theory regarding the FTEs. I indicated that the bottom of the Estimates book indicated there was money assigned to the office of the Minister of Healthy Living.

Mr. Samain has moved over to there in terms of the staff year. There are a number of staff year re-allocations that are still going on and still being worked on in the department because of the nature of the changes, both individual changes and systematic changes and pressures regarding that, which is why we show in the Estimates book and booked a figure, and pointed out to members opposite in the footnote

that there were additional funds being allocated toward Executive Support in the Budget to look after those exigencies, even though we did not have specific staff years because of the nature of movements in and around the office.

I actually made an error on Thursday when I indicated that Ms. Melisa Grant had been a special adviser for a year. She has been a special adviser now for about a month. She had been a special assistant for 11 months and had assumed the position when I indicated Mr. Bourgeois had moved. I brought the member up to date on that. The nature of the office is changing because of the movement of people around the system as a result of the creation of the office and as a result of the natural ebb and flow of the office, where individuals do not stay in the Department of Health office forever. That simply does not happen.

**Mrs. Driedger:** The Minister of Health is totally avoiding indicating what is happening with that position of SA that Chad Samain has vacated. Has he eliminated the position altogether? Is it vacant? Is somebody coming into it? What is happening with it?

**Mr. Chomiak:** Madam Chairperson, last year during the course of these Estimates I had the two special assistants and the special adviser. This year during the course of Estimates one of the special assistants has moved over to the office of Healthy Living, and, of course, we have booked fundings for that. I now have a special assistant, a special adviser and a policy analyst. As I told you, the FTEs are being allocated and reallocated across the board with respect to those issues.

**Mrs. Driedger:** Did the Minister of Health not have a policy analyst last year?

**Mr. Chomiak:** As far as I recall, no.

**Mrs. Driedger:** Can the Minister of Health indicate what Renata Neufeld has to do with policy in his department? Is she in his office?

**Mr. Chomiak:** No.

**Mrs. Driedger:** Could the minister indicate whether Yvonne Block is a direct appointment to his department?

**Mr. Chomiak:** Yvonne Block is on a six-month secondment from the department.

**Mrs. Driedger:** Can the minister just indicate again how long she has been there?

**Mr. Chomiak:** If memory serves me correctly, it is about a month.

**Mrs. Driedger:** He is saying that Yvonne Block has been a month in his office. Can he indicate how long she has been in the department?

**Mr. Chomiak:** She has been in the department for several years.

**Mrs. Driedger:** Can the minister indicate where the funding went from the SA position? Did that funding go with Chad Samain, or is he still sitting with a vacant SA position in his office that is funded?

**Mr. Chomiak:** The money is there, but we do not have an FTA to apply against that.

**Mrs. Driedger:** Can the minister indicate if he is going to be hiring into that role somebody as an SA?

**Mr. Chomiak:** I do not believe so.

**Mrs. Driedger:** Is the minister going to eliminate that position all together?

\* (15:20)

**Mr. Chomiak:** Because of the movement of staff and individuals around, I am not proposing that to take place. Madam Chairperson, it might very well be that, once Ms. Block returns back into her position as the director of the Mental Health Branch, there may be a special assistant attached to that.

It is a question of people covering particular positions over particular period of times, as people move around in different areas and as a new office is set up. So I cannot give a definitive answer to that.

**Mrs. Driedger:** Can the minister indicate whether that funding for that SA is now being absorbed by the new, he has called it a policy analyst or policy adviser, Yvonne Block? Is that funding from that SA position now going towards Yvonne Block?

**Mr. Chomiak:** I would advise in terms of the allocations across departments, et cetera, that technically that is in fact the case.

**Mrs. Driedger:** Can the minister indicate who the intake co-ordinator is in his office?

**Mr. Chomiak:** Larissa Ashdown.

**Mrs. Driedger:** Can the minister indicate how long Larissa has been in his office?

**Mr. Chomiak:** If memory serves me correctly, it is in the vicinity of four to five months.

**Mrs. Driedger:** Can the minister indicate if Larissa works out of his office?

**Mr. Chomiak:** That individual receives calls and follows up on issues that are raised from the public, et cetera. It has been a long-standing position that has been in place for some time now. Her role and function is to intake, co-ordinate and follow up on issues that are directed towards the offices.

**Mrs. Driedger:** Can the minister indicate if Larissa is in his office?

**Mr. Chomiak:** She is certainly not in my office, but she is certainly in an office adjacent to mine.

**Mrs. Driedger:** Can the minister indicate if she was a direct appointment?

**Mr. Chomiak:** Madam Chairperson, I am advised she is not a direct appointment.

**Mrs. Driedger:** Can the minister indicate where she is funded from?

**Mr. Chomiak:** Madam Chairperson, her position comes from Information Systems HIT Operations, which is similar, as I understand, to the way it has been in the past six or seven years.

**Mrs. Driedger:** Sorry, can the minister just repeat that again?

**Mr. Chomiak:** Madam Chairperson, the position comes from Information Systems HIT Operations, which is similar to the way it has been for the past six or seven years.

**Mrs. Driedger:** The minister, the other day, indicated that he also has a communicator in his office, Joseph Czech. Can the minister indicate how long Joseph Czech has been with him?

**Mr. Chomiak:** Madam Chairperson, Mr. Czech succeeded Debbie MaKenzie, who was from central communications that handled departmental communications, and I think he has been in that position for a year, a year-and-a-half, something along that range.

**Mrs. Driedger:** Can the minister then indicate that his funding comes from central communications?

**Mr. Chomiak:** As was past practice, his position comes from the communication branch.

**Mrs. Driedger:** The minister, on Monday of last week, indicated that this person, Joseph Czech, was part of the Professional/Technical line on page 23 of the Supplementary Estimates. Is the minister now saying that he made an error in indicating that Mr. Czech was part of that line and that he actually is funded by the communications branch?

**Mr. Chomiak:** I just want to correct the member. That was not last Monday, that was last Thursday when I made that comment, first off. Second off, as I indicated, that was part of the Professional/Technical line. The member asked a specific question and I gave a specific answer.

**Mrs. Driedger:** Well, I would remind the minister that he was indicating that Mr. Czech was part of that Professional/Technical line of four FTEs, which indicate those four FTEs are paid for through the Department of Health. Now the minister is telling us that Mr. Czech is not being paid for by the Department of Health, that he is being paid for by the communications branch. Did the minister make a mistake last week in indicating that Mr. Czech was part of that line?

**Mr. Chomiak:** No, the member made a mistake in interpreting the answer to the question and, by extrapolating information that was not offered in the question, she jumped to the wrong conclusion. The member's question was: "Who forms part of the Professional/Technical line?" I indicated that. I also indicated, and I indicate today, where that position has always been and it continues to be.

**Mrs. Driedger:** The minister was very clear last week as to who made up those four FTEs in that particular line. One was S. Ring, the policy adviser to the deputy minister; one was Alissa Brandt, his special adviser; one was the SA, Jeff Sulymka; and the fourth one was his communicator, Joseph Czech.

Now he is telling us that Mr. Czech is not part of that line because he is funded from some place else. Madam Chairperson, can the minister, I mean maybe he wants to take another shot at this to tell us who those four people are in that line, those four FTEs in the Professional/Technical line of his Budget.

\* (15:30)

**Mr. Chomiak:** Madam Chairperson, the member asked who the four individuals were in that Professional/Technical line. I indicated who the four individuals were in that Professional/Technical line.

**Mrs. Driedger:** Can the minister repeat who those four FTEs are in the Professional/Technical line?

**Mr. Chomiak:** Madam Chairperson, the four individuals I indicated in the Professional/Technical line were Joe Czech, Suzanne Ring, Chess Salinka and Alisa Brandt, if I recall correctly.

**Mrs. Driedger:** Can the minister indicate who the eight FTEs in the Administrative Support line are?

**Mr. Chomiak:** Madam Chairperson, there are four SYs in the minister's office. There are four SYs in the deputy minister's office, and as I indicated last week there is also a person in the Minister of Healthy Living's office. As I also indicated, because of the transition, we have the funding allocation, but we do not have all of the FTs placed in the Estimates book at this point. That is why we noted on the bottom of page 23, under sub 1, there were funds allocated but as I indicated the FTs have not totally been allocated across the system.

**Mrs. Bonnie Mitchelson (River East):** Madam Chairperson, I guess the question of the minister would be: Is it fair to say that the Minister of Health will continue to have one special adviser, two special assistants, one executive assistant, four secretaries, one communications person and that the Minister of Healthy Living (Mr. Rondeau) will have one special assistant, one executive assistant and one clerical

position? My understanding is that those positions presently are all filled.

**Mr. Chomiak:** The number of positions filled with respect to providing support to the minister that would be deemed political staff has not changed. In the past there was an executive assistant. There is an executive assistant. In the past there was a special adviser. There is a special adviser.

In the past there was a special assistant. There is another special assistant. In the past there was another special assistant. Now there is a policy adviser. In addition there also is the position to the new Minister of Healthy Living's office, as I indicated. Staff years have not all been allocated for that, because it is a transition phase. I did indicate the difficulty of whether or not, for example, one of the individuals who moved over to the Minister of Healthy Living's office would be coming back, et cetera.

Suffice to say, I know the members will be worried that staff reporting to the minister in terms of political sense are not increasing, political staff is not increasing, and that in fact is not taking place. Titles have changed; individuals have changed; staff-year allocations have changed; additional funding has been provided to the Minister of Healthy Living, as noted, in the Estimates book. FTEs allocations, et cetera, across the system have not reflected all of that at this point.

**Mrs. Mitchelson:** Could the minister tell me then are the FTEs that need to be found for the positions that are presently filled in the Minister of Healthy Living's office going to be found from other places within the department?

**Mr. Chomiak:** As the member is probably aware, because for two reasons, first, we are in an overall staffing reduction mode filling vacancies, et cetera, across the system. We are trying and in fact we have decreased the size of the department's administrative line. So, yes, there will be FTEs transferred around the department.

**Mrs. Mitchelson:** I guess the record should show that although the minister indicates that there is a reduction on the administrative side, we have a Minister of Healthy Living (Mr. Rondeau) that has been in place for six months. We do know that he has hired two political staff. So the Minister of

Health himself may not have more political staff, but ultimately within the Department of Health there will be two more political staff plus an additional minister that is taking a salary out of the Department of Health. So there are basically three more political appointments, no matter how you look at it, running the Department of Health. So, when the minister talks about reductions in administrative staff, there certainly has not been a reduction in political manpower, or person power, in the Department of Health.

I question and I would like to ask the minister: Why, when we have had a Minister of Healthy Living for six months now, November to the end of March, at least five months before the end of last budget year and the Estimates were being prepared for this year's Budget—I know the money has been put into the administrative lines—but why in fact are there not staff years? We do know that already those staff years are filled. They are not going to be cut and they are not going to go away.

So I guess my question is: Why would this year's Budget, six months after the fact, not reflect the accurate staff years? There are actually bodies, people, as the minister has used both of those words, in those positions. Why, in fact, do the Estimates not truly reflect what is there now and what will be there all of this fiscal year?

**Mr. Chomiak:** Several issues, I think, the member should note. First, there have been several changes within the last month in terms of personnel movement, et cetera. [*interjection*] If the member would listen—is the member prepared to listen? I am having trouble composing my answer. The member keeps chirping up. If the member is prepared to listen, firstly, there have been significant changes around the office. As I indicated earlier, there were initially thoughts that certain individuals would actually be coming back.

\* (15:40)

I want the member to note the reason that the member knows that there is additional funding is that we noted it in the Estimates book on the bottom of page 23. We indicated there was unallocated funding. I indicated that there are FTEs that are being placed around the department, et cetera, in order to deal with that issue and that we have not finalized at this point the actual FTE allocations, but certainly

the actual funding is noted. The reason the member knows it is because we put a note and a footnote in the Supplementary Estimates on page 23 to illustrate that.

**Mrs. Mitchelson:** I am not going to belabour this too much longer, but is in fact the Minister of Healthy Living entitled to a special assistant, an executive assistant and a secretarial support, and are there people in those positions today?

**Mr. Chomiak:** That is why a sub-note on page 23 says: "1. Increase in funding for support staff of the Minister of Healthy Living."

**Mrs. Mitchelson:** I guess this just reflects the management style and the lack of competence by this minister when, in fact, he can put money in the Budget and tries to fudge the numbers of staff in his department when in fact there are more staff today and have been for several months in those positions. This minister chooses not to have that reflected in this Budget and in his Estimates for this year. That just goes to show you the kinds of things this Government and this minister are prepared to do to try to portray to the public and to the taxpayers that they are a leaner, meaner, less administrative government than in the past.

It just truly reflects the attitude of this Government and the arrogance, I guess, the belief that Manitobans and the opposition members are stupid enough to believe something when the numbers truly reflect that there are people working in positions today, but he says there are no positions. I would challenge him to come back with honesty in next year's Budget and reflect—well, he will not do it this year, and the numbers are there, and they prove quite clearly that this Government is trying to hide behind information that would indicate that they are reducing the size of the administration when, in fact, they are not truly reflecting the number of people that are working to support the two ministers in this department. I think that needs to be put on the record.

Madam Chairperson, I would just like to ask why the adjusted estimates for this year are—I think we see the 543.8 line. If the minister can follow beside the 13 staff years in Salaries and Employee Benefits, can you tell me how much the adjusted vote is than the actual or the Estimates of last year and what the reason for the change was?

**Mr. Chomiak:** The adjusted vote reflects the contract entered into with the civil service with respect to increases. So the increases are in line with the civil service contract and a partial year for the Minister of Healthy Living's office.

**Mrs. Mitchelson:** Madam Chairperson, that is a pretty hefty increase from \$427,000 to \$543,000. It is over \$100,000 and then we see in this year's Budget, again, another \$250,000 increase. Could the minister explain for the \$315,000 what we are getting in this line?

**Mr. Chomiak:** It is the 3% increase that has gone to government civil servants as a result of the collective bargaining increase, and it is also partial inclusion of the new office of Healthy Living.

**Mrs. Mitchelson:** Could the minister indicate to me what the dollar figure would be for the 3% increase?

**Mr. Chomiak:** It comprises salary increases, intake costs with respect to information systems related to the intake co-ordinator and central services. We do not have the specifics on those and we cannot seem to find the definitive figures. I wonder if the member would allow us next when we meet, I will come back with those definitive figures.

We could spend some time trying to track it down right now or we can come back with it. It is the member's choosing. We cannot pull it out of our book right now at this point. As the chief financial officer indicates, it is a reallocation of funding around and so we will try and track it down.

**Mrs. Mitchelson:** Well, thanks, Madam Chair, and just so that we get all of the information and do not have to come back to this again, I guess the questions are clearly what comprised the adjusted vote from \$427,000 to \$543,000. What part of that was regular salary increases? I guess the question would be, when there are contracts up for negotiations, have the salary increases for this year been reflected, and would it be fair to say there were negotiations last year and that was why there was no 3 percent included in last year's Budget? I am wondering why we have to adjust after the fact.

\* (15:50)

**Mr. Chomiak:** The adjustments were negotiated this year but we accrued retroactively. If the member will

finish her question so we could give her the specifics.

**Mrs. Mitchelson:** My question would also include for the part year that staff have been in place in the Minister of Healthy Living's office, what were the costs associated with that? What in all of this, in this year's estimate, would be the requirement for staffing resources for the Minister of Healthy Living's office? When I look at the \$793,000 here, what allocation would there be in that number towards the Minister of Healthy Living's office?

There was an answer just given by the minister about information resources and support for the intake co-ordinator's functions. What is included in that number? I thought that the money here was salary related and I am not sure that the minister's answer reflected salary. So maybe those things could be clarified.

**Mr. Chomiak:** I will reconcile those numbers for the member. I just want the member to know that because we are doing general questions and not line-by-line, we do not have access to all the specific information. The answers that we have been trying to give have been paging through the book and trying to reconcile different numbers without having the opportunity to reflect on them, but we will get those specifics back to the member.

**Mrs. Mitchelson:** Madam Chairperson, I thank the minister for that. Could I ask the question, because I do know and I know we had some discussion in last year's Estimates about the fact that an executive director was moved into an ADM's position and that that position did not truly reflect the duties and the responsibilities of that person.

I want to congratulate the minister. I think this year when we look at the organizational structure, the person that was acting in the capacity of ADM has now been promoted to ADM. So I want to thank the minister for that. I think it is only fair that, if someone is doing a job, the classification and the remuneration reflect that job, so I want to thank him for that.

But my question is there was an ADM, a Rick Dedi that was attached sort of to the deputy or to the minister last year. Can the minister indicate whether Rick Dedi is still working in the Department of Health?

**Mr. Chomiak:** He is no longer in the Department of Health.

**Mrs. Mitchelson:** Would Mr. Rick Dedi be anywhere else within government?

**Mr. Chomiak:** If memory serves me correctly, Madam Chairperson, he is in CEDC, Community Economic Development Committee.

**Mrs. Mitchelson:** Could the minister just indicate when Mr. Dedi was moved to CEDC?

**Mr. Chomiak:** If memory serves me correctly, it was the latter part of '03.

**Mrs. Driedger:** Madam Chairperson, I would just like to get some clarification on some of the information from the minister. On Thursday, when he was talking about the administrative support staff, there are eight FTEs, and on Thursday, he indicated that those were secretarial, clerical positions. He said at the time four were in his office, three were in the deputy minister's, and one was in office of the Minister of Healthy Living. Is that still the response from the minister at this point?

**Mr. Chomiak:** I believe one moved from the deputy minister's office to the office of the Minister of Healthy Living.

**Mrs. Driedger:** Can the minister clarify if the positions still exist, three clerical positions in the deputy's office, four in the Minister of Health's and one in the Minister of Healthy Living?

**Mr. Chomiak:** As I understand it, there are four FTEs in the deputy minister's office. One individual moved to the Minister of Healthy Living (Mr. Rondeau). That is reflected on the bottom of page 23 with respect to the allocation. An FTE has not been allocated towards that, and that is part of the re-adjustments that we are doing.

**Mrs. Driedger:** Madam Chairperson, just to confirm, then, that those eight positions, those eight FTEs, are all the secretarial-clerical support through the three offices.

**Mr. Chomiak:** Madam Chairperson, all of the FTEs numbers, as I indicated previously, are not reflected in the actual numbers because the money has been allocated. There are still re-allocations across the



department with respect to FTEs. The actual expenditure figures are accurate, the FTE figures, because there are people filling, backfilling and movement has taken place. There has not been a reconciliation with respect to all the FTEs around the department.

\* (16:00)

**Mrs. Driedger:** Can the minister just indicate if those eight FTEs are the clerical-secretarial support through the three offices?

