

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

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

| Member | Constituency | Political Affiliation |
|--------------------------|---------------------|------------------------------|
| AGLUGUB, Cris | The Maples | N.D.P. |
| ALLAN, Nancy, Hon. | St. Vital | N.D.P. |
| ALTEMEYER, Rob | Wolseley | N.D.P. |
| ASHTON, Steve, Hon. | Thompson | N.D.P. |
| BJORNSON, Peter, Hon. | Gimli | N.D.P. |
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| 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. |
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| 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. |
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| MURRAY, Stuart | Kirkfield Park | P.C. |
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| OSWALD, Theresa | Seine River | N.D.P. |
| PENNER, Jack | Emerson | P.C. |
| REID, Daryl | Transcona | N.D.P. |
| REIMER, Jack | Southdale | P.C. |
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| ROCAN, Denis | Carman | P.C. |
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| SCHULER, Ron | Springfield | P.C. |
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| STRUTHERS, Stan, Hon. | Dauphin-Roblin | N.D.P. |
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| TWEED, Mervin | Turtle Mountain | P.C. |
| WOWCHUK, Rosann, Hon. | Swan River | N.D.P. |

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 20, 2004

The House met at 1:30 p.m.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 213—The Seniors' Property Tax Deferment Act

Mr. Jack Reimer (Southdale): I move, seconded by the Member for Minnedosa (Mrs. Rowat), that Bill 213, The Seniors' Property Tax Deferment Act, be now read for the first time.

Motion presented.

Mr. Reimer: Mr. Speaker, this bill enables the government to enter into agreements with seniors who wish to defer school and property taxes on their homes.

Under such an agreement, the government will pay the deferred taxes on the senior's behalf. The deferred amount will be a debt owing by the senior to the government and will be secured by a lien against the senior's home.

The debt will bear an interest rate to be set by regulation that is not more than 1 percent above the government's borrowing rate. This bill also allows widowed persons and persons with disabilities to defer their taxes.

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

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the loge to my right where we have with us Larry Desjardins who is a former Member for St. Boniface.

Also we have Albert Vielfaur who is a former Member for LaVerendrye.

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

I would like to draw the attention of all honourable members to the public gallery where we

have with us today 25 students from Arthur Meighen High School in Portage la Prairie. These students are under the direction of Joellen Reimer and are the guests of the honourable Member for Portage la Prairie (Mr. Faurichou).

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

ORAL QUESTIONS

Pension Freedom Act Government Support

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, last week we introduced The Pension Freedom Act, which would lift the severe restrictions that are currently in place regarding the amount of pension income that seniors can receive.

In speaking to this bill on May 13, the member from Elmwood said, and I quote, "What is that caucus going to say five years, six years, ten years down the road when we have a tremendous amount of citizens coming back to us who have no pension funds left, who have maybe mishandled the money?"

That is what he said, Mr. Speaker. Is this why this Premier refuses to support our pension freedom bill because he and his member from Elmwood think Manitoba seniors are incapable of wisely managing their own money?

* (13:35)

Hon. Gary Doer (Premier): I think the many seniors in the U.K. were very wisely able to handle their own money when Margaret Thatcher deregulated the pension provisions in that country and regrettably, even with that wisdom, 60 000 people were without pensions after the measure was taken.

I have said that there is more flexibility required in pension legislation. We are prepared to provide that flexibility. The issue of spousal concurrence that was lacking in the legislation and in the press release, obviously would be one of the principles that

would be part of our initiative and we are working towards—

An Honourable Member: Oh, oh.

Mr. Speaker: Order.

Mr. Doer: We are working on a more flexible provision. We are aware of some restrictions that are not, in our view, fair to seniors and therefore we are prepared to amend the legislation, but we will have the balance of individual decision making, in terms of pension income, balanced off with the predictability of pensions for income.

We will also have the principle of spousal concurrence or approval as any part of the decision that is going to be made. These are some of the points the minister has made and I have made as we proceed with legislation.

Mr. Murray: Mr. Speaker, it is always interesting when the Premier gets up and takes us on a bit of a tour around the world. We have now gone, I guess, from Mulroney to Thatcher. I am not sure which jurisdiction he is going to next for a response but it will be very interesting.

Perhaps the Premier might actually just go to his neighbour next door in Saskatchewan, the NDP government in Saskatchewan that introduced this legislation. That is what is important about this debate, it already exists in Saskatchewan.

The member from Elmwood has said in this House, and I quote, "I want to caution the members that they perhaps need a little bit more time from the Saskatchewan plan to see how many people actually do come back to the government without any pension benefits, looking for social assistance in the long run," Mr. Speaker.

Mr. Speaker, I would ask if the Premier agrees with his member from Elmwood, if he could explain to the members and seniors in the gallery and all around the province of Manitoba that he believes that if the restrictions are lifted that seniors will blow all of their money and then come back cap-in-hand to the government. How can he possibly treat seniors that are so important to Manitoba with such disrespect?

Mr. Doer: Mr. Speaker, it is because we respect the views of seniors and we respect the views of people

that are providing advice. Women and the Law have told us not to touch it completely. Other people have suggested completely deregulate pension law here in Manitoba. There are two polarized views on this.

We will have a balanced approach to provide greater flexibility for seniors because we do respect their ability to make decisions. We will ensure in that balanced approach that spouses are protected, unlike members opposite. Furthermore, we will ensure in that balanced approach that there is the provision of predictability for pension funds.

As people live longer and enjoy the quality of life, there will be predictability of income, so we believe we can get those three principles in the new legislation that we will bring in.