**Mr. Chomiak:** Madam Chairperson, with respect to the eight FTEs, with the exception of one that I indicated was the executive assistant position, I think seven would constitute that.

**Mrs. Driedger:** Madam Chairperson, the Estimates from '03-04 indicated that the total sub-appropriation for Executive Support was \$427,900 and this year it is showing at \$793,300. Can the minister indicate why it has gone up?

**Mr. Chomiak:** That is similar to the question asked by the Member for River East (Mrs. Mitchelson).

**Mrs. Driedger:** The minister is indicating it is the fact that there will be more staff allocated to provide Executive Support, if I am correct in understanding what the minister's answer was. Also, Madam Chairperson, the total sub-appropriation, last year, before adjustments was \$713,000. For the bottom line in this area and this year it is \$1.1 million, which means that Executive Support for the Minister of Health, the Minister of Healthy Living and the deputy minister has gone up by almost half a million dollars. Is that correct?

**Mr. Chomiak:** The member might be made aware of the fact that employee benefits have gone up. Pension liabilities have gone up since we now cover pension liabilities with respect to employees, which has also increased. The member will also be made aware of the fact that we have demonstrated and indicated, in footnote 1 at the bottom of page 23, the additional funding for the office of the new Minister of Healthy Living.

**Mrs. Driedger:** Madam Chairperson, I do note that the benefits did go up, but they went from \$68,000 to \$92,000 so that certainly does not come anywhere near to accounting for almost a half-a-million-dollar increase in Executive Support. As I recall from the

1999 election, this is where the minister specifically targeted, saying that he was going to decrease in this area. Certainly, he had a lot of criticism for spending in this area, and yet we see here that he has increased his own spending, largely in the political area for his own office. How can he explain that?

**Mr. Chomiak:** Madam Chairperson, as usual the member takes a piece of information, extrapolates, inflates and makes an inaccurate assessment. The overall administration costs in the department are down. Last year, the member was wrong with respect to her allegations. The member continues to re-fight the 1999 election. That is fine. The fact is that the administrative costs in the department are down this year.

**Mrs. Driedger:** I am only dealing with the Executive Support page, page 23. Those were the numbers that I was quoting to the minister. Perhaps, Madam Chairperson, he misunderstood, obviously, because the specific comment was related to Executive Support.

The Minister of Health heard very clearly what was being said. He is choosing to play his little games again in this area. But what this does show, in Executive Support from last year's Estimates before the adjustments happen, that we have \$440,000 extra going into Executive Support.

Even adding a minister, adding three staff, throw in the improvement employee benefits. That appears to be a pretty healthy increase in the area of support to the two ministers of health. The minister has certainly indicated in the past that this was not anything he supported. I would like to know why this minister thinks it is appropriate to do that now.

**Mr. Chomiak:** I think the member was referring back to the '99 election, as she is wont to do, in her previous question and talked about the decrease in administration, which, in fact, has taken place. As I indicated earlier with respect to the member, there is the new office of Minister of Healthy Living that was created. There have been some new staff years that have moved around with respect to being reconciled, and they will be reconciled within the Estimates.

**Mrs. Driedger:** Can the minister tell us what the total number of staff is in his office, including the secretaries?

**Mr. Chomiak:** As I indicated previously to the member, Madam Chairperson, there is the intake co-ordinator, four secretarial positions, EA that is not physically located in my office but is, obviously, actively involved, the special assistant, the special adviser and the policy co-ordinator. All that I indicated to the member previously.

**Mrs. Driedger:** Can the minister confirm, then, that adds up to nine people he has in his office?

**Mr. Chomiak:** I am not sure what reference the member is making to the office but if one assumes the executive assistant is part of the office, that would essentially add up to around nine people but because of variations in staff years and FTEs, et cetera.

\* (16:10)

**Mrs. Driedger:** The staffing in the Minister of Healthy Living's (Mr. Rondeau) office is three, so we have twelve then between the two ministers' offices. Then there is a number of staff in the deputy minister's office as well. Madam Chairperson, counting the deputy minister, if I am accurate and if the government phone book is accurate, is it accurate to say that, including the deputy minister, there are five staff plus the deputy for a total of six in his office?

**Mr. Chomiak:** The phone book, I think, is accurate in reflecting the number of individuals.

**Mrs. Driedger:** Can the minister indicate when the deputy minister started to have a policy adviser work in his office?

**Mr. Chomiak:** It predates the present deputy minister.

**Mrs. Driedger:** In total we have nine, three and six, which is a total of eighteen staff between the three offices. Can the minister indicate where all of these staff are located because they do not appear on page 23 of the Supplementary Estimates? Where are the staff paid from from the deputy's office?

*Mr. Doug Martindale, Acting Chairperson, in the Chair*

**Mr. Chomiak:** Mr. Acting Chairperson, as I indicated on numerous occasions to the member from

Charleswood, there are several FTEs that have not been allocated as a result of the movement and transition of the office with respect to the creation of the Minister of Healthy Living's (Mr. Rondeau) office. That is why we noted at the bottom of page 23, in subnote 1, that there were costs associated and there were not FTEs. I also indicated to the member that we are reconciling FTEs across the department with respect to the total number of FTEs.

**Mrs. Driedger:** I appreciate what the minister is saying, that there are some that are not allocated, but if I look at the phone book correctly in terms of the people that are in the minister's office and the minister has indicated that is accurate, there are actually people there right now in those positions. There are three people, actual people, in positions in the Minister of Healthy Living's office, and they have been there since November. Then we look at the number of people in the minister's offices, so there are people attached to those positions. They are names.

I do not understand what the minister means then about FTEs not being allocated. I mean, where are the changes going to be because we do see there are 18 staff right now and the Estimates book is only showing 13. In the past, it has only been 11.

I am not trying to be difficult. I am really just trying to understand where all of these people, all 18 of these people, are supposed to be. Because they are already there in existence, why do they not show up? If these are the people that have been in the deputy's office for quite some time now, they should be accounted for in there. Somebody is not accounted for and perhaps it is the deputies that are accounted for. Obviously, it has got to be some related to the Minister of Healthy Living maybe that have not been accounted for, but there have been adjustments made. If the minister could take some time and try to be clear here in explaining where all of these 18 people are or should be or will be.

**Mr. Chomiak:** Mr. Acting Chairperson, as I indicated to the member, with respect to the various positions, there has been some reconciliation with respect to allocation of positions. There has been some movement and positions that have moved and some FTEs have not been reflected in the book. That is why we have the subnote at the bottom of page 23, sub 1. There are some positions that are funded

specifically from the department. For example, the policy analyst that has come over from the department has been, even though the special assistant position is not specifically filled, that person is filling that position. I do not anticipate hiring an additional body to fill that position so essentially that is a civil service position that is being seconded over to fill that particular role. We are reconciling these numbers, some of which are adjustments from the previous Estimates of last year.

The member made a mistake when she said that it was all set up in November when the Minister of Healthy Living's office was set up. Not all those positions were necessarily in place in November, as I recall from my memory.

The member says that is what she was informed by the Minister of Healthy Living. If memory serves me correctly that may or may not be the case. As I said, there has been movement around. There were some that were supposed to move temporarily and are now staying longer. That is another reason for the lack of reconciliation.

**Mrs. Driedger:** Certainly, Mr. Acting Chairperson, I will let it go at this point. But we will be carefully and closely watching to see the reconciliations in next year's Estimates and find out what happened and where everybody is, because right now it appears there are five people, there are actually bodies here, people with names that have been around for awhile. We will certainly be watching to see where everybody is going to end up.

I will indicate to the Minister of Health (Mr. Chomiak) that it was the Minister of Healthy Living (Mr. Rondeau) on Friday that indicated his SA, EA and clerical person were all hired shortly after he was appointed on November 4. They all were hired within that month of November. So those people with those names are in those positions and have been for some time now.

But I will not belabour this. There are a lot of other issues in health care that do need to be addressed. But what I would like to ask the Minister of Health so that we can have a baseline as we go on is if he could indicate who all of the special advisers have been since he became the Minister of Health.

**Mr. Chomiak:** If memory serves me correctly it was Terry Goertzen, Jean-Guy Bourgeois, Alissa Brandt.

I might add that the O/Cs with respect to some—Alissa Brandt has not. I do not know if we have got it gone through yet.

**Mrs. Driedger:** Can the minister indicate who his EAs have been throughout the time he has been a minister?

**Mr. Chomiak:** That has not changed.

**Mrs. Driedger:** Can the minister indicate who all of his SAs have been since he has become a minister?

\* (16:20)

**Mr. Chomiak:** If memory serves me correctly I believe the list includes Renata Neufeld, Kim Morrison, Chad Samain, Scott Harland, Marla Di Candia, Alissa Brandt.

**Mrs. Driedger:** So the minister, if I am counting correctly then, has had seven SAs during his time in office. Could he indicate how many policy advisers he has had?

**Mr. Chomiak:** Mr. Chair, if memory serves me correctly, I think I only have the one.

**Mrs. Driedger:** Currently, the minister has indicated that Yvonne Block is in this position. Was somebody by the name of Kim Morrison considered his policy analyst when he first became the minister?

**The Acting Chairperson (Mr. Martindale):** Before I recognize the minister, maybe, just so we do not confuse anybody who is listening or Hansard, I am the Acting Chair right now.

**Mr. Chomiak:** Yes, it could very well be that we called Ms. Morrison a policy adviser. I am not sure of the term. We may very well have done that.

**Mrs. Driedger:** Can the Minister of Health be a little bit more clear? He certainly has that expectation of me, I have it of him.

Was Kim Morrison a policy adviser prior to Yvonne Block?

**Mr. Chomiak:** Yvonne Block is a policy adviser. Kim Morrison, I think, was termed the policy analyst.

**Mrs. Driedger:** Mr. Acting Chairperson, can the minister indicate who his communicators have been? The most current one, Joseph Czech, who was in the minister's office before that?

**Mr. Chomiak:** Mr. Czech is not located in the minister's office.

**Mrs. Driedger:** Can the minister indicate who the other communicators were prior to Mr. Czech?

**Mr. Chomiak:** The communicator prior to Mr. Czech was one Debbie MacKenzie.

**Mrs. Driedger:** Can the minister tell us who all of his intake co-ordinators were?

**Mr. Chomiak:** Mr. Acting Chairperson, while my memory serves me relatively accurately with respect to the other positions, I will have to double-check the names and spelling of the individuals that have been intake co-ordinators.

**Mrs. Driedger:** I would now like to go back to the topic of secondments, as we have three people in his department, and we did not have time on Thursday to finish this discussion. The deputy minister is still on secondment. The chief financial officer is still on secondment. Arlene Wilgosh is still on secondment.

The minister indicated on Thursday that the deputy minister's salary was \$140,000. The statement of public sector compensation disclosure for the WRHA indicates that that salary is just over \$153,000. I wonder if the minister could explain the difference.

**Mr. Chomiak:** I believe when I indicated that figure, I said 140 plus benefits.

**Mrs. Driedger:** Can the minister tell us how the reimbursement goes back and forth? Who is paying whom? Is Manitoba Health billed? Do they then send the money to the WRHA? Mr. Acting Chairperson, WRHA pays Mr. Sussman? Is that how it works? Why is he still going down the path of secondments for this length of time?

**Mr. Chomiak:** Mr. Acting Chairperson, I believe I answered that question last Thursday. I think the member reflected, I believe, the ebb and flow. I am actually as I indicated there was, I am administratively an advocate of moving back and forth

between regions and central government with respect to individuals because I think it gives a good experience.

Mr. Acting Chairperson, as the member knows, I have cited the individual by the name of Linda West, who—

**An Honourable Member:** That name sounds familiar.

**Mr. Chomiak:** Mr. Acting Chairperson, the Member for Russell (Mr. Derkach) says he thinks that name sounds familiar as an example of an individual who came in under the previous administration, under salary from another entity and worked in the department.

I think the experience of going back and forth is a useful exercise. I have often thought it would be useful to have additional people come in from the region to work at central government. Have people from central government work in the region actually to have a better appreciation of some of the issues relating to both operations and administration and the differences between the application of both of those principles.

*Madam Chairperson in the Chair*

**Mrs. Driedger:** Prior to this minister becoming a minister, the deputy minister was only paid about \$115,000, so under him deputy ministers certainly have had a healthy raise by about \$25,000.

The other thing I would like to ask the Minister of Health (Mr. Chomiak) is for some clarification around the salary of the CFO. The minister indicated that it was \$130,000. The disclosure documents show \$137,500 and the estimates say \$111,000. So we have three different numbers here. Can the minister explain the difference between those three numbers?

**Mr. Chomiak:** Madam Chairperson, I believe there is a salary and benefits issue with respect to the CFO.

With respect to the deputy minister's salary I want to reflect on that. The previous deputy minister was a Mr. Ron Hikel, whom we had seconded or hired into the position of deputy minister at the same rate that he was paid, I believe, when he worked for the Conservative government. In fact, we hired him in at that particular rate and he had worked for the

previous government in a number of capacities, and we brought him in despite the fact that it was obvious that he had worked for previous government. We brought him in at the same or even a lesser rate than in fact he had been paid. We had thought that insofar as there were a number of transition and a number of related cost issues it was appropriate.

\* (16:30)

I know at the time, on the day or two after he left for some reason or not, his salary was leaked to the media by sources, perhaps some around this table, with respect to his salary. What was not leaked at the time was that the salary was the same or less than had been paid to that individual during his tenure working with the Filmon government.

So, as I indicated, Madam Chairperson, we hired Mr. Sussman, seconded him from the WRHA at the salary he was at with respect to the WRHA and we are continuing that secondment arrangement. I think most observers will indicate that Mr. Sussman has done an exemplary job. The fact that he has been chair of a number of national committees and has been recognized for his excellent work, I think, testifies to his efficiency and competency.

**Mrs. Driedger:** Madam Chair, I just want to make it clear that my line of questions has absolutely nothing to do with the competence or the qualifications of the people in these jobs. I will apologize now if the line of questions makes them uncomfortable, because that is not the intent of this. My questions are more related to the minister's decision making as to why he is doing some of the things he is doing and why he is making the decisions he is making.

I do want to indicate to the deputy minister and the CFO who are at the table that I hope this is not—it may be making them uncomfortable because we are talking about them and their salaries, but the intent is not in any way to do that. I will apologize if that is creating any of that discomfort.

However, I think it is important that we know how the Minister of Health does make decisions in these areas and how he manages health care. Just because Mr. Hikel's salary was at a certain level, I mean, in good business practice you negotiate. It is a bit of a lazy way out just to say, well, this is what it was before. I would have thought that the minister might have looked at that a little bit more carefully.

With Ms. Wilgosh, the disclosure document says she only made \$101,000 and the minister indicated \$103,000. The Supplementary Estimates book shows 99.8. Can the minister explain these differences?

**Mr. Chomiak:** Madam Chairperson, it is probably because the rate did not reflect the last increase in the retroactive bargaining process and/or rounding benefits.

I thank the member for her comments about not questioning the competency. I appreciate that and I think that is very thoughtful of the member to make that point. I think it is appreciated by individuals who take their work very seriously and work very hard and diligently on behalf of all Manitobans and see their duty as public service.

**Mrs. Driedger:** Can the minister explain, in the seconded positions, who covers those expenses that might be incurred by the individuals?

**Mr. Chomiak:** Madam Chairperson, as I understand it, the Government covers those matters.

**Mrs. Driedger:** Can the minister point, Madam Chairperson, in the Supplementary Estimates where we would see this exchange of dollars for these seconded positions?

**Mr. Chomiak:** I indicated that on Thursday.

**Mrs. Driedger:** Can the minister indicate if he has a vacancy-rate policy in Manitoba Health?

**Mr. Chomiak:** Yes.

**Mrs. Driedger:** Can the minister tell us what it is?

**Mr. Chomiak:** Yes. The vacancy rate was 6 percent last year. I believe it is in the vicinity of 8 percent this year.

**Mr. Derkach:** I am wondering whether with the minister's co-operation we could ask a few questions as they relate to regional health authorities.

**Mr. Chomiak:** To the extent that I can answer those questions I will endeavour to do my utmost to do that.

**Mr. Derkach:** I understand the minister does not have perhaps the appropriate staff here to provide

him with the resources necessary. But these are not all that complex, I do not believe. So, if we can give it a try, I will lead off with my first question, and that is, with respect to regional health authorities. Can the minister explain to me whether or not it is customary for members of the board to represent the area of the regional health authority?

**Mr. Chomiak:** Madam Chairperson, I believe that in the initial incarnation of regional health authorities it was the intention that members would represent particular regions, but that would become secondary to the overall representation with respect to the region in general. The overall theory, as I understand it with respect to the structuring of regional health authorities, was that the board members would reflect the interests of the region.

Having said that, Madam Chairperson, what we have endeavoured to do over the past several years with respect to board appointments is try very hard to, on a regular basis and a rotating basis, change board members to reflect particular regions that have not been represented or have been underrepresented. Still keeping in mind that the overall principle is to try to represent the region as a whole.

**Mr. Derkach:** From the minister's answer, and I am encouraged by it, because what he is telling me is that there needs to be some knowledge of the issues and the region for a member to represent the area fairly.

To that extent, I am going to ask the minister, why it is that some of the communities within the Assiniboine Regional Health Authority are without representation? Members who were on the board have been taken off, and no replacement for those members has been found over the course of a number of years now. Those communities, and I am not talking about a specific town, I am talking about the broader community, is left without representation.

\*(16:40)

**Mr. Chomiak:** It is a pity that I cannot bring in the actual map that we have of the regions that has pin markings and geographic areas that we utilize in our office and have utilized for about three years that try to denote and connote the change and the need for representation within the board structure. But we have diligently tried very hard to reach out to

communities that have not been represented, that have been underrepresented.

There was always in the process some communities that feel they have been left out, or are underrepresented in some way, Madam Chairperson, but we have genuinely tried very hard to reflect the wide-ranging interests of different communities and different areas, sometimes with a greater success, sometimes with less success.

I should tell the member that on our elaborate, albeit not highly scientific insofar as we use pins on a map, we have tried to move out into various areas to reflect different populations and to reflect different communities. For the most part, I have been genuinely pleased that, over the course of my tenure as minister, we have revolved through a fair amount of area that had been underrepresented and represented some of those areas, although, frankly, because of the varying communities' interest, it is hard to always represent every area of the province and every community at one time.

**Mr. Derkach:** I think the Assiniboine Regional Health Authority has about 70 000 residents in it. Surely, out of 70 000 residents, we can count on 12 people from that region to be able to represent that region on a board. Would the minister not agree?

**Mr. Chomiak:** One would hope that the board would reflect the needs and the requirements of the region.

**Mr. Derkach:** Well, in order to be able to reflect the needs and requirements of a region, I submit to the minister that one must live in that region or at least be a resident in very close proximity of that region. There are 70 000 people in the Assiniboine Regional Health Authority, and I guess I just want to know from the minister would he not feel that it is a slap in the face to people who live in that region not to be able to have a representative from that region sit on the board?

**Mr. Chomiak:** Madam Chairperson, there are a series of cross-representations in some instances that occur with respect to different regions. The reason that I noted the fact that we had a map and the pin allocation was that it showed that over the years, it had been revolving representation around the communities, some lesser and some greater, so that some of that has evolved through the years so that some

communities in some years were represented and some years they were not represented. But one would hope that the collective wisdom and the continuity of some of the boards would reflect the overall interests of the region.

**Mr. Derkach:** The Assiniboine health region represents an area that has six Aboriginal reserves within that area, not one or two, six, and some fairly large and fairly significant reserves within the province of Manitoba. Can the minister explain to me why an Aboriginal representative was not chosen from the region to sit on the health board?

**Mr. Chomiak:** At one time, a vice-chair of the one of the boards was a First Nations representative and we have endeavoured to include First Nations representation on all of our boards. For the most part, we have been relatively successful.

**Mr. Derkach:** That is a weak answer. The minister tells me that we have been relatively successful. We have six reserves in that area. Surely, it is only fair to have a representative from one of those First Nations reserves within that region to represent those people at the table on the regional health authority.

**Mr. Chomiak:** I have met with the leadership of the First Nations community, both some of the leadership in that region and the overall First Nations community in Manitoba, to address that issue and look for a broader means of representation with respect to First Nations representation. On some health boards, almost 50 percent of the representation is First Nations community. On most health boards, we have some First Nations community. At one time, the vice-chair in that region was a First Nations community. We continue to explore with the region that particular issue.

As I understand it, we now have an Aboriginal First Nations person on the board presently in Assiniboine that was appointed in this most recent—*[interjection]* We do have a First Nations that was appointed.

I should point out that part of our deliverables to the regions is for all of the regions to have a regional plan dealing with First Nations including representation and involvement. We have had several meetings and conferences with the First Nations community in order to have the First Nations community directly

and more active in board governance matters and we are continuing to work on that course.

**Mr. Derkach:** Can the minister explain why the First Nations representative is not from within the region?

**Mr. Chomiak:** As I recall, we made an attempt to have representation from First Nations communities, and as at one time we did have First Nations community and the individual, as I understand it, agreed to sit on the board.

**Mr. Derkach:** Madam Chair, I am asking the minister the question: Why is that member not from within the region? There are at least 10 000 First Nations people in that region and the minister is telling us that he could not find a representative to sit on that board from within that region. Is that correct?

**Mr. Chomiak:** As I indicated, we have made a very strong effort to include First Nations representation on all of our boards, including a number of direct deliverables to each region to conduct communications and meetings with the First Nations community to participate and to have more active involvement.

In a number of cases, for example, there is one region where there is a quasi-parallel board of First Nations individuals that function within the auspices of the board arrangement and we are continuing to look in that area.

**Mr. Derkach:** Madam Chair, the minister is not answering the question. I asked very specifically. I do not know if he does not understand or chooses not to, but I am asking him why the First Nations representative on the Assiniboine Regional Health Authority is not from within that region. I can find one for him.

**Mr. Chomiak:** I will look into that situation on behalf of the member.

**Mr. Derkach:** That is not what I am asking. Madam Chair, the person is from Swan Lake. It is not within the Regional Health Authority. Now I have six reserves in that region. Surely, we can find a qualified representative from one of those six reserves to represent those people on the Regional Health Authority.

Now, Madam Chair, I ask this on behalf of the First Nations people because they are the ones who have raised the issue about not having a representative from the area on the regional health authority. Now it is fine to have somebody else from outside of the region, but that does not give any regional representation to those people.

So that is what I am asking the minister. Why has he chosen someone from outside the region to represent First Nations people on that regional health authority?

**Mr. Chomiak:** Madam Chairperson, if the member has any specific recommendations with respect to individuals who can be representative on the board, the member could forward those names to my attention. I would be happy to look at them.

**Mr. Derkach:** That is not the point. The point is, and I can do that, but Madam Chair, was the minister telling me that he is prepared to remove a member that was selected to that board to replace that member by somebody from within that region? Is that what the minister is telling me?

\* (16:50)

**Mr. Chomiak:** I indicated to the member that if he had any names to bring forward, I would appreciate if he could bring names forward.

**Mr. Derkach:** Madam Chairperson, the minister is avoiding the question. The question is: "Is he prepared to replace the existing member with a member from within the region?"

**Mr. Chomiak:** As I indicated to the member, I will look into this matter. If the member can provide any names for possible representation, I would be happy to look at it.

**Mr. Derkach:** Madam Chairperson, I am not prepared to go through a futile and useless exercise. Either the minister is committed to replace that member with somebody from the region or he is not. That is my question. It is not a hypothetical question. If the people from the First Nations reserves put forward names from within those reserves, I want to have the assurance of the minister that he is prepared to replace a member from outside the region with a member who lives within the region.

**Mr. Chomiak:** As I have indicated to the member, if he has any names that he wishes to put forward, I would be happy to look at those names.

**Mr. Derkach:** Madam Chairperson, how can that be reasonable? First of all, the minister is telling me to come forward with names. If I come forward with a list of names and he is not prepared to replace the member from Swan Lake or the member who is from outside the region, then we all look foolish. I am not prepared to go through an exercise in futility. I need a commitment from the minister that he is prepared to give the people their due in that area and allow them to have a representative from within the region on the board.

**Mr. Chomiak:** I think I have been fairly clear to the member.

**Mr. Derkach:** Madam Chairperson, there is another person who is from outside the region as well. This is a regional health authority that has two members out of 12 who are from outside the region. I still do not understand why we have two representatives from outside the region sitting on that regional health authority when they have no connection to the region. They have no commitment to the region. They have no vested interest in that region. I have a real concern and so do the people from that region. We have communities that are not represented.

Madam Chairperson, I understand what the minister is saying. We cannot have a representative from a particular region every time we change board members. That is reasonable and I respect that. I think that is a wise thing to do, to be able to move the membership around from one community to the other. I do not fault the minister for that.

I know that in my area, we do not have a representative from Russell per se at this moment, except that the chair does live in Russell, and I guess he could be considered as a representative of the area. But when he is talked to, he says I do have to be somewhat neutral because he is the chair and does represent the entire region. We understand that.

I am not asking the minister to put somebody on from my area. I am asking the minister why, for whatever reason, his department recommended, or whoever it was who recommended, that two members on that board be from outside the region?



**An Honourable Member:** Are you talking about one of the Brandon appointments?

**Mr. Derkach:** Yes.

**Mr. Chomiak:** I believe, for historical purposes, there is a cross-appointment from Brandon to the region because of the close connection between the region and the services provided in Brandon. I thought that was a structural cross-appointment that was put in place under the previous government that we continued because a lot of tertiary-level type care for the region is a function of the Brandon Regional Health Centre. I think it makes some sense to have a representative from Brandon with respect to dealing with the region, but if the member thinks for structural reasons otherwise, that is fine.

**Mr. Derkach:** Madam Chairperson, I guess because the region is so large now, even with the present structure of the board it means that board members have a fairly onerous task in representing the people who are demanding services. I would have to say to the minister that I think that is one of the problems of that region. He knows that that region is plagued with problems.

No matter what area you look at, there seem to be problems in that area in an administrative sense. We have doctors that are leaving by the droves. I think there were 43 doctors hired, 37 or 38 of whom have now left or are leaving and will be leaving before the end of the summer. That is a statistic that is out there. This is not a fictitious number, as I understand it. Doctors leave for their own reasons and we cannot hold them there against their will, but obviously there is a problem. I think that one of the ways to assist in resolving that problem is to make sure that there is representation from the region on the board and that that representation is solid.

I am not sure what purpose a representative from the Brandon region would serve on that regional health authority. Yes, people from the area use the Brandon hospital just like they use the Health Sciences Centre, just as they use the Yorkton hospital, just as they use the Dauphin hospital, so they go in many different directions, but that does not mean that we have representatives from each of those areas on the regional health authority. I think that that regional health authority has its hands full and it needs the full participation and the attention by people who live within the region, so I am asking the

minister whether or not he would re-examine this whole issue and take a look at representation that more reflects the area and the makeup of the area.

**Mr. Chomiak:** First off, I think there is also an Assiniboine region health authority representative on the Brandon board as well. I think it is a cross appointment in order to do both, as I understand it, but I think any advice that can better represent and reflect the needs of the region can only help in terms of reflecting, and so I will accept the member's comments as advice for consideration.

**Mr. Derkach:** I appreciate that, Madam Chair, and I am not here to try to be in any way an obstructionist in terms of what happens in the region because, Lord knows, people out on the west side of the province have lost enough services to this point in time, and there are some serious issues out there, so if we can do anything to help smooth out, if you like, the relationship between the health facilities and the board, that is what I want to see. The morale in our hospitals is probably at an all-time low right now. You do not find that if you just talk to the administration, but if you talk to the people on the floors and the people who deal with clients and the people who are in personal care homes and the home-care people, you will find that that, in fact, is true and that something has to be done about it. The minister cannot fix it, but I think in terms of how the health authority relates to the people who work there, it needs to have some attention paid to it.

I would like to ask the minister, also, about the issue of hospital beds in our tertiary facility, and the minister alluded to it as being Brandon. Madam Chairperson, as of late, we are led to believe that the people from the Brandon area and surrounding areas have now been asked to assume the responsibility of raising money for hospital beds at the tertiary facility. As I understand it, this is a pretty fundamental part of a hospital, and it is not something that charities and foundations and the community should be asked to raise money for. I just want the minister to either confirm or deny the information that has come to me about Brandon residents, and surrounding area, having to buy beds for the new hospital.

**Mr. Chomiak:** We have invested substantially in terms of new beds, both at the Brandon General Hospital, the newly renovated and almost new Brandon General Hospital, as well as across the system. I know there is some fundraising activities

with respect to, as I understood it, the paediatric beds. I will look into that and I will get back to the member tomorrow.

\* (17:00)

**Mr. Derkach:** I appreciate that, Madam Chair, and I do want the minister to take as notice as well the fact that the foundations, as I understand it, were never formed to raise money for such fundamental things as hospital beds. There is concern being raised by those who are in charge of fundraising that now we have to start raising money for such fundamental and I guess, foundation issues as hospital beds which are pretty basic when it comes to a brand new hospital. You would think that the investment of millions of dollars in that facility would have primarily been for upgrading the facility in terms of services but also for beds as well.

I want to ask the minister another question and I will assume that he will get back to us on that tomorrow. But I want to ask the minister as well about hiring of doctors, physicians. As of late, the Assiniboine Regional Health Authority has sent out a circular to all municipalities indicating that it is now a policy adopted by this regional health authority to have municipalities pay for doctor recruitment.

Two municipalities have already received statements for doctors who have been hired and other municipalities are now wondering whether this is a directive of the Department of Health because they have no intentions of getting involved in the issue of paying for doctor recruitment. This is a responsibility of the region.

Let us not confuse the issue because in the past, I am very well aware that communities used to come together and provide for such things as housing, or perhaps even offer a low-interest loan to a doctor, a physician's family who were moving into a community, but, never, never, has there been any obligation on the community to pay for direct recruitment costs for the physician.

**Mr. Chomiak:** Madam Chairperson, as I understand it, when this matter was raised in the Legislature during the last session and our letter was circulated, as memory serves me correctly, and I inquired into it, I was advised that policy has not changed in this regard from pre-existing policy with respect to recruitment of doctors. I was under the impression

that the matters that the member is referring to were not effectively communicated. In fact, the policy had not changed.

**Mr. Derkach:** Madam Chair, this is where I want the minister to really investigate the matter because I do have a memo in my hand—I do not have it with me right now, it is in my office—which has been written to a municipality lately indicating that a by-law has been passed by the regional health authority compelling municipalities to become involved in the recruitment costs for physicians for their communities.

Madam Chairperson, this becomes problematic because as the minister knows, when the Erickson issue arose, the community was told quite blatantly that they were not to be interfering in the recruitment of doctors because it was the Health Authority that would be assigning the doctor to a particular community. Even though the Erickson community had identified at least three doctors, they were told by the regional health authority that they were to butt out because the placement of these physicians would be done by the regional health authority.

Now, we are finding that it seems that there is an onus on them to pay but not to have any influence over the recruitment of those physicians. I just want the minister to perhaps, research the issue. He does not need to give me an answer right now if he does not have it with him. I would be fine with getting that answer at a future point in time.

**Mr. Chomiak:** Madam Chairperson, I wonder if the member would provide me with a copy of that letter so that I could do follow up on it.

**Mr. Derkach:** Madam Chairperson, I would be happy to because, once again, this is not a criticism of the minister or the Regional Health Authority per se, it is just a confusion that seems to exist out there because of two different policies or communication of two different approaches that have been given to the communities.

I still want to ask one other question. When we were in government, and I should not reflect back, because that is a long time ago, it is almost pointless in doing this, but we did not elect boards, Madam Chairperson, we appointed boards. I know that the minister, when he was the critic and in opposition, was a strong advocate of elected boards. I am

wondering whether or not he has revisited the issue and whether he would be prepared to—are you okay?

**Mr. Chomiak:** Yes. I was just rubbing my eyes.

**Mr. Derkach:** Okay—and whether he would be prepared to comment on the issue of elected boards. I was just wondering whether you were tuning me out, or is that body language to say you are tuned out?

**Mr. Chomiak:** I am focussing my attention on your comments. It is just a habit I have got. The advice and the experience that has been given to us over the years in those jurisdictions that have gone to elected boards has been a resounding do not do it. The Saskatchewan experience, the Alberta experience, my fellow ministers. *[interjection]* The Member for Charleswood has again taken credit for another innovation in the health care system.

Including the member's caucus, the advice given to us is that it does not improve the system and that it generally has additional costs. I had extensive discussions with both the Minister of Health in Alberta and the Minister of Health in Saskatchewan, who have moved away from that concept. It appears to be not a concept that we want to follow up on.

**Mr. Derkach:** I have no argument with the minister. To be honest with the minister, I would say that the minister has now realized the error of his ways and his views have changed from experience, of course. Certainly, I do not fault him for that, because I too have been listening to the comments made in other jurisdictions that understand that the issue of elected boards can become problematic.

Now, Madam Chairperson, I want to just switch gears a little bit, if I may, with the minister on health care. The whole issue of closure of hospitals is one that, as the minister knows, is kind of close to me because it seems that there are a number of facilities in my region that the health authority wants to close. The minister and the Premier say, "over our dead bodies," and the officials of the region are saying, "Well, that is the Premier's promise, not ours, so the Premier can live by his own words and we will live by ours."

In my view, that is somewhat insulting to the government of the day, because I think the government of the day should be respected in terms of the decisions they make based on commitments that

were made through the campaign, and so forth. I know that sometimes doctor shortages or nurse shortages cause a hospital to close temporarily, but the Erickson hospital has been closed for a longer period of time than what might be considered as temporary.

I would like to ask the minister whether or not he has a plan for these facilities. In my region, they are, namely, Erickson, Rossburn, Birtle and Rivers who are now, I guess, on the temporarily closed basis as hospitals because they do not have sufficient personnel to be able to run emergency services and to have the sign displayed outside of town, the H sign.

\* (17:10)

**Mr. Chomiak:** I think that the most useful discussion of this issue was as a result of the study that was undertaken by the Office of Rural and Northern Health that reviewed the situation. They reviewed the literature in other jurisdictions that interviewed the doctors that had looked at the communities and reviewed the circumstances. The doctors themselves offered a variety of solutions with respect to dealing with the issue. The fundamental issue being, how does one maintain facilities that require to be staffed by physicians, and how does one keep those physicians in place? It had a number of recommendations, some of them are not new.

I know that the members previously did a study that came forward about the spring of 1999 that had reviewed that issue and came to the same conclusion with respect to the ability to staff. I think that the advantage of the report that we had is it outlines some deliberate strategies that can be looked at with respect to dealing with the facilities. We have taken that report; we have circulated it. We have asked the regions to look at it in light of what the doctors themselves, the ones who are actually the lynch-pin, I do not want to overemphasize that point because it also refers to nurses and other professionals but the linchpin in terms of the system and the conclusions there with respect to how to conduct and then how to improve the situation in those regions.

**Mr. Derkach:** I want to tell the minister that the report that was done is somewhat suspect. I only say that on the basis of the consultations that were held with communities, Madam Chairperson, where it was a very controlled consultation process. I say that

from personal experience, Mr. Minister. In addition to that, I also have a letter that I received from the doctors in the area who, in essence, said they were not listened to or were not able to present at the committee that was moving around the area. As a matter of fact, the recommendations that are in the report do not reflect what these physicians in fact feel is essential to run their particular facility.

So, when I say the report is suspect, I think it has some serious flaws in it in terms of the process. I think if the process had been followed more openly, more fully, we would have had a better representation of recommendations that came from that report. Having said that, I noted that in the report, the recommendation is that the on-call should be one in five. Well, outside of our largest communities being Hamiota, Russell, Minnedosa and Neepawa, it is impossible to have a one in five rota. Yet communities like Shoal Lake and others are saying that they are happy with their one in two and one in three rota. So I guess what we need to do is assess the needs of a community and the ability of the people in those areas to meet the needs of those people.

I think sooner or later the minister has to give some direction and has to lay out a plan because we cannot go on the way we are. Madam Chairperson, hospitals like the Erickson hospital, the Rossburn hospital cannot continue with perhaps a false hope or, I do not know what you would call it, that someday their hospital will return to full service, because failing the oversupply of physicians, that is just not possible, I do not think, in the near future.

So can the minister shed any light on this issue in terms of future doctor recruitment for those areas and whether, in fact, he is looking at alternative ways to make sure that those services can be reinstated?

**Mr. Chomiak:** Madam Chairperson, I think that a complete reading of the report will indicate a couple of things: firstly, that options were provided to all individuals to contact the committee directly via e-mail or other sources in order to provide input for consideration; and that the committee meetings were one component, one aspect of the putting together of the report.

The member makes a statement which is correct with respect to achieving the target of the one-in-five. Madam Chairperson, the target one in five was designated as optimum from a doctor's standpoint

and from a community standpoint. It is hard to argue with that, because of the literature and all of the advice. It also went on to say that is not always possible. Nor did it say that had to be a strict interpretation or strict rule, and the member cites several communities where that is, in fact, the case.

It also noted, though, that one of the fundamental reasons for doctors leaving that region or other regions was the burnout factor in the one-in-two call rotations. So that cannot be ignored, as well. It broke down the types of doctors into two types of doctors: doctors that really wanted to stay in rural Manitoba, which was the larger group and the group that we really have to actively participate with; and those doctors who came in for shorter periods of time with the express purpose of practising medicine in a small community for a short period of time and then moving on to somewhere else.

So, it is simply not as simple as, for example, setting a straight rule of a rota of one-in-five. It is a variety of factors. It also very clearly said you must match the needs of the community with the resources available and try to match those needs and those requirements. That is part of the issues that we are working on.

**Mr. Derkach:** Madam Chair, having sat down with a fair number of doctors within that region to discuss the issues, one of the predominant issues is, of course, doctors being able to practise their trade. It appears that over the years, and this is not a reflection of this Government necessarily, but as we began to centralize a lot of services over the last 20 years, a lot of the services were taken away from smaller communities and doctors find themselves looking after, today, handing out pills and looking after the elderly and so forth.

But they do not have a lot of opportunity to practise some of their skills that they would like to in rural areas. Yet we find that there are services that could probably be delivered, not in every facility, but if you look at a region, perhaps spreading those services out so that doctors have a broader range of practices that they can participate in, and, secondly, providing the necessary upgrades in these facilities.

I specifically want to ask the minister about the dialysis unit that was promised to Russell back in 1999, when we were still in government. It is now 2004, and the dialysis unit has not been delivered.

Now I know the minister re-announced it and, certainly, I applauded him for it. But, as of this date, the dialysis unit is not present in that community and there is, certainly, a need for it. There is a demand for it. Once again, I think it would help in the whole process of broadening the scope of services provided by that particular facility, which might encourage more professional people to be attracted to that area as well.

**Mr. Chomiak:** Madam Chairperson, several things. Firstly, the report does acknowledge the fact that the ability to have larger doctor practices, for example, would permit a wider range of services. Certainly, the Government has demonstrated that we are prepared to move services back to rural Manitoba because we have in several locations, and we are negotiating in several locations to move additional services back.

\* (17:20)

One of the really key, fundamental issues also noted in the report was the lack of access to specialists and specialties, which is also cited in the report as a need and requirement. We are looking at those particular needs. I also acknowledge that the Russell dialysis is a commitment and is something that the Government will live up to.

The configurations and some of the other issues will be determined, or will help to be determined, by part of the process of talking with communities to match needs, et cetera. I will just cite one example of one community that is not in the member's region that we are intending to enhance cancer treatment for example, because there is a large demographic and a need for cancer treatment in that particular area. We are doing that. It is another enhancement of a program in rural Manitoba recognizing that the demographics of that community require more cancer treatment at home to prevent people from having to come into Winnipeg. That is one example of one community.

Correspondingly, it may be that obstetrics in that community is not as big a deal anymore because of the demographics, but there are reconfigurations and there will be an enhanced service in some communities that will have to, by definition, if we are going to match the needs of the community with requirements and our ability to provide the service, then some communities will see enhanced service. It

may very well be that some communities will see lesser services as well.

**Mr. Derkach:** Madam Chairperson, I know that happens when you try to bring more services out to an area. Sometimes the very small facilities are not able to provide even the services that they have here because people do migrate. That is understandable.

I want to ask the minister with regard to the dialysis. Right now, I am getting numerous calls from people. As the minister knows, there are about three large Aboriginal communities in that region. Diabetes dialysis is an important kind of issue for the people in those regions. Can the minister give me any indication when we can anticipate the arrival of the dialysis unit and the actual implementation of the program?

**Mr. Chomiak:** Madam Chairperson, as soon as I can, I will get back to the member. As soon as I am in a position to provide the specifics, I will get back to that member.

**Mr. Derkach:** I do not want to make light of this, Madam Chairperson, because this is being recorded in Hansard, and, certainly, people will want to know that we paid some serious attention to the issue. So, with the greatest of respect, I would like to ask the minister whether that can be anticipated within the next two or three months, or the next month or year, or whatever time frame he might give me. I am not going to hold him to a specific date but, certainly, give me sort of a ball park time.

**Mr. Chomiak:** Madam Chairperson, I will have a discussion with the member on that issue.

**Mr. Derkach:** I thank the minister for that and I will look forward to that. Madam Chairperson, may I, on another question, ask the minister with respect to other services, now I noted the minister said obstetrics may not be that important an issue in the region—

**An Honourable Member:** No, in one area, I used a region other than Assiniboia because I did not want to go down that road. I was talking about another region.

**Mr. Derkach:** Okay, but there are services that have been identified in that region, and I can tell the minister that when we started doing chemotherapy in

that area there was some hesitation, and, I guess some question as to whether or not the service would be utilized extensively enough. I think it has far surpassed any expectation that was had for it, and I do not say that with any joy because that is not always a pleasant thing. But, nevertheless, I think the demonstrated need is there.

I am wondering whether the minister can give me any idea of any other services that are being planned for that area, and I am not just talking about my specific community, I am talking about the general area to bring more services out to the region.

**Mr. Chomiak:** Certainly, off the top, I can indicate that—not specific, talking about outside of Winnipeg in general—we are looking at additional surgeries. We are looking at additional cancer treatment; we are looking at additional dialysis, and in addition, treatment for psychiatric as well, just off the top. There are various configurations. There are some regions that were in planning with respect to some of these issues. There are some regions where we are not. At this point, it is very clear in terms of demographics that will be enhancement of services, probably in all regions, different configurations though relating to the particular needs of the community.

I concur with the member, the cancer rates, there are two issues with cancer rates. First, the actual incidence of cancers is going up at a fixed percentage; as well, the survival rate for cancer victims is also increasing. So that is putting an additional burden for continuing treatment on the programs. Both of those issues have to be addressed, and quite clearly, the ability to address those needs closer to home makes a lot of sense.

In general, those are some areas that we are looking at, and there will be enhanced services outside of Winnipeg that will be happening in the health care system over the next few years.

**Mr. Derkach:** I know we are getting close to our adjournment time, Madam Chair, but I do still have a few questions to ask the minister. We are getting into the tourist season, and the road between Brandon, Winnipeg and Clear Lake becomes very busy in the summer months. The population of the Clear Lake region goes up to about 45 000 people during the summer months. I am wondering whether the minister has a contingency plan for the Erickson hospital to deal with that whole area.

I represent the area, and so I can tell the minister I am very familiar with the geography of the region and the distances from Minnedosa, for example, and the practicality or impracticality of using Minnedosa as the centre for that period of time. We do need desperately the emergency services at Erickson to be operating during the summer months, whether it is by reassigning doctors for that five-month period or four-month period or whatever it is, but I am wondering whether the minister has had any discussions with the region or with his staff about that issue.

**Mr. Chomiak:** Madam Chairperson, we are cognizant of the fact that the population of that area does increase going into summer months. We are also cognizant of the traffic flows vis-à-vis First Nations communities in that area and needs and requirements. The issues that the member raised are being reviewed together with a variety of other issues that are being considered.

**Mr. Derkach:** Madam Chairperson, specifically with Erickson, I am going to ask the minister a question about a doctor, and I am not going to use any names here, but we have a physician who practised in Erickson for a number of years. Her spouse fell ill a couple of years ago, and because they were both from England, his desire was to return to England. So she went with him and he passed away while they were in England. That was the family's wish.

What happened was that this particular doctor had to stay in England for a period of six months longer than what the College of Physicians felt was the maximum time that a doctor could be away from practising medicine in Manitoba. Upon returning, she is facing having to write her exams again because she was away for six months later than what was allowed.

This seems to be an unusual treatment of a physician who has practised medicine for most of her life, looked after her husband in his dying days as a physician and as a spouse, and then returned to the community of Erickson where she wants to retire and has offered to do medicine on a locum basis or just to do emergency work in the hospital, but yet cannot get licensed by the College of Physicians.

That just seems to be unusual. I am wondering whether the minister would respond to this.

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

**EXECUTIVE COUNCIL**

\* (14:50)

**Mr. Chairperson (Conrad Santos):** Will the Committee of Supply come to order, please. This section of Committee of Supply has been dealing with the Estimates of the Executive Council. Will the Premier's staff please enter the Chamber.

We are on page 21 of the Estimates book. Questions?

**Hon. Gary Doer (Premier):** There were three items that were raised, and we have a staff list coming in. I am sorry, it will be to you within 10 minutes.

Secondly, the international donations. I have asked for a copy of the list of the breakdown. If the member would like, I would also like to try to get from the international community the amount of money they have levered. As I say, former Premier Filmon visited them.

Then there was a third specific question on the issue of any public money in the Internet pharmacies. I have canvassed the departments, and the answer is no.

**Mr. Stuart Murray (Leader of the Official Opposition):** I appreciate the fact that the Premier is sending in a list of staff. Thank you very much.

In the meantime, I wonder if I could just ask about a couple of people and one is Mr. Modha. I just wondered whether Mr. Modha is still working in the Premier's office.

**Mr. Doer:** No, he is not. The person in the Premier's office working in that position is a person named Donna Everitt, who was working in the Brandon Executive Council office up until her change.

**Mr. Murray:** I wondered if Ms.—I think it is Ms. Correia—

**Mr. Doer:** No. I will give you the list, but she will not be on it.

**Mr. Murray:** I apologize if I mispronounce, but Mr. Dennis Ceicko.

**Mr. Doer:** I will give you a list.

**Mr. Murray:** I understand that Mr. Robert Dewar was working with the Premier, and I just wondered if the Premier could inform us where Mr. Dewar is currently employed.

**Mr. Doer:** He is employed outside of government and the person who has taken that position is Mr. Balagus.

**Mr. Murray:** Duly noted. I just wondered if I am correct on this that, when Mr. Dewar left in the ninth month of '03, his salary was \$96,324 and Mr. Balagus' salary is \$103,133.

**Mr. Doer:** I will have to take those questions and notes. The member would know the salary of Balagus because it would be an Order-in-Council, but I will go back and review the salary of Mr. Dewar. They are both in the same classification as the former principal secretary. Of course, one of them left the government just shortly before the election in late '98. Taras Sokolyk was in the position for most of the years of the 1990s, and Hugh McFadyen, I believe, had a brief stint after that.

**Mr. Murray:** I would just be interested in the Premier's justification of, I believe that the positions were the same between Mr. Dewar and Mr. Balagus, as I show in here. I would look for clarification that there is a \$7,000 increase to Mr. Balagus over what Mr. Dewar. I do not know if there is a difference in allocation responsibility, but \$7,000 was the difference in what I am showing here.

**Mr. Doer:** I have to go back and get the former salary.

**Mr. Murray:** Just a couple of the other names, and again I know that the Premier is sending in something but in the event that I have missed something in the list that he will provide, I just wonder if Tamsin Collings, I understand, was working for the First Minister, and I just wonder if the First Minister could let us know where Tamsin Collings is currently employed.

**Mr. Doer:** I will table a list of individuals that are working directly in the Executive Council. I think I have mentioned in the past there were 10 seconded positions to the Executive Council on top of these positions in '99. There are now 8.

Ms. Collings went on maternity and is not working in Executive Council. I can find out her status.

She is back from mat leave and working on various items.

**Mr. Murray:** I just want to thank the First Minister for providing the Executive Council staff.

I want to clarify what I put into the record. I was showing Mr. Balagus' salary at a \$103,133. I see on the list that the First Minister has given me that his staff is, in fact, at a \$109,431. So, that would be some \$13,000 in addition to what the former, I will use the term chief of staff—I stand to be corrected on it, but the former Chief of Staff, Robert Dewar, was at 96, and Mr. Balagus is at 109,000. Can the Premier, and he is taking this salary as notice, but I just wonder, could he just explain? That is quite a leap.

**Mr. Doer:** Let me get the facts first. I did not bring the salaries of the people previous.

**Mr. Murray:** So, just to clarify, you will check on Mr. Dewar's final salary.

**Mr. Doer:** I will.

**Mr. Murray:** Mr. Chair, I do not see the name of Jana Saunderson on the list. I just wonder if the Premier could indicate where Jana Saunderson is currently working.

**Mr. Doer:** I am not sure. Some people have changed their names. I have not, but a lot of people would argue I should. But, I am not sure. I will dig that out. I just looked and you are right, it is not there.

Oh dear, I do not like to say this, but she has gone downhill. She has gone to Alberta. We usually get more coming here. She got married, apparently, not that she should not bring her spouse here.

**Mr. Murray:** So, just for the record then, I can write in my notes here that Jana Saunderson has left Manitoba and gone to Alberta.

**Mr. Doer:** I have not put an ankle bracelet on her, so I do not know whether she has left there and gone somewhere else.

I notice that Wellington West is located and headquartered here in Manitoba, and Domo Gas.

**Mr. Murray:** I think the Minister of Finance (Mr. Selinger) is trying to destroy the décor of this meet-

ing. It was either an Artie Johnson sort of appeal, "Ah, ver-ry interesting," or if he puts it on his head, he can look like that guy from "The Simpsons," I do not know what that is, but anyway. That was well done, for sure. Just to prove they were not real, that is all. *[interjection]* If they were, they are not anymore, are they?

\* (15:00)

I just wanted to move through a couple of other names before I get to a little bit more detail.

Can the Premier indicate if Liam Martin is working for Executive Council?

**Mr. Doer:** He was. He is not now.

**Mr. Murray:** Is Liam Martin involved in government in any way?

**Mr. Doer:** If he is, I will find out exactly where he is. I have a new person doing tour, who has done it before Liam came in, Marla DiCandia, and she is on the list.

**Mr. Murray:** I will just ask the First Minister if a John Baert, and I will just spell it, I do not see it on the list the Premier supplied, but I just wondered if a John Baert was ever employed in the Premier's office.

**Mr. Doer:** Yes, he was.

**Mr. Murray:** Because he is not on this list, he is currently not there, and I just wondered if the Premier could indicate: Is Mr. Baert employed in government?

**Mr. Doer:** No, he is not.

**Mr. Murray:** Mr. Chair, I just would like to ask the First Minister, in Question Period today, we were asking questions about province-wide assessments, and particularly, we were asking questions of the First Minister on the issue of Grades 6 and 9.

I know that he made a comment about a letter that referenced back to 1999, but I just wondered in light of the media reports that have been published that indicate that there is some potential change, and I am not suggesting that the media reports are accurate, I am really making reference to them so we can get specific clarification from the First Minister,



if he could just indicate what the process is with respect to Grade 6 and 9 province-wide assessments.

**Mr. Doer:** Well, there is no change from the existing status, which is optional testing as indicated by Mr. Carlyle and, apparently, by a ministerial note in August of that year, of 1999, something I certainly was not aware of, I can assure the member, in the 1999 election.

I am not aware of how many people in the public are aware, but the only substantive change, there have been two substantive changes in testing and assessment since we have been elected. One is there is more optional EDI testing going on in kindergarten, up to 70 percent, and secondly, we changed the mandatory nature of the Grade 3 test, the standard test.

**Mr. Murray:** Is the First Minister satisfied that the change that his Government has made to the mandatory Grade 3 test is effective?

**Mr. Doer:** Well, I think my view is that having testing at the beginning of the year is more useful for learning than having a test at the end of the year. That is the basis under which we promised to do it in 1999. We made a commitment in 1999 on it. It was a recommendation from the Manitoba Association of School Trustees, I would point out, I think in even their 1999 convention.

It was a long-standing recommendation made by teachers. We had different advice from parents. That is why, Mr. Chair, we came to the decision we did when we made the commitment in 1999, and we certainly implemented it after that. Speaking only as a parent, I think it is useful to have information at the front end.

I would say, I cannot recall all my tests when I was younger, but I sure think that kids are getting tested a lot now. That has been my experience in school with my two children going through public school. I do not have a recollection of being tested as many times. I certainly remember vigorous tests at the end of the year and before Christmas. They seem to have a lot of tests.

Now, I do not know whether it is the school divisions, but I believe in both the Winnipeg No. 1 School Division and the River East school division, I would say throughout both divisions there is rigorous

assessment, testing and feedback to parents. We have to sign the record every day on homework assignments, so I think there is a pretty conscientious effort to involve parents in the status of the learning of their children and involve them on some of the homework assignments. Again, I remember cramming a lot for exams. I do not remember having to work as steadily as these kids have to work. That is just my subjective opinion.

My view is that we had advice on Grade 3 testing. We do not always see the same advice from trustees and from teachers. Sometimes there are different views. On this one I believe there was a resolution in the '99 convention after a debate that former Premier Filmon and I think it was Jon Gerrard had back in '99, way back in '99. I think it was the three of us. I made that commitment at that convention and I made it to the people of Manitoba in September of '99. Mr. Chair, I was immediately pounced upon by the incumbent government and the incumbent premier. It was a good debate, obviously something we carried out after the election.

**Mr. Murray:** Could the Premier explain his rationale to look at moving the testing or the assessments to the beginning of Grade 3, knowing that there are still assessments that are done in Grade 12? When we are looking at increasing or making sure that we have the knowledge that we have the best education system in Canada—and we can speak to that and there will always be debates about that, I respect that—how would you rationalize ensuring that at the front end of Grade 3 you are looking at testing Manitoba's students, but that you can sort of let them go through 6 through 9 and then you get to sort of Grade 12? By that time, I think it is acknowledged—I am certainly no educational expert—that by that time students are looking at making their decisions whether they are going to continue to post-secondary education or go into the workforce or whatever they may do. How do you rationalize looking at it frontloaded in Grade 3 but ignoring Grade 6 and Grade 9?

**Mr. Doer:** I actually do not think the Grades 6 and 9 decision, of course, is the existing decision made, I assume, by the Conservative Cabinet. I do not think the minister of education would go off on her own, or I guess it was Minister McCrae at the time. Mr. Chair, I am trying to think who, whether it was Minister McIntosh or Minister McCrae, McIntosh-Assiniboia. I cannot remember. So that decision has not changed. But I would say that I have children in

Grade 8 that are tested all the time. I think kids are tested almost weekly on some subject or another.

As a parent I think they are tested and assessed in Grades 1, 2, 3, 4, 5, 6, 7 and 8 I can speak to directly because I have children in those grades, and they are tested all the time. There are awards given, you know. Children are on the honour roll, for example, in the school division at a certain level of average.

\* (15:10)

Mr. Chair, I just think that testing is going on by teachers in the schoolroom and by schools and by educators and assessments are going on all the time. There are different instruments of assessment, whether it is direct tests, assignments, projects all the time. Again, as a person who is a parent, I believe I know where our children's strengths are and where their weaknesses are in school based on the feedback we get from both scores or test results and subjectively or information from teachers.

**Mr. Murray:** I appreciate that there are a lot of tests that go on, on various subjects throughout the year. I think that is widely acknowledged, and I say on the basis that during the time of government we have seen three ministers of Education in the Doer government and I would suggest that a lot of the knowledge that is coming out of some of our schools on how they are doing and what sort of subjects they are doing well at or what subjects they need some assistance on, again, I think it comes back to a sense of knowing how we stack up in Manitoba versus other provinces.

I do not believe this notion when people say teachers are going to, so-called, teach to the tests. I respect teachers more than that. I do not believe that that is what they would do and I think that is undermining their ability. But, despite the fact that there are specific grade or subject tests, the knowledge of trying to find out where we sit in Manitoba—I just say that because I think education is one of those things that under your Government, watching the three ministers sort of operate, and some of the confusion that has come forward with—and we talked about this in the last Estimates, about the failure to produce any savings on the amalgamation.

I think it has to come down to ultimately a matter of saying that we have the confidence in the

curriculum that we have in our school system, so that we know that children are being taught and are being taught at a level that gives them a sense of self-confidence, self-awareness, that they can go out and choose whatever field they may want, whether it is post-secondary education, whether it is going directly into the workforce. Those are decisions that individuals can make at that point, but regardless of anything that has happened in the past, looking forward as I think one of the discussions that was in the newspaper articles was talking about striking up another committee.

I would say to the First Minister that I have talked to a number of people and said: How many more committees and studies do we need around education? I mean, I think you could pull every single study about every angle, regardless of what your political stripe or what you believe is or what your educational background is, pull it off the shelf. Mr. Chair, I think it is pretty much almost done, but I was interested today to get your sense as to what your urgency, or lack of urgency, is with respect to what your new Minister of Education (Mr. Bjornson) has talked about, a consultation process.

I think you put a consultation process in place because you are not satisfied with what you have and I think any time we can improve education I think you will get nothing but a standing ovation from everybody that is elected here. I think everybody wants that, but if you are going to go out and do that, are you looking at making some sort of a commitment to assessing Manitoba students in Grade 6 and Grade 9 that is not necessarily on a voluntary basis.

**Mr. Doer:** Mr. Chair, the word used in the letter from Mr. Carlyle reiterating the position of the minister, Conservative government, is "optional," and that is the policy that was implemented in 1999. I was a bit surprised about it, because I actually remember being attacked by your predecessor in the election when I talked about Grade 3 exams and was very much told in the election—I can bring back some of the transcripts if you would like.

Having said that, the only issue here is we have a situation where 50 percent of the children are being tested and less than 50 percent are not, or the other way around, rather. There is less than 50% participation by school boards, so that is something we

have to deal with. I will await the Minister of Education's review of it.

We are not going to panic about it, just the reality of what has happened since we took over the existing policy. He said he is going to consult, he has not got any recommendation from those consultations and I do not want to pre-empt it.

The question was valid in terms of what about parents, and I think you heard from the minister parents will be involved as well as teachers and all stakeholders.

**Mr. Murray:** If it was deemed during the course of those hearings, and I know that I am going to go down a hypothetical path and the Premier can just say, well, that is hypothetical, I will not answer it. But he has entered this discussion and has said on the record here, and I know that he is also a parent which is important. But, if during these consultations there was a move or a recommendation to more assessments that were province-wide that were not optional but more mandatory in Grade 6 and Grade 9, if that is the recommendation that came back, would the Premier agree to implement that?

**Mr. Doer:** You are right, it is hypothetical. You are exactly right, and that is a standard test of parliamentary rules. You are correct.

I mean, it has got nuances. It also has a cost factor, too. The first criterion is education. But if you had 10 percent participating in a test, can you afford to implement it if 90 percent are not participating. That is the obvious, it is not there yet. We try to also, and the minister stated that cost-effectiveness would also be key. We have reduced the number of people in the testing branch by over 50, I think, since we were elected. Those are all salaries of considerable amount of money per year. We have to do that, too. So we not only have to justify meeting educational objectives, we also have to do it in the most cost-effective way. So I say to the member opposite, lots of times we get recommendations and so did the former government. We get recommendations we cannot afford, or in a scale of priorities some other priority would go ahead.

I am sure he will realize this, and that is why I cannot be hypothetical because it is more than just governments at the end of the day have to also stand up and justify the budget. The member would be the

first one standing up saying that if the spending is, in his mind, indefensible, then he will say so and rightly so.

**Mr. Murray:** I would say that we would certainly not be against putting money into school programs, and that sort of thing, and those increases, I think, are very much looked on as an investment rather than expense because I think that is an important part of the process.

I just believe that you cannot possibly manage something if you cannot measure it. I really think that as we go through the process, I just find it interesting, I will leave it at that comment, and ask the Premier who has now been in the Premier's chair since 1999, makes reference to a letter that John Carlyle talked about. But, as you move forward, I find it interesting that you would be—it is not a necessary panic to get out and do something, but if you are looking at doing consultations sometime in 2005, that then is really six years while you have been Premier of the province. That it has taken six years to sort of get a process underway. I am not suggesting anything should be panicked, but I do think six years is quite a time frame to go by before you take stock and say, "look, we are prepared to have some consultation."

\* (15:20)

Mr. Chair, I just would ask the First Minister, what the rationale for delaying any consultation would be because you could not come up with a consultation process unless you wanted to see something come out of it.

**Mr. Doer:** One presumes by the nature of the question that the member opposite is presuming that there were no consultations before the decision was made in August of '99. I have to say I was not aware of any consultations. I assume there were some. You know, we have other issues we are trying to address in education. We are trying to get away from some of the episodic decisions that are made in education. One day a minister comes in and the whole curriculum is changed for this learning, I forget the name of it, but the learning program, what was the, adult or—

**An Honourable Member:** Adult learning centres.

**Mr. Doer:** No. There was another one. A whole set of curriculum changes were made and then they were

going to remove Canadian history. The Legions had to get involved. Then we were going to make "God Save the Queen" mandatory in all the schools, and that happened. So we have tried to get away from some of these kind of emotional cow pies, if you will, and tried to go on a more deliberate path on education. That is what we are trying to do.

This is a policy that is in a state of—we do not have universal acceptance, obviously, by the number of students in it. Nor do we have numbers that—I think the enrolment is in the 40% range. It is higher than 40, less than 50 and over 40. The majority of kids are not getting the Grades 6 and 9 tests that the member opposite said when the members opposite made it voluntary.

You know, I should go back, I do not remember any big announcement. I know the election was called on August 17, 1999, but I do not remember the August 12 policy of the minister. I actually did not know until I saw the letter when I came in, in the transition period. I was kind of surprised, because I remember getting attacked, you know, there was a good political debate on Grade 3 exams, for our policies in the '99 election.

I did not know that by stealth the members opposite in government, I do not even know whether all the members were informed that the Grades 6 and 9 tests went from mandatory to optional. I did not know that. Actually, if I pulled out some tapes I think I could show kind of a—I would be interested. Well, it does not do me any good now. I have to look forward, but it is interesting. We will listen and we will work. It is not the only thing we are looking at in education, though.

**Mr. Murray:** Mr. Chair, I would ask the First Minister then: Are you looking at more forced school division amalgamations of which I speak? You know, like St. James school division, where we are waiting for the other shoe to drop, St. James-Assiniboia. Are you looking at more forced school division amalgamations?

**Mr. Doer:** I do not think you have seen us announce anything or heard us announce anything.

**Mr. Murray:** Well, that is certainly not a definite no. I would just ask the First Minister—I am just trying to listen to what you answered. You said that we are looking at other things in education, as much

as you are open, your process that you talked about with the Minister of Education (Mr. Bjornson) is looking at. But I think that, you know, the way that the forced amalgamations, I think it was just, you know, I think a little sneaky the way that the First Minister kind of went in and decided which divisions were going to be amalgamated.

I use the word "sneaky" because there was no sort of a rhyme or reason to it. There was supposed to be certain numbers of schools or a certain number of students, but that did not seem to apply to all divisions. Again, my school division, of which I am the MLA, and the members from Assiniboia and St. James are also in that school division. There did not seem to be any criteria. I would just ask the First Minister: Are you looking at forcing any other school divisions to amalgamate in Manitoba?

**Mr. Doer:** When I mentioned we are looking at other matters right now, I think he would note that we are looking at the whole issue of healthy living and how do we deal with some of the challenges on curriculum, the pressures on curriculum.

There have been proposals before for voluntary amalgamations. You can see policies being articulated either way. We are trying to make the present system work. There was rhyme and reason on what we eventually did. Going from nine school divisions in Winnipeg to six was not exactly a radical idea.

There are some cities of comparable size that have one school division and some have two because of the religious factors that are different. So reducing school divisions by a third in Winnipeg—generally speaking, the smaller divisions were amalgamated, and you note that St. James-Assiniboia is a larger, at that point with the nine divisions, St. James-Assiniboia was larger, so was Winnipeg One, so was Seven Oaks, and so was River East. Mr. Chair, even some of the other ones were smaller, so there was some thought to it.

I welcome the member to campaign in the next election from going from six to nine again. I think it is counter-intuitive to what the mighty Tory party used to stand for. But that is your call. You will decide. I recommend—[interjection] Okay.

I remember the *Butch Cassidy and the Sundance Kid* movie where they said, "If you tell me to go, I will stay." I will be careful offering any more advice.

**Mr. Murray:** I would, I guess, Mr. Chair, offer the same advice to the First Minister, because he will not give a definitive.

Will he campaign in the next election campaign that he is going to force more school divisions to amalgamate under the false pretence that there is savings?

**Mr. Doer:** I will allow the member to wait for what I will campaign on four years from now. *[interjection]*

**Mr. Murray:** I will take it, then, Mr. Chair, from what the First Minister's sort of lack of clarification is, that his Government is looking at more forcing of amalgamation of school divisions, which, I would say, that there are certain school trustees that—that will be somewhat troublesome, only because I think they want to get on with planning what they do best and that is quality of education and ensuring that the local programming is done properly at the local level, which I think they do a good job of. But I think it is unfortunate that under this Premier those school trustees are forced to go out and tax their neighbours. We think that is not the way to do it, but that is his decision. We see that percentage being reduced year over year.

I would say that, as we have these discussions, and we will see in the next Budget and the Budget after that, but I do say that I think when the First Minister is not able to sort of clarify something as substantial as forcing school divisions to amalgamate, knowing the history that we have already seen in the province of Manitoba under this Premier with some of the turmoil that it has created. I mean I know that it leaves a bit of hole in the doughnut because there are divisions that were forced and some divisions were left alone. There were criteria, at least, there did not appear to be.

\* (15:30)

I think it is a pretty straightforward question to ask about more school divisions being forced to amalgamate. If it is something that the Premier (Mr. Doer) either does not want to answer or would like to avoid, I would only suggest that it leaves the odour that something is coming, and that people should be aware. So, Mr. Chair, before I go on I would just ask the First Minister if he could in any way, shape, or form assure those school divisions that currently, I guess, were passed over in that forced amalgamation

movement; if those single, stand-alone school divisions will be left alone?

**Mr. Doer:** Well, Mr. Chair, I would recall last November the member claimed the sky was falling when he thought we were going to "change the balanced budget legislation and eliminated the balanced budget legislation," so I would suggest the members opposite not chase straw man person's symbols too dramatically; we want the existing system to work for the people and for the students. We want the existing system to work; for the students, for the people.

**Mr. Murray:** That is an admirable target, except, of course, when you said you were going to find \$10-million worth of savings. That evaporated to the point where it has gone the other way, and there are more additional costs. It is not a matter of the skies are falling; what is falling is the percentage of funding that this Government provides for provincial funding of education. It has gone from 60.9 percent down to 56.7 percent. That is a significant decline no matter how you slice it. I just wondered if the First Minister could let this House know when can we expect the funding report and its recommendations?

**Mr. Doer:** I am going to take the question as notice. I am not aware of the exact timing. Having said that, there have been reports in the past including when members opposite were in government, they recommended that the provincial government go to 80 percent.

I remember former Premier Filmon promised to go to 80 percent. I would point out that the property tax credits which are subtracted off your taxes were increased by \$56 million, so they also come off your taxes, and it is tangible support. That line is \$175 million in the Department of Education, education tax credit budget line, and when you add that to the other amount of money, you get a higher percentage than what the member is quoting. If we reduce the ESL which we promised, and which members opposite promised in '99, that, too, is not factored into the education financing. Mr. Chair, it is the second tax on education. I promised we would get rid of it, and we will.

**Mr. Murray:** I wonder if we are talking about this funding report and its recommendations, the Premier says he will take it on notice. The Minister of Education (Mr. Bjornson) has said in an article on

April 28 that he acknowledged that the report is about two years late. Why is everything being held up?

**Mr. Doer:** Well I think there are discussions going back between municipalities and school boards. Having said that, I would like to write a report tomorrow that says—I could get a report tomorrow from all provinces saying we want 50% funding for health care as it was started. That does not mean to say that the federal government is going to say, oh, okay. The Fyke report was quoted in the *Free Press* this weekend, calling on 25% funding in health care. If we continue to go from 17 down to 16 percent, then what we can do on the other side for municipalities and school boards is limited. We said that in the Budget, so these are not absolutes; they are related.

My commitment to the people of Manitoba is to keep my promises on education, and I have kept every one of them. Mr. Chair, I promised to increase the property tax credits \$75 a year, which is subtracted off of peoples' bills in our first two years. Then I promised to phase down, subject to balanced budget legislation, the ESL. I have kept the promise. I also promised to fund education at the rate of growth of the economy. I did not promise more than that and I did not promise less than that.

**Mr. Murray:** The \$10-million saving, was that a promise or was that you just said you were going to do that because it was a number you thought would get attention?

**Mr. Doer:** It has obviously got a lot of your attention. You have asked me about a hundred questions on it.

**Mr. Murray:** Well, I only go there because the Premier wants to say that he has made all of these promises and he kept every promise that he has made. I mean, I find it a little surprising that he would say that and not expect me to, basically, go back and ask questions on things that he said that he was going to do. I mean, I just think it is a bit thick to sort of sit here and say that every promise that you have made you have kept. I think that, if we were in Question Period, that would perhaps promote debate because I do not think that is accurate. Some of the things you have said certainly have happened, but that was pretty substantial.

I mean, I always find it fascinating in this process when somebody comes forward with a number.

We have some time when we are going to talk about the floodway, and again, just because the First Minister always talks about on time, on budget, how is it that you could possibly come up with a number of \$10 million and just be so far off? I mean, that is the problem and that is why, you know, I guess if you wonder it has got my attention, it has got my attention because it is just such an incredibly astronomical number that if it were even remotely achievable, I think people would be delighted.

It comes back to what I said earlier about putting, if you put that kind of money into programming, into resources, into classrooms, boy, I think the "Hallelujah Chorus" would start up pretty quickly. But those were numbers that you came forward with, and so the fact that you have not been able to prove how you were going to do that, and you have not been able to sort of indicate what homework went in or a business case, or whatever you call it, that went in to say here is the number and here is how we are driving to that number.

It is like me saying that the Toronto Maple Leafs are going to win the Stanley Cup. I did not say when; I just said they were going to win it. I would like them to win it this year. I am not sure if that is going to happen. But the point is that \$10 million, I think you would agree, I think it is about the amount of money in this year's Budget, if I am not mistaken, that you are selling off provincial assets because you think you can garner some \$10 million. So it is a substantial amount of money. I just find it incredible that you would make that claim and then not be able to, in any way, shape or form, corroborate or substantiate how you are getting there.

**Mr. Doer:** I am pleased the member opposite has indicated that \$10 million is, what was the term, a gargantuan amount of money, or a huge amount of money. I forget the term he used but I will look it up in Hansard because that is exactly how much systematically we have reduced again the ESL tax. So why he considers that a huge amount of money, and I will be glad to use the same term on the tax reductions we have made again this year.

**Mr. Murray:** Thanks for the Freudian slip.

I wondered if the Premier could comment on the Mayor of Winnipeg's supposed newer deal.

\* (15:40)

**Mr. Doer:** Well, we have had two proposals and the facts of the matter are, this Budget increased the support to the City of Winnipeg by close to \$2 million again. We have also backfilled the Municipal Tax Sharing agreement, the decline of revenues with all municipalities. We provide \$140 million to the City of Winnipeg, some of which are unconditional grants that could be used for street repairs and other matters, some \$50 million a year now, \$48.5 million in municipal tax sharing agreements.

That is unique in Canada. The federal government, which is presently being lauded by the mayor, provides, I think, \$12 million directly and indirectly to their budget. So we feel that we are giving very, very positive support. As we understand it, the Prime Minister, subject to what happens in the federal election, is going to have a discussion with premiers on a 10-year plan on health care and then we are going to have work that is going on with the cities and municipalities. Where that is going to go with the federal government we are not sure, but we have said we would participate. Beyond that, we will await what proposals are being made and how they are going to be funded.

**Mr. Murray:** Well, my understanding of the mayor's newer deal is really from the federal government standpoint. They have got their approach, but on the provincial standpoint they are looking at doing away with some of the grants and going specifically, as they say, targeting a gas tax.

I guess there are two ways of doing it and I think the number that they are looking at generating is some \$66 million. I do not have it in front of me, but if memory serves, I think they were looking at either a 6-cent-a-litre portion on the gas tax going to the City of Winnipeg or an additional 3 on top of 3, in other words, coming to another 6 cents on what is existing and adding another 3 cents. Either way you are looking at 6 cents, which I think would kick out some \$66 million from the provincial government. On that specific proposal, I just wonder if the First Minister could share his thoughts on those specifics.

**Mr. Doer:** We did not raise gas taxes except to equalize the diesel tax, which is the second lowest in Canada. The gas tax is the second lowest in Canada. We did not move in our Budget on it but we did indicate that we will participate in the discussions. I would point out that the \$48 million that presently goes in the Municipal Tax Sharing agreement to the

City of Winnipeg plus the transit grant alone is worth 7 cents a litre.

If you added up after that the infrastructure, the capital, et cetera, if you get to \$140 million, it is more in revenue support to the City than the gas taxes collected in Winnipeg. Having said that, we are not sure exactly. We hear one day it is going to be a gas tax. We hear the next day it is going to be a municipal gas tax just for cities, then we hear it is for municipalities.

I think Manitoba will participate with the debate. We have said that in the Budget. Beyond that, the federal government changes its views from time to time. The City has changed their proposal.

But I would point out that besides the existing \$140 million, we have money for the floodway that we are proceeding with. We have support for three infrastructure proposals. The proposal obviously on water sewage treatment is a priority for the province. That announcement was \$165 million. So there is lots of support directly and indirectly for municipalities in Manitoba.

We are working with rural municipalities and northern municipalities. The first infrastructure proposal we had was more specific in rural Manitoba to some of these boil-water orders and clean water.

We expect that the timing of these sessions will be (a) subject to whenever the federal election is, and I do not control that; (b) whatever the people of Canada decide, and I do not control that; (c) after the meeting that may take place in the summer dealing with the 10-year plan on health care, and I do not control that, because the public might control that with an election; and (d) there is going to be some kind of proposal on cities sometime in November, and municipalities.

We have said we are going to those meetings as the only province in Canada with a municipal tax sharing agreement, money. Alberta has a gas tax that they share already. We certainly are participating in a lot of projects.

Downtown Winnipeg, I know the member opposite was opposed to the new arena, the new entertainment complex, voted against it. It will be open this fall. It is an example of working together with the City and the federal government.

**Mr. Murray:** Can the First Minister just tell us what he had shared with the mayor about how he plans to deal with his—I will call it the newer deal that has been presented and it was made public? What has the First Minister indicated to the mayor as to how he will proceed on this basis?

**Mr. Doer:** We have said that we will participate in a positive way. When there were problems dealing with, for example, the revenue sharing agreement of Hydro there was criticism of the Province. We ended up solving it by having a merger of Winnipeg and Manitoba Hydro to provide an ongoing, predictable revenue to the City of Winnipeg. Some of these things are part of the City of Winnipeg base budget. We have to remind people of that. Our practice has been to work in a positive way, but I do not want to prejudge what is going to come out of the national discussion both on health care and in areas of municipal support.

**Mr. Murray:** We can go back to the Estimates of a couple of years ago. I always think it is important just for clarification that if there was anything that we were opposed to about the new MTS Centre was just the lack of the First Minister's ability to explain what it is that the taxpayers of Manitoba were on the hook for. He changed his mind. Mr. Chair, at one point it was a minimum amount. Then a maximum amount in terms of VLT revenue. That is just a factual statement of clarification of the record.

I would ask the First Minister—you are right, we do not know what is going to happen in a federal election campaign. We do not know what the outcome is. There are a lot of things we do not know. Having said all that, what we do know, I think, is where the City has gone. I think they are looking at, at least what the councillors that I met with explained to me, is that they wanted an opportunity of some sort of a growth tax. That is why they were sort of putting their focus on a gas tax, rightly or wrongly. I was actually quite surprised because what they said was that they wanted to do away with the grants and look at a growth tax. If that is what they want to do, I guess that is their position and that is what they are going to come to you, as the Premier of the province, and try to convince you as to which route to go. Just in principle, looking at reducing as they are suggesting, I am not suggesting it, I just want to get a sense from you. They are looking at reducing the grants and then upping or having an option of looking at some kind of a growth tax as they deemed

it to be, a gas tax. In principle, is that something that you would support?

**Mr. Doer:** Part of what we have to do is try to make this as transparent as possible. I noticed not always do you see the Municipal Tax Sharing agreement expressed as support from the provincial government to the municipal government even though it is the only one in Canada. I do not think City Council is talking about reducing the \$140 million and coming back with the \$66 million on gas taxes and taking a \$70-million reduction, the way I look at it. The only time this was ever implemented was Ed Schreyer in the seventies. It has been maintained in Manitoba.

\* (15:50)

In my view, and the member opposite would know more about this than I would, but if you are going to get another set of circumstances as we have in the Middle East, the prices going up on gasoline, you might have more conservation, and it might not be the growth tax that you think.

I am not sure what the member received from City Council. I do know that they have proposed to the federal government there would be two thirds of one point of GST. We will see what happens.

I am pleased, for example, the federal government took some action in this last Budget, and I think the City is as well. We also have to deal with other municipalities. I cannot just deal with one mayor because I am dealing with the mayor of Brandon one day, the mayor of the city of Winnipeg the next day.

Obviously, Winnipeg has a huge number of people and it is very important with the number of corporate headquarters here and corporate operations here. But I have to also look at the North and the rural areas and the city of Winnipeg and if you got into straight arithmetic numbers, you get, you know, some cities, like Steinbach actually on a per-capita basis generate lots of revenue for the Province.

So sometimes some of the arguments are quite not ones that I would necessarily think are the best arguments for the citizens of Manitoba, but the bottom line is, we have—Dan Kelly said of the last Budget, he said lots of interesting things, and one of the things he said is the Province of Manitoba funds the City of Winnipeg more generously than any other province in Canada.



Now they review these things. I have never said that nor do I expect to make a rebellion. But he is a good advocate. I mean, some of the issues of infrastructure challenges, those are legitimate issues.

We have infrastructure challenges on our highways. We have infrastructure challenges on our sewage treatment. We have infrastructure challenges at the universities. We have infrastructure challenges at our hospitals. We have infrastructure challenges in our public school system and so do the municipalities.

So do the municipalities and so does the federal government, although they have more, as the Conference Board identifies, they have more of the revenue sources, and that is very clear. We put that in the Budget. The Conference Board identified fiscal challenges for both provinces and municipalities and you can see some of the budgets across this country that are coming down from some of the challenges.

**Mr. Murray:** I would ask then the First Minister's rationale for, as he just outlined, a number of infrastructure challenges that we have in Winnipeg. You know what, I will come back to that. I am going to ask just on the other, just to get a clarification.

In reference then to the mayor's newer deal that you are looking at, you would then give the indication, at least from what I am hearing from you, that you would not necessarily want to deal just as a Winnipeg stand-alone, that you would be looking at if there is any sort of, and I will just use the term because it is out there, a newer deal, that you would be looking at that for all of the municipalities in Manitoba.

It is not a matter of just sort of taking a line in Winnipeg and saying, look, we are going to sit down and cut this deal with you in Winnipeg. By the way, I certainly will give you an easy, soft lob here. I mean, it is one thing that I would support.

I mean, I just do not see how you can deal with one mayor of a number of cities here in Manitoba, you would have to have a broad appeal, but I would just make sure that I want to get it out of your sense of direction.

It is not a matter of what I think, because you are the one that is going to have to deal with the mayor

on this thing. But would you be looking at saying that we are not going to just deal with Winnipeg alone? We are going to look at a made-in-Manitoba, province-wide solution.

**Mr. Doer:** Well, the Municipal Tax Sharing agreement that was brought in by Ed Schreyer and the VLT-sharing agreement that was brought in by Gary Filmon were brought in to have treatment equal across the province.

There are some unique parts of Winnipeg. There are some unique parts of rural Manitoba. There are differential funding formulas for municipalities for policing that are not necessarily comparable and the former Minister of Urban Affairs would know all these issues.

Then there are some, for example, transit grants in Winnipeg and Brandon that would be also not comparable to other municipalities, but generally speaking we have said that we govern for all the people of Manitoba.

I spoke at the FCM convention last year. Paul Martin spoke there as a private member of Parliament last June and he spoke to the FCM meeting the year before then in Hamilton, and it was all based on the FCM, which is Federation of Canadian Municipalities. It was all of them, so I am assuming that is still the Liberal Prime Minister's position because that was his position at the Winnipeg Convention Centre when he spoke almost a year ago to the delegates.

I did not hear all of the speeches that day. We were still engaged in an election, but I do know that he spoke and I know his message was to all the delegates, not to the big city mayors. So I feel that the Premier and the Province have to deal with all municipalities but there are unique parts of each arrangement.

Where there are unique parts, they are not totally the same. For example, the Municipal Tax Sharing agreement, I think, has a minimum threshold per population to protect smaller communities. So I think there is a minimum threshold there.

Having said that, Manitoba has nothing to apologize for in terms of municipal funding, but we also are willing to look at a modernization of how we deal with health care with the national government

and how we deal with infrastructure challenges for municipal infrastructure needs. We are willing to participate in a productive way. I think that the mayor putting this on the national agenda has been helpful to the debate. But the answer to the questions is, we govern for all Manitoba.

**Mr. Murray:** I wonder if the First Minister could just clarify, I do not know if it is the round, I guess, of negotiations that took place in terms of infrastructure. I just want to go back to the comments that you made where you said that we have a lot of infrastructure deficits here in the city of Winnipeg, and you know what they are because you listed them.

I just find it somewhat interesting that when the negotiations between the three levels of government—that with that kind of infrastructure deficit that you would agree to something like rapid transit, knowing full well that that does not address any of the issues that you just raised with respect to infrastructure deficit. You know, those things are city issues, that you raised. I think they are very, very important. I understand the water and sewage that you made reference to. I think the Kenaston underpass is an infrastructure deficit.

I do not understand how you can agree to those sort of things and then allow something like rapid transit, that does not address an infrastructure deficit but is something completely different. I have heard you state before, you know, that that is something that the mayor wanted to do. You know, you could have, I think, used your power of persuasion and looked at the mayor and talked about more of the infrastructure deficit.

So maybe you can just explain how it is that we are going to end up with, whether it happens or not, but going down the road of rapid transit, when, clearly, it hardly fits on the radar screen of infrastructure deficit.

\*(16:00)

**Mr. Doer:** Yes, this is a priority established by City Council. It was, I believe, passed at a whole City Council meeting. I will double-check that. It was a priority on the list, by the way, in 1999-2000 and we felt downtown was higher on the priority list. It was a motion passed by City Council, by the elected members of City Council. The City has \$50 million, or \$48.5 million, from the Province in a Municipal

Tax Sharing agreement, every year, which is more, by far a larger sum of money, than the City wants to put into rapid transit.

If the member opposite discussed issues with the members of Council, Mr. Chair, I am sure he raised that, because I believe that most members of the mayor's EPC voted for it at the EPC meeting. I think Mr. Clement voted for it, and others. I am just trying to go through the list. It is a question of whether the Province of Manitoba tries to tell the City of Winnipeg what the priority for them should be, or whether we try to have the City Council determine, to some degree, the priority.

**Mr. Murray:** I would say that it is not. I do not know if it is a matter of saying what he would be directing, sort of, what the City wants to do. I think it is a matter of looking at that whole arrangement. I mean, Mr. Chair, I assume that the First Minister is on record as saying that he supports the development of the Kenaston underpass. That debate has been raging in this Legislature for a number of years. It now appears as if it is going to come to fruition. So you look at sort of that infrastructure piece, you look at the water and sewer, and then you look at the rapid transit. I guess I would just ask the Premier is rapid transit something that he would support at this time for the city of Winnipeg.

**Mr. Doer:** I support a consensus of projects that proceed on the basis of priorities for different levels of government. Mr. Chair, the priority for the federal government was the Kenaston underpass. We supported that. A priority for us was sewage treatment. We had support from the City and the federal government. The priority for the city of Winnipeg, as voted by the City of Winnipeg Council, was for rapid transit.

Members opposite talk about the Kenaston underpass. Well, I would point out that part of what you have to do in arriving at a consensus is find a way to get different priorities dealt with. Sometimes different priorities are not always your No. 1 priority and sometimes they are. I am pleased that we were able to get a doable solution, for example, to the Reh-Fit Centre. That was a long outstanding work. We are working on some other projects we think are positive.

When the City of Brandon says that the priority is this, I do not go back and say, oh, I know better

than you what the priority should be for your city. When the city of Flin Flon says, "Our priority is this," I do not go back and say, "oh, I know better." This is a city council resolution. It is not just the mayor. The City Council of Winnipeg put it on the priority list before. In the last infrastructure proposal they had a City of Winnipeg proposal to deal with it in this infrastructure proposal. The City still has their \$48 million from us a year, which is much more than this rapid transit, for street repair and infrastructure with the Municipal Tax Sharing agreement. So they then can determine what the priorities are, as can Brandon, as can Portage, as can Thompson.

**Mr. Murray:** Again, I would think that if you asked both the mayor and the lead minister from the federal government about a water treatment plant, I could see why they would agree to that and they would think that is important. I do not think they would look at that and say that we are not about to tell the Premier of the province of Manitoba what to do, we think that is a very, very important initiative.

I would suggest that Kenaston, seeing as it is the single biggest bottleneck between here and Mexico, it is not one of those things that takes a tremendous amount of persuasion. It just takes a little bit of resolution to do the right thing and make it happen. So you have those two initiatives there, being the Kenaston underpass and water sewage treatment, and then that leaves rapid transit. I would just ask, it is not a matter of saying did the Premier get there and say, well, I know better than you. That is not the question. The question simply is do you support rapid transit.

**Mr. Doer:** I support the fact that we have a three-party agreement on three projects. Mr. Chair, the member opposite talks about how easy it is to do the Kenaston underpass. They had 11 years and it did not get done. I could tell you, in our first term, some of the ideas for it did not get to fruition either until the spring of 2003 when we had some money left over, and even then we could not flow it, and it got caught up when I made a statement. Sewage treatment, nothing has happened in this city for 50 years.

So the member opposite, to see a tripartite agreement on sewage treatment, he says, "oh, that is just a simple issue, it must have been easy." No, it was not. I can assure the member opposite it was not easy. Getting three levels of government together, each of them feeling comfortable with a priority being met, I

would say that the largest amount of money is going to sewage treatment. I am pleased with that.

I do not tell the City of Winnipeg what their priorities should be. The City Council recommends to us, and that is the way it works. What I like and do not like is irrelevant in the sense of telling them what their priorities are. Obviously, Mr. Chair, when you are working with three or four different proposals there are options to deal with city streets.

There is \$48.5 million a year, the Municipal Tax Sharing agreement, going into the City. No other province does that with their municipalities. There are some \$89 million total in the province going into municipal infrastructure. So there are other areas. Again, we have not told the City, "Do not spend it on this proposal." We, or Mr. Filmon before me, or Mr. Pawley before him, or Mr. Lyon before him, or Premier Schreyer before him who established this program, did not say that this is what you have to spend it on. Now, there are capital grants, which are conditional, there are transit grants, there are beauty grants, there are Municipal Tax Sharing grants, and it adds up to \$140 million a year.

On the infrastructure, it would have been better for the City, for example, to have—give me another example—potentially a Ste. Agathe dam system rather than a floodway protection system, but that would not be very good for southern Manitoba. So you have to sit down and work with people. To their credit, the City and the Province have had lots of disagreements; Mr. Chair, we have tried to work them out in a productive way. We have been tough where we have had to be tough on the floodway expansion as opposed to Ste. Agathe dams. We have tried to respect City Council priorities.

I am not sure whether the member opposite, he mentioned he discussed this with members of City Council, the new deal, and I am sure he would have heard their views about the priority of rapid transit. But I do note that most of the people he probably met with voted for it. I am not suggesting that the member is suggesting they voted for it under duress; surely to goodness not.

**Mr. Murray:** Likewise, I would hope that the First Minister did not support rapid transit under duress. I would hope that he did it because it is something that he believes is the right thing. That is why I am just trying to get a sense.

\* (16:10)

I would certainly want to correct one thing that was said, and if I indicated in any way, shape or form that cutting arrangements was easy, I do not believe that is what I was saying. I think what I was very clearly saying is that people see that the Kenaston underpass has been a bottleneck for years and has been, I think, on a lot of people's radar screen to accomplish and get done. Much like, I do not think anybody would have much trouble, I would be blown away if the mayor of Winnipeg said that we are not interested in supporting the Province's initiative for water and sewer. I would find that quite surprising, although maybe the First Minister would say that was the case. I will not put words in your mouth, but that is up to you. I would find that surprising. When you go down that path and then you get to the issue of rapid transit, again it is not a matter of telling City Council what to do. I think you are absolutely right. I think that is not the way that you work in co-operation with others.

Having said that, Mr. Chair, when you look at two pieces of infrastructure, of the two of the three and one being the Kenaston underpass, the second being water treatment and sewage, clearly infrastructure areas, and the third one comes along as rapid transit, it is not a matter of telling the City what to do. It is a matter of basically standing and saying, "I support the mayor's initiative to spend money on rapid transit in Winnipeg." I mean, for it to go ahead, you would have to support it. It is not a matter of saying we need a consensus, we need this, we need that. That is why I am trying to just ask you, did you or do you support rapid transit in Winnipeg?

**Mr. Doer:** Well, I support the agreement we reached with all three levels. I did not support the fountain in the back of the Legislative Building. I do not know what the members opposite had to do to get that fountain, but that is just life. I am not going to tear it down after.

**Mr. Murray:** Mr. Chair, the Premier is certainly not suggesting that this was another one, if you elect me I will tear down the fountain sort of promise. He was going to buy MTS. Hopefully, that is not where he was going.

I just think that it is important that Manitobans know the position that their First Minister, their Premier has taken. To say that it is one that you

support the tripartite agreement is fair. It is vague but it is fair. You know, the specifics around it—I mean, I would ask that if you are looking at whether you supported the Kenaston underpass, I believe you did because I think you have said that you would see that thing built and history is history. You have said and I agree, we support you, that that is something that should be built.

I have just never, ever heard and maybe I have missed it in discussions in anything that you have said, and you know, with respect, you have sat in this chair over here, so you know that when the Premier of the province of the day speaks, former Premier Filmon, I think you listened to what he said fairly closely and monitored some of the things that he said, and watched those things as I do with you, not that I am going to get into the forced amalgamation or the \$10 million. We have been there, but I say it on the basis that I have never heard you, as the Premier of the province of Manitoba, the Leader of the New Democratic Party, any of those things—I have never heard you talk about championing a rapid transit system in Winnipeg.

So to me it is something that I have never heard from you. So just to say that we support the initiative, the tripartite agreement, I just think it is a bit vague. So I would just like to get a sense, that it is not a matter of telling City Hall what to do or what not to do, it is a matter of saying you, as the Premier of the province of Manitoba, do you support rapid transit? Yes or no?

**Mr. Doer:** He asked me how I monitored the former premier. I would note that I did not participate in too many Rogerian therapy sessions about how he felt about things. He was pretty careful about his feelings. Bottom line is, so if you are asking me about my feelings, I am not going to tell you my feelings on every issue. I am going to just say I support the agreement we reached and I support the fact that City Council has a right to determine the priorities of the City of Winnipeg in these discussions. They had a vote on it. It was not something that was only supported by the mayor. It was supported by a whole City Council. It was a controversy there but there is an agreement dealing with three projects and I think all three together is part of the agreement. You know, you start unravelling agreements and you will lose the Kenaston underpass and that is probably why, I do not know why it did not happen in the past but we will get it done this time around.

**Mrs. Bonnie Mitchelson (River East):** Mr. Chair, I guess I would like to ask the Premier, based on the provincial government's commitment of \$17 million to a rapid transit system, you know it is one thing to say he supports the agreement; we know he supports the agreement because he put \$17 million of taxpayers' money at the provincial level into a rapid transit system.

In order to make that kind of commitment, especially in a year where we hear the Government talking about how difficult it is to make ends meet, it is the toughest Budget they have had to deliver since they have been in office, I guess my question would be, it is an easy way out, a bit of a cop-out to say, "I support the agreement." The reality is that there is \$17 million of Manitoba taxpayers' money as an investment. So I would ask the Premier why he believes that is a priority over other infrastructure needs, I guess, in the city.

**Mr. Doer:** Well, the agreement was over a number of years, and I believe it is 10 years. Secondly, there is support for 11 straight years, and transit funding from members opposite when they were in government. I will add up the numbers over the 11 years in transit grants, probably add up to about—I bet you it would add up to close to \$200 million dealing with the subsidies of ridership. But it is part of an overall agreement, and the members opposite will note that the largest amount of money is going to the sewage treatment project and that is, obviously, the item we took to the table, and we stand by a three-party agreement with three different projects that were mutually negotiated by people of good faith identifying their priorities.

The bottom line is there is \$55 million from Ottawa, the majority of which is coming for the sewage treatment. That was not there before. There was one third of the money coming to—\$13 million coming to Kenaston underpass. That was not there before, and there was money from Ottawa, also, for rapid transit that was not there before.

We are all part of dealing with priorities and I support the consensus. If there was an election next week and you wanted to get rid of the whole deal, you would have the right to do it. I found myself implementing lots of agreements that I did not agree with every part of it when I came into office from members opposite, and I just would suggest to members opposite that they know it is part of a comprehensive agreement.

In terms of raw support to the City of Winnipeg, there is \$48 million a year for other priorities in municipal tax transfers that flow every year, so in the period of time of this agreement, that municipal tax transfer, or a comparable tax payment, in the next 10 years will be well over \$500 million. I would just like to put it in perspective.

\* (16:20)

**Mrs. Mitchelson:** But if history serves me correctly, Mr. Chair, I remember when we first came into government back in 1988 and looked at what some of the plans of the former administration were when the now Premier was the Minister of Urban Affairs, the Provincial Municipal Tax Sharing arrangements were looking at being cut by the Pawley administration under this now Premier's watch as the Minister of Urban Affairs, and there was a recommendation that had gone forward that the Provincial Municipal Tax Sharing arrangements would change to give less money to the City of Winnipeg or to freeze the amount of money that was going to the City of Winnipeg. That was part of his agenda when they were government, and we certainly changed that when we came into government, so he now talks in glowing terms about the money that is going to the City, and we do agree that the Provincial Municipal Tax Sharing is a very important component, and a component of funding that not many other major cities across the country get, so we certainly are supportive and we hope that he will continue to support that.

I guess I still want to go back, because I have not had a chance to, you know, certainly all of us have been out and about and very involved in our communities and have seen the kinds of infrastructure deficits, not to talk about the potholes that are right across the city that need some immediate attention, but mostly why I felt it was important to write to the Premier back at the beginning of April before the Budget was introduced with some very specific questions as a member of the Legislature, and I am hoping that the Premier has taken the time to read the letter and has had a bit of briefing or an opportunity to look and ask some of the questions that I did ask in my letter to him of officials or the City of Winnipeg or someone to at least get some clarification or some answers to the questions.

We all know that the \$17 million, part of the \$51-million commitment to the first phase of the

rapid transit system is really only a down payment. We are looking at significant infrastructure dollars, to the tune of about \$400 million, for a rapid transit system when we do not really have any answers to a lot of very significant questions that need to be asked. I do not think any government, at any level, should enter into what is such a significant expenditure of taxpayers' dollars without some sort of a plan and some concrete answers for the taxpayers who are going to be supporting that.

I wonder if I could just take a few minutes, because I know that the Premier has had these questions for close to a month now without any acknowledgement back to me even that he received the letter, but nonetheless, maybe he could just indicate to me whether he has in his possession or the provincial government has in their possession, anywhere, any feasibility studies that have been conducted in regard to rapid transit that would indicate a \$400-million expenditure.

**Mr. Doer:** We have not agreed to a \$400-million expenditure. Secondly, I will be answering the questions in detail when I am able. She can wait for the answers.

**Mrs. Mitchelson:** I guess, then, that the Premier has just answered part of another question that I asked him by indicating that there is not a \$400-million commitment to expenditures. So it would seem to me that maybe, then, the only commitment has been to the first phase, which is \$17 million of Manitoba taxpayers' dollars. So I do not know whether that means, and maybe he could answer for me, that he has not endorsed the whole project. I realize that he may be responding, I would just hope that he would be prepared to put on record or share with us any feasibility studies. All we are doing is asking for some accountability and transparency for the \$17 million that has been committed to date by this Government. The Premier was part of the announcement. He has committed to that and I guess I am just questioning on what basis. Is there a feasibility study or is there not? Does he have anything in his hands that would indicate that this is a significant priority that would warrant that kind of money announced in a year when dollars are tight?

**Mr. Doer:** I am surprised that the Conservative Party of Manitoba is against the whole agreement for sewage treatment, the Kenaston underpass and the priorities of the City of Winnipeg. I will duly note

that, and that is something we can agree to disagree with. It is part of a total set of negotiations and I said I would answer the question when we are able to answer it, and I will do so.

**Mrs. Mitchelson:** Mr. Chair, that is certainly an arrogant answer from a Premier who knows full well that we are on the record as supporting the Kenaston underpass. It is a significant infrastructure issue that needs to be dealt with. Although I do not live out in that part of the city, I recognize the need. We all recognize that need. There have been significant campaigns on our side of the House in support of that project. So for the Premier to say something like that is just, I think, ludicrous. It is a little childish, I might say.

On the sewage treatment, we all know, although that is not a sexy infrastructure project per se, it is something that is long overdue and needs to be done. I have to commend the Premier (Mr. Doer) for putting forward that as his priority. There is no question in my mind that it is something that needs to be done. I give credit where credit is due, but I still think that three levels of government committing \$51 million to a project where we do not have many answers is a significant issue.

I know that the Premier has said he will answer in full detail, but I think the question is very simple. I mean, he entered into an agreement. I know there has to be some give and take, but the reality is, we do not have any sort of sound footing for moving forward with support of this project at this time, especially when there is such an infrastructure deficit in areas that need to be met. I guess the Premier's answer indicates to me that there is no feasibility study that has been conducted to warrant this, and that is a shame. That is a shame when you look at some of the other priority needs that need to be dealt with on a much more immediate basis.

Maybe the Premier can answer for me whether there has been any cost benefit analysis done to support the expenditure of \$51 million?

\* (16:30)

**Mr. Doer:** First of all, I would note to the member opposite that she is basically saying the City Council that passed this resolution, that she knows better than City Council. That is her right to say that, but she is tossing around terms. I think that she should be

careful, because the City Council did review all the issues of ridership and efficiencies and looked at their various proposals. This is something that has been around for a while, the proposal, in a much more modified way. As the member said, there is give and take in negotiations and discussions. I know that the member knows that.

I know that there are elements of any agreement that different jurisdictions bring to the table. We try not to be arrogant about those proposals from an elected city council. We try to be very sensitive to their work there, due diligence. I think City Council obviously would not consider it if they did not believe it was not a matter of priority. They too are concerned about some of the other projects that need to be done and be carried out.

In terms of the feasibility question and all the other questions that the member has asked in the letter, I will answer it when I am able to answer every question. We are dealing with a lot of issues right now. We dealt with issues before we went into the discussions with the levels of government. I would point out it is over a 10-year period.

There has been some obvious work done starting with City Council. I would point out that there is give and take, as the member says, and I am glad she has acknowledged that. Secondly, we will answer all her questions. We will give her an answer to all the questions she has raised. I would not assume anything until she has the answers to the questions.

**Mrs. Mitchelson:** I guess the Premier and I might agree to disagree on this issue. I do not necessarily just take City Council's word for things without the analysis and the due diligence that needs to be done in order to move forward on a project. The Premier may think that that is okay, Mr. Chair, but I cannot say that I agree with City Council's priority when it comes to funding a rapid transit system over some of the other priorities in infrastructure that are desperately required. In this instance, I am second-guessing City Council's decision to put this forward as a priority.

I know, Mr. Chair, that the Premier is only too well aware of a lot of the issues out in the northeast quadrant of the city of Winnipeg that need doing. I know that over many years there have been infrastructure projects that have benefited all parts of the city. But I do know that in northeast Winnipeg, in

my community, there are significant infrastructure issues that need to be addressed, I would venture to guess on a much higher priority basis than a rapid transit system at this point in time.

Mr. Chair, I want to congratulate the Premier on the announcement in the Budget around the twinning of the northeast Perimeter Highway. It has been a pretty ugly situation over the last few years where we have seen some fatal accidents on that stretch of highway. So I do want to say to the Premier that was a positive decision, although I would like to ask a few questions around that, only because when I applauded it when the Budget was read, it indicated that it was going to happen in three years. Then the next morning an announcement was made. There was a \$5-million commitment this year, I believe, and the news release and the announcement at that time indicated that it would be five years before it was completed. So there is a bit of a discrepancy there, and I am not sure what the true information is or what the real answer is.

I might ask the Premier whether he could indicate to me whether it was the Government's intention to complete that twinning within the three years that was indicated in the budget document or the five years that was announced the day after.

**Mr. Doer:** I would recommend you ask the specifics to the Department of Transportation when they are up in Estimates. I think there are issues of land acquisition, and the member will know, sometimes, I know in other projects, obviously we are prepared to acknowledge that has to be a priority, that and other projects. Sometimes it depends on land acquisition and other factors. I do not have all the specifics of the question, so I will leave that to the minister. I am sure he will be adequately grilled by people in the northeast quadrant on that project. I am sure he will be grilled on every project.

I know that there are different criteria, and I am sure the member opposite would know why they did the northeast Perimeter, but why was it not four lanes. Maybe an issue of affordability. I do think it was good they did the initial two lanes, but I do not have all the details of the land acquisition issues and other matters. We are also trying to co-ordinate some of the efforts with the floodway work in terms of bridge work. We are trying to have a critical path. The bottom line is we acknowledge it should be done, and we are acknowledging that we are going to start doing it.

Right now, it is the worst of both worlds because the two-lane Perimeter Highway might have as much traffic as a four-lane, but certainly there have been some fairly bad accidents there and of course, there are lots of highways. This, of course, begs the question of what we deal with in terms of what is an important infrastructure. Is it safety first, a convenience second? So, when we talk infrastructure, safety to us is a very important consideration, and I know to all members here. I think that is really, really important.

**Mrs. Mitchelson:** This may be a little more detailed than what the Premier can answer, but is there some consideration in that, I think it was a \$65-million overall total projected cost, some consideration in that to fix the traffic congestion at the bottleneck where 59 and the Perimeter meet? I believe that there was, or there probably would be in that financial allocation, some consideration there and it may be more than what the Premier can answer and, if there is, I can certainly ask the minister of Highways that question. I just thought he might know.

**Mr. Doer:** I know the priority is first to deal with the issues of safety, both perceived and real, on the east side. Then the second issue is to deal with the issues of convenience, including my own. I might be in a conflict of interest as might the member opposite, although she is representing people in that area, but, as Premier, I have to be careful I am not dealing with my own convenience to get to the lake two minutes earlier rather than the safety. So safety is first and convenience is second, in all the projects.

**Mrs. Mitchelson:** I appreciate the Premier's answer and, yes, I do not think we want to get into the convenience issues too much, although I certainly do know that for many that travel out to our lakes and communities out to the east of us that, in fact, those from the northeast quadrant of the city of Winnipeg have found that even with only two lanes, it does considerably cut down on the travel time to get away for some rest and relaxation after a hard week's work. I would agree that the safety issue is of paramount concern.

\* (16:40)

Then that leads me, Mr. Chair, to the safety on our residential streets in North Kildonan. I know we had a little bit of a discussion last year in Estimates on the closure of one residential street to reduce the

traffic flow and the issue that that presented for several other residential streets in northeast Winnipeg. I do not think the Premier and I are on a different wavelength. I do not think that either one of us felt that just moving the traffic from one street to another was the solution in northeast Winnipeg that was very satisfactory.

The whole issue of traffic on our residential streets is of paramount significance. We have seen the closure of McIvor, which has made residents on McIvor extremely happy, and it has made many other residents on Bonner, Knowles, Glenway and Ragsdale, Sun Valley, where we have a school, very unhappy. It has not in any way solved the east-west traffic flow problem in our community. It is a safety issue. Many of those streets have young families and young children with no sidewalks, deep ditches, and not very safe. It is a significant issue that needs to be looked at and needs to be addressed.

When I look at some of the plans for an east-west corridor through North Kildonan, and I look at the cost—and it is projected to be about \$23 million for a stage that would take the traffic off our residential streets—and then I look at the whole issue of rapid transit costing \$51 million for a first phase, which I would believe and I would interpret to be more of a convenience issue, not a necessity or a safety issue, again, I have to bring that back and question the rationale behind moving on a project like the rapid transit system when we have safety issues on our residential streets. For less than half of the cost of that first phase of the rapid transit system we could have a significantly safer community for our residents and our children.

Now I just wonder what the Premier's comments might be on that.

**Mr. Doer:** Well, Mr. Chair, I have discussed a number of other projects with the mayor. We mention McIvor, Bonner, Knowles, but there are other people who would be known to the member opposite who are concerned about where the next section would go and what that would mean for them who live right beside us—she will know who they are probably—who are worried about their children now being beside, going from a kind of pastoral setting to a "corridor."

Having said that, we will continue discussions on all kinds of transportation issues for the city, and I



have to be careful. It is certainly not in Concordia, but I know that there are various land acquisitions. The City has already made for potential relief; right now it is an ad hoc policy. Again, some of the advice will come from the City. Sometimes you cannot choose what advice you receive from the City and which ones we do not. I do not agree with every decision and, I am sure, the member opposite does not agree with every decision that she sees, even in our own area.

The Leader of the Opposition (Mr. Murray) asked me whether I would represent all municipalities of Manitoba equally dealing with the so-called son of the new deal and whatever the latest incarnation is of that. I assured him that I have to be the Premier for the whole province, and I would also want to say to members opposite that I am very aware of issues in northeast Winnipeg. They have been discussed, and to me some of these issues are not either/or proposals.

**Mrs. Mitchelson:** Mr. Chair, I thank the Premier for that answer, although I am not sure that I am satisfied with the response that he has given.

Another area in northeast Winnipeg that is, certainly, a safety issue is Springfield Road and Lagimodiere Boulevard. Also, you know we look at the heavy industrial traffic from Palliser Furniture and Kitchen Craft that are very welcome businesses out in our community. We see significantly heavy traffic, and it is probably more of a convenience issue I would say at rush hour than a safety issue. But, certainly, the bottleneck and the traffic at Springfield and Lagimodiere is a safety issue, and we have seen some pretty significant tragedies happen at that corner. It is a mess. There, again, I look at that as opposed to a \$51-million investment in a rapid transit system. When you weigh the two, the safety issue at Springfield and Lagimodiere would, certainly, in my mind, be a bigger issue than the convenience of a rapid transit system.

So I again would like to hear the Premier's comments on that. It has been one of those issues that many, many in our community have indicated needs to be addressed.

**Mr. Doer:** I am not trying to take the place of City Hall. Mr. Chair, I would point out that there are some immediate issues of infrastructure that the member has identified. I would point out that the rapid transit

issue, I think the subsidy to transit, and I can pull the numbers out for the 11 years members opposite were in government. The subsidies to transit versus, say, the 1.7 million on average that would go to the new rapid transit. It will be interesting to see whether that can, over time, reduce subsidies for transit.

The bottom line is there are a number of capital projects that are one-time only in Winnipeg and outside of Winnipeg and projects the member identifies. I am certainly familiar with them only because I travel not in the same circles as the member opposite but on the same routes. I try to take a straight line.

Actually I found my time. I lived on Glenwood Crescent before, to get personal here. It takes me about 11 more minutes from where I live. I always listen to the traffic reports because there are about four different routes to get to this building. We are virtually three blocks or one minute away from the Perimeter Highway, both of us, or maybe two minutes. *[interjection]* Well, I followed a mutual friend of ours sometimes driving your car to the Perimeter.

Having said that, I did note it was interesting. I was doing the deal with the traffic person, Mr. Barkley, whose significant other is a science expert in the River East School Division. He did take me down some routes that did concern me, and there is no question about that. He knew the routes better than I did. I was extremely impressed by the fact that I could get from the Salisbury House in North Kildonan past that beautiful new River East Access Centre up to the Perimeter Highway, over that new bridge that was built this summer, down to Main Street, stop there to do an interview where I was getting insulted by the interviewer, not that there is anything wrong with it, and then off down Main Street all the way through downtown and then over to Academy, where there was apparently a truck stalled. Then down Academy to Kenaston, all the way down Kenaston through that truck traffic, no problems with the Kenaston underpass, compared to if I had taken him to the Munroe and Concordia area, or Munroe and some of the sites and some of the problems on that crossing. Then, of course, noted the change in some of the truck traffic there, and then moved off to McGillivray and down McGillivray towards the Perimeter Highway, then the Perimeter Highway all the way back to Waverley, and this was still less than an hour at rush hour.

\* (16:50)

So maybe this speaks to the fact that we need more people in Winnipeg because I thought it was interesting when we had an article saying that the commute was about three minutes longer now than it was five years ago. This is a challenge, including some of the projects the member opposite has talked about. But if you moved the commute, if you moved the east-west traffic from McIvor to Bonner that is one thing. If you move it adjacent to where the City has land acquisition, there are going to be people living there too.

But I have discussed some of these challenges with the mayor along with other transportation challenges in literally every quadrant in Winnipeg. We do have capital that we spend, and we try to make sure it is efficient.

**Mrs. Mitchelson:** I have to agree on one point with the Premier. Well, we are not always on opposite sides of certain issues, and I do know that maybe it attests to the fact that we are smaller in population. But in the early seventies, certainly different now, we were transferred to Toronto for a year and could hardly wait to get back to Manitoba. But I do want to indicate that my commute to work was 45 miles to downtown Toronto. I do want to indicate that, from time to time, if there was an accident on the freeways, on the 401, then I spent three and a half hours on the road going home.

So, when we came back to Winnipeg bottleneck traffic did not bother me nearly as much and waiting five or ten minutes longer. I still remember those times, and when I am a little aggravated and in a bit of a hurry, I think back and say it is not nearly as bad as I am feeling, but the reality is, again—so I sort of question then about the biggest argument for a rapid transit system, Mr. Chair, being that you will get from "Confusion Corner" out to the university in ten minutes less than you would than if you would if you travelled by car.

We, again, look at that as a convenience thing rather than a safety issue, because I have not heard any arguments for rapid transit being safety arguments. The arguments for a bottleneck at Springfield Road and Lagimodiere—and I give the Premier (Mr. Doer) credit where credit is due, that there are issues in other parts of the city, too, that need to be addressed.

I mean, it is a significant safety issue. When we look at young children, we do know that, for young children today because of the busing policies for many schools, if you live within the city limits, you walk or take the transit bus. Well, on a lot of those east-west streets when you get out past Gateway Road, they are gravel or hardtop roads with big ditches and no sidewalks. You have children that are having to walk. There are no buses that go down those streets to pick them up, even part-way down. They have got significant walks on not very safe streets when you have the kind of east-west traffic that we see on those streets. So it is a significant issue. It is a community with a lot of young families. Our schools are very busy.

So, when I talk about safety issues, I am talking about the safety of young children in our community, and I do not see the priority for \$51 million for a rapid transit system when we have community safety issues and traffic on our roads that is jeopardizing that safety for our young children. So I have to indicate that I think, when we are looking at the big picture, I would say that the City has its priorities wrong, and I would again have to question why we would look at \$17 million on a rapid transit system, which, I think, based on even the Premier's definition, is more of a convenience issue than a safety issue.

You know again, when the Premier says we put a lot of money into subsidization of our transit system, I would agree that we have. But, again, I would ask the question: What would make him believe, or what studies or what cost-benefit analysis has been done that would lead him to think, that subsidization might decrease rather than increase? I mean, we have a small portion of an overall bigger picture rapid transit system that will be done or completed with this \$51 million. That \$51 million, from what I am understanding, does not even buy one of the buses to put on that system. I am told that the buses are a cost in addition to the \$51 million that is being spent on the infrastructure project and that not one bus will be bought. So the question becomes then: How are we going to buy the buses to put on the system that we are building, and what indication is there based on any type of financial analysis that would indicate that ridership subsidization would go down and not up under the new system?

**Mr. Doer:** Well, I would add that probably the member opposite was a part of a Cabinet that had

cheques for probably close to \$200 million on transit subsidies in Winnipeg, and all the arguments could be made about east-west corridors, et cetera, in a similar way.

The issue of transit capital is always made, and it is made with Flyer bus companies, which, of course, a lot of people in northeast Winnipeg work in, and the new technology will have advantages for the fact that I think we are building some 1500 buses a year in that plant with Manitoba workers, exporting to cities all over North America.

There is an economic advantage for Flyer bus company. Secondly, Mr. Chair, the issue of ridership means fewer cars on the highways, and fewer cars make some of the routes less expensive to pay for more individuals and will, hopefully, allow more money available for other needed projects. So I will answer the questions directly for the member.

It is part of a comprehensive agreement, the first time ever we have got the federal government committed to a major infrastructure proposal like the Kenaston underpass. That arose out of an election in 2003. We have got another election going on now. Taking a \$20-million project and dividing it by three is more affordable for every level of government than dividing it by less amounts.

So it will be interesting to see, but, as I say, Kenaston underpass, part of it came about as part of an election promise made in 2000 and the political will and determination of this Government to make it happen. But I will supply answers to her letter.

**Mrs. Mitchelson:** I guess I still am not completely satisfied with the answers that I have received from the Premier. I mean, the buck stops in the Premier's office, and he, ultimately, has responsibility for the leadership and the overall priority-setting of the Province.

You know, in order to get money from the feds and from the City in an agreement, we see a questionable \$51-million commitment to a project. I believe that, when I get a detailed response, I might be pleasantly surprised, but I am not going to hold my breath waiting for any answers that would give me any sense that the due diligence has been done.

\* (17:00)

Again, when we hear the mayor talking about wanting or needing a new deal or a newer deal or

whatever we have in front of us today, and we have a Premier who has committed to a \$17-million expenditure. I again will look forward to his answers, but I am not sure that they will give me much sense of satisfaction that it is going to be money well spent.

When we have a federal government that is in the mess that it is in today and has used taxpayers' dollars in questionable ways in the past, I wonder whose advice has encouraged this use of taxpayers' dollars. I honestly question how this was raised to the priority level that it has been raised to and how it got on the table as part of a tripartite agreement.

So I will be listening to and waiting with anticipation for a written response from the Premier to my questions. I am hoping that he would have the courage, if he does not have satisfactory answers when he checks with those within his bureaucracy or asks for answers from the City. I know it was not the Province's first priority because the Province may not have the answers to the questions, but I would hope he would look very closely at the information that he gets.

If he finds that the answers to my questions cannot be answered in a way that would satisfy him that it was a wise choice to enter into an agreement to spend \$51 million on the rapid transit system, that he would have the courage to go back to the City of Winnipeg and state publicly that maybe it was not a prudent decision and that those dollars could go a long way to dealing with some of the issues, not only in northeast Winnipeg, but in some of the other areas that he indicated, while he drove through the city, that needed to be addressed. We would all want to see that happen.

Again, when dollars are tight, when the Province is having difficulty balancing the budget, and we see the needs ever increasing, we want to make sure that the priorities are identified, Mr. Chair, that safety before convenience becomes the criteria upon which infrastructure investments are made.

I am hoping that the Premier (Mr. Doer) will today make that commitment to me. If he does not get the satisfactory information that would indicate that this is a priority issue based on safety, that he might make that commitment today to go back to the table, and see whether, in fact, he could not convince the other two levels of government, which, I believe, he might be able to do in his persuasive way, to

rethink that priority, and reallocate those dollars to higher priority safety needs in our Winnipeg community.

**Mr. Doer:** The member opposite signed cheques for \$200 million for transit operating grants in her period of time in Cabinet. I guess the difference between her government's view and ours is that perhaps we should be dealing with some of the other challenges on transit, and look at the economic opportunities to increase, hopefully, ridership and profitability, and decrease the subsidies, and have more money for projects that we are identifying, but I will answer the latter.

The member opposite is making the case. I will go back and look at how many dollars, how many cents went into transit subsidies. I can add up all the projects in northeast Winnipeg that I think should happen, or in other sections of the city. It is not as if members opposite did not pour money into transit. It did.

Mr. Chair, the City Council does care about some of the challenges members opposite are identifying, because, quite frankly, some of them have been raised by the mayor to me, so it is not as if we are ignoring all the challenges. They know they have challenges in northeast Winnipeg, as they do in south Winnipeg, but we certainly are not going to have a situation where we throw away the Kenaston underpass as part of an agreement just because we do not represent the two ridings that abut the Kenaston underpass. It does not mean to say we do not consider it a concern that has to be dealt with. That is how we are trying to deal with it.

**Mrs. Mitchelson:** The Premier likes to—and he has said several times that we supported subsidies to Winnipeg Transit. Yes, we did. Is he telling me that he is not supporting Winnipeg Transit today with subsidies?

I do not believe I will get the answer that he is not, because I believe he still is, but what guarantee can he give to the citizens or the taxpayers of Manitoba that the new rapid transit system will reduce that subsidy?

The dollars are still flowing, unless this Premier has cut subsidies to transit. So maybe he could indicate: Are those subsidies still flowing? I would hope in his response to the questions that I have

asked he will be able to indicate whether he can guarantee, as a result of \$51 million of taxpayer expenditure on a rapid transit system, that subsidies will decrease.

**Mr. Doer:** Subsidies will not decrease unless ridership increases.

**Mrs. Mitchelson:** Mr. Chair, I think the Premier has just made my point. I am hoping that he can indicate clearly that there are studies, and that due diligence has been done, that there is a cost benefit analysis that will indicate clearly that subsidies will go down. If he cannot do that, again, I would reiterate that I would hope he would go back to the drawing board.

You never know. Mr. Chair. We may have a different federal government in the not too distant future. We may have the same one, but, either the Premier's party or my party could end up forming a government in Ottawa. If that is the case, there might be completely different dynamics, and we could go back to the drawing board there.

I might venture to guess that, if the mayor decides to run and wins a seat for the federal Liberal Party, there might be completely different dynamics at the City level. So, maybe the Premier then, being the dean of the three levels of government, might, in fact, be able to play a leadership role and go back and rethink the priorities that were part of that agreement and reconsider the dollars or the expenditures on a rapid transit system.

**Mr. Doer:** It will be interesting, even our own little section of Canada, our own little area of Canada, to see what happens in that area. I know the former Member for Fort Garry, the now candidate in our riding, was having tea at the member's residence, I would imagine, and in other areas. I was not invited. *[interjection]* I am glad you had something stronger than that.

\* (17:10)

However, Mr. Chair, I would like to just say that I do not have any way of predicting what is going to happen. I think I know what is going to happen in the city, but I do not want to make any predictions. *[interjection]* Well, sometimes I agree with the honourable member opposite, and sometimes I do not.

But, at the post, the racing season started on the weekend, and I think it is a good comparison for what is going to happen shortly in Canada.

**Mrs. Mitchelson:** Mr. Chair, if we could just move on to something else. I do not know what the discussions have been, but if I could just ask the Premier, and I know our leader has probably been through staffing in Executive Council. I was wondering whether the Premier could indicate to me how many positions there are in Cabinet Communications?

**Mr. Doer:** A comparable amount to when we came into office. Having said that, I did reduce it by one in our first three years, and it is now back at equal levels and equal numbers of secondments to have the same staff complement.

**Mrs. Mitchelson:** Can the Premier indicate to me whether individual departments today and ministers have their own communicators over and above the Cabinet communications secretary?

**Mr. Doer:** Well, the department of cultural affairs and Tourism has a branch within it that was there when we came into office, and I believe it still has a number of people that perform various functions. I do not know the exact total. I understand the staffing is lower there, but I am not 100 percent sure. The member could ask that question in those Estimates, but the answer to the question is there are people that work in a separate department of government that are responsible for advertising some other issues in government.

**Mrs. Mitchelson:** I understand that the structure, then, is still that there is the Cabinet communication secretary and there is the Culture branch, but I guess my question would be: Has there been any changes at the ministerial level, where ministers within the Government would have their own communicator responsible for their issues over and above the central branch in Culture or Cabinet communications?

**Mr. Doer:** I do not believe there is, but I will double-check it. I will take it as notice. There are people that sometimes talk to the media. When they ask the deputy ministers—for example, I heard Hubert Mesman on the radio today—Mr. Mesman, rather, on the Venture Tour situation. We promoted him to be director of Tourism. I think he was working for Mr. Downey and the Pan Am Games before then, but I

do not think he was a communicator. But there are people—I am just trying to think out loud. There are positions, —there are comparable positions. We were one down when we first started; we are equal now. There are secondments; there are maternity leaves.

The secondments are equal to the past. For example, Mr. Godin was seconded in the past, but I would not try to portray us as being below where members opposite were or above. Mr. Godin was seconded, certainly, I believe, comparable months. We were one down; we did not succeed.

**Mr. Murray:** I wonder if the Premier could advise when Mr. Fox-Decent is going to provide a recommendation on the procedure on the floodway.

**Mr. Doer:** Well, I have not set any deadlines. Obviously, there is timing in terms of when we have to proceed with the next stage. The next crucial decision is the environmental licensing that is taking place. I do not want to speak to that because that is a quasi-judicial body. That, to us, is the next, the most important decision still to be made by a body that, as I say, is quasi-judicial. As I understand it, they are proceeding. Simultaneous to that, there are discussions on the labour issues.

The bottom line is that the whole project needs environmental licence to proceed. I remember the former parts of it did not need that, but we do now. We have agreement on a process that is a joint one-hearing process, which has saved us, potentially, a couple of years. We have not set a deadline for Mr. Fox-Decent, but he is the kind of person who will know when to report or when he can get a consensus. He has dealt with these issues before.

**Mr. Murray:** In the Premier's mind, is there a time line when these issues should come forward before there is a sense of putting the project off with concerns in terms of delaying? I am not suggesting that. Mr. Fox-Decent would not do that; that is not where I am going. I am just trying to get a sense from the Premier whether there is a suggestion at all that the hearings or any decisions made on the environmental side may delay the floodway expansion, thereby potentially causing delay that may be harmful.

**Mr. Doer:** If we had proceeded to have separate federal and provincial hearings, it would have taken, arguably, a lot longer period of time to have two

processes rather than one. It would be more costly to have two processes rather than one. I was pleased that Mr. Gilroy was able to work with then-Minister Rock and with our people, the environment department, to satisfy everyone that one process was the way to go. That took about four months, maybe even longer, to get agreement on, but that has already saved us time. You will recall that Mr. Gerrard, or the Member for River Heights, excuse me, did argue the separate process; that would have taken a lot longer period of time. So we have saved that time at the front end through the negotiations, but the environmental licence is from a quasi-judicial body. I cannot instruct them on their time lines because that is a quasi-judicial body. That is more of a factor to deal with on the time side than anything else we are presently dealing with. There is also a sequencing of bridges and bridge work that is important.

As regards the environmental assessment process, according to the minister responsible, as I understand it, it is beginning the process; it is filed. The proposal for a licence is before that body.

\* (17:20)

**Mr. Murray:** When we talk about the flood-of-a-thousand years, which, I think, is how the expansion of the floodway has been looked at, is there a sense from the Premier that—and I respect that it is a quasi-judicial body—there is a time line that if we do not start to move towards sticking a shovel in the ground that a window will open and close? Not that the project will not go ahead; of course, it will go ahead. But is there a sense that the time line, knowing that you can work through winter—it just drives up the cost, of course—may be delayed somewhat, or is he anticipating, and I know he would not like it and it is not what I am trying to get a sense from him, just if he would like to share if there is a sense that that might jeopardize just the start time of the process?

**Mr. Doer:** I do not want to speak to what decision the Clean Environment Commission is going to make and the timeliness of their hearings. I just really think I have to be very careful. It is a quasi-judicial body. We knew that, if we had two separate hearings to get a licence separate with the federal government and the provincial government, it would take longer. Mr. Chair, I am pleased that Mr. Gilroy has managed that potential liability for timing effectively, but I cannot speak to, nor should I speak to, a quasi-judicial body.

I have to be very careful about it because there are people out there who oppose lots of things. They have a right to do that as citizens, and if I say something right now, they could take what I say, and say that I have already made up my mind and Bob is your uncle, and there we have an injunction. I have to respect that the existing proposal is into the environmental licensing process. It is in a way that we would find most appropriate, considering matters in one licensing process, not in two. We took a lot of time and effort to get that. The member mentioned it is 1 in 1000 years. It is 1 in 700 years, the total project, and it is 1 in 240 years, which covers us back to 1826 in this stage, this first \$240-million stage.

Now there are some factors which still have not been determined; for example, there is still work going on, on the ground-water impact, the first floodway in some parts of the area and what that means in terms of design. Mr. Chair, some of this design work is not going to be equal depth and equal width on every location because of what its impact is on ground water and aquifers and other things. That is part of the last factor as we go more and more into the actual design work. That is part of the work, and the more satisfaction we get there, the better off we are with the environmental licensing process.

Mr. Chair, there are people still angry about what happened in the mid-sixties. Members opposite will know that. There are still people opposed to what happened in the mid-sixties. I believe the former Premier Roblin did the right thing. There are still people opposed to it, the Liberals and some other people.

**Mr. Murray:** The issue about the aquifers. I know there is some discussion going on right now as we speak. There are some committees going around hearing issues. Is there a sense from the First Minister, as he has been following this discussion, that there is concern from the Clean Environment Commission about the aquifers? Is that more of a local issue? I want to know kind of what has been brought to your attention.

**Mr. Doer:** I do not want to speak to what the Clean Environment Commission will be concerned about. It is their right to be concerned about issues that are raised with them or their right not to be concerned about it. What we can do is only try to answer the questions as best we can, including questions that are raised right back to the sixties on some of these

issues of aquifers. If I am making any mistakes, I would ask the minister to get off his BlackBerry and give me a yes or a no. There are no hockey games; there is no reason to be on a BlackBerry right now. If there is anything that I am saying that is incorrect, give me a—

**An Honourable Member:** BlackBerry.

**Mr. Doer:** We are before a quasi-judicial body, and I am pleased that it is one licensing process. That is the one area that we had some advocacy and management authority or advocacy around with the federal government. I think Allan Rock made the right decision. I want to praise him for that. I think he made the right decision. I think we made the right decision going with a floodway expansion, same as the Ste. Agathe proposals.

We were talking earlier how that would fit with the city of Winnipeg. Obviously, Mr. Chair, just building a bunch of dams on a bunch of rivers is cheaper for the City, but we have to manage for all of Manitoba. That is what we are trying to do. There are still people fighting World War I or Duff's Ditch One. This is, as Izzy Asper quite correctly said, "the son of a ditch."

**Mr. Murray:** Is the Premier expecting the report from Wally Fox-Decent sometime in the next two weeks?

**Mr. Doer:** I do not have the date. It has been my experience in the past—I mean, it is not like the 1990 election where former Premier Filmon wanted a report on the doctors' potential strike before the vote. At the same time, we have to get on with business. He is working with the parties, and he has written good reports in the past. I signed on to his Meech Lake Task Force report, so did Sharon Carstairs and so did Gary Filmon. If you have three of us agreeing to something, anything is possible.

**Mr. Murray:** You are absolutely right on that. I know that we are getting close to the hour, but could

the Premier indicate if he gave guiding principles at all to Mr. Fox-Decent as he is entering into these negotiations?

**Mr. Doer:** The last time I talked to Mr. Fox-Decent was about the symphony, and I gave him guiding principles: Get more people in the seats. We have put together a board that we think will give some comfort to some of the people who want to donate in the private sector. They have had more people in the seats this year. The symphony is not out of the woods yet, I think it is safe to mention, but the last conversation I had with Professor Wally Fox-Decent was about the symphony. Now, that is not to say one is more important than the other, but I just want to tell the member that is my last conversation with Wally Fox-Decent, and I have a lot of respect for his ability.

I hear he is an old friend of Colin Powell's. If I could not have got Governor Pawlenty last week, we might have had to phone Wally to phone Colin, or maybe Mulroney, or maybe one of those stories is about you down in Washington that Colin Powell was talking about on the weekend. You never know. I will check my sources. *[interjection]* Everybody should have a situation room, but nobody should have to use it.

**Some Honourable Members:** Unless there is a situation.

**Mr. Doer:** That is right. That is all relative.

**Mr. Chairperson:** The hour being 5:30 p.m., committee rise. Call in the Speaker.

#### IN SESSION

**Mr. Speaker:** The hour being 5:30, the House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 3, 2004

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