Mr. Murray: It is interesting that the Premier would stand in the Legislature and talk about a balance and a quality of life, Mr. Speaker. I hope that he does not listen to the member from Elmwood who in this Chamber said, and I quote, "If you follow what the opposition are advocating here, you are going to see increasing numbers of older people in their seventies, in their eighties with no money because they bought cottages when they were 65 years old, rather than retiring with the money intact."

Mr. Speaker, I ask this Premier when he stands in this House and talks about balance and quality of life, does he agree with the member of Elmwood, given the opportunity to invest or spend their own hard-earned money, that he thinks that buying cottages is blowing it.

Mr. Doer: No, Mr. Speaker.

Pension Freedom Act Legislative Process

Mr. Ron Schuler (Springfield): Mr. Speaker, this morning on the advice of the honourable Member for Elmwood (Mr. Maloway), we requested that Bill 212, The Pension Freedom Act, move on to committee to allow Manitobans to speak to the bill.

To our dismay the NDP said, "No" to Manitoba seniors. To our dismay the NDP said, "No" to Bill 212 going to committee. I ask the minister why does she refuse to listen to those women and men who are disadvantaged with their locked-in pensions.

* (13:40)

Hon. Gord Mackintosh (Government House Leader): I rise as House Leader, Mr. Speaker. I was here this morning and answered to the question. The House, the members opposite gave unanimous consent for the matter to stand in the name of the Member for Transcona (Mr. Reid). That is not what the member alleges.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Schuler: Mr. Speaker, the House leader could speak with a bit more credibility if he had, in fact, been here. Leave was requested and it was denied by the NDP.

A pensioner, Michael L., was forced into his line of credit and, in the case of one couple, they went bankrupt. Is this the NDP concept of the pension promise?

I ask the minister responsible again why does the NDP refuse to listen to Manitoba pensioners in regard to Bill 212, The Pension Freedom Act.

Hon. Nancy Allan (Minister of Labour and Immigration): Mr. Speaker, we have been listening to Manitobans and we had just recently, last week we had a meeting. The deputy minister in my department had a meeting with the senior management from the Credit Union Central. I have had a meeting with the Manitoba Society of Seniors. It is very, very important to listen to Manitobans on this very important issue.

Legislation in this province has not been reviewed in over 20 years. When we bring in our legislation, we will bring it in and it will be sure-footed, and it will meet all of the demands that we have promised in this Legislature.

Mr. Schuler: Mr. Speaker, 60 percent of the members of the credit union co-op plan are women and they are amongst the strongest proponents of the change.

I ask this minister why does she not allow The Pension Freedom Act, Bill 212, to go to committee so we can hear from all women and all men who are being hindered by the locked-in pension plan, so that they can have the freedom to decide how they should

spend their dollars in the last years of their retirement. Why will she not let this go to committee and hear from Manitobans?

Ms. Allan: Mr. Speaker, Bill 212 was brought in as a political document, not as good legislation. There is no spousal protection. There is no creditor protection and there is no age limit on unlocking like this legislation in Saskatchewan. It was written on the back of an envelope for political purposes.

Mr. Speaker: The honourable Member for Southdale.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Member for Southdale has the floor.

Property Taxes Deferment Program

Mr. Jack Reimer (Southdale): Mr. Speaker, it seems very appropriate that we are talking about seniors today with the introduction of The Seniors' Property Tax Deferment bill that I just introduced because the seniors are looking at rising costs. They are looking at rising costs in hydro, gas, licence fees, registration for their property, their property taxes and school taxes. In fact, since 2000, property school taxes have risen by 34 percent. They are finding it very difficult to sustain their existence in their homes.

Mr. Speaker, I am asking the Minister of Finance whether he has been aware of the B.C. property tax deferment which has been in effect in helping seniors for almost 30 years. Is he aware of this program?

Hon. Greg Selinger (Minister of Finance): Yes, I am aware of the legislation in B.C. I am wondering if the member opposite is aware that we have had the very same legislation on the books since 1977 in this province.

The regulations for that legislation were repealed on June 21, 1988, by the Filmon government, the members opposite.

Mr. Reimer: Mr. Speaker, the Minister of Finance can look backward as long as he wants and he can point to previous governments and what happened. We are talking about a plan that has been very effective in British Columbia. We are asking him, if

this is such a good plan, then he should introduce it. If he wants to introduce this bill, I will take my name off the bill. He can put his name on it.

Mr. Selinger: Mr. Speaker, perhaps the member did not hear my answer. We do not need a bill. The legislation is on the books. It is the regulations that were repealed by the members opposite.

* (13:45)

Mr. Reimer: Mr. Speaker—

Mr. Speaker: Order. I would like to remind all honourable members, when a Speaker is standing all members should be seated and the Speaker should be heard in silence. I kindly remind all honourable members.

Mr. Reimer: The bill and the intent is to help seniors. I am willing to not take credit for the bill. If the Minister of Finance wants to reintroduce the bill under his regulations, and if he wants to change the regulations and it is available for him to do, I am sure the House will go in favour of it, Mr. Speaker.

I am asking the Minister of Finance, instead of saying that they were there and they were taken off, if he is willing to introduce them and reintroduce them within the next few days before the session ends. We will support those changes. It is no use looking back. Let us look ahead for what is good for the seniors.

Mr. Selinger: In the preparation of the member's bill, did he make seniors aware of the fact that if his bill goes through and seniors defer their property taxes for 10 years, they will lose their eligibility to property tax credits which we have increased from \$625 to \$800?

Has he made those people aware they would no longer be eligible for the property tax credits in this province?

Mr. Speaker: Order. I can only entertain one question at a time.

Bovine Spongiform Encephalopathy Compensation for Producers

Mr. Glen Cummings (Ste. Rose): Mr. Speaker, there are indeed a lot of questions that need to be asked in the direction of this government. Today is the anniversary of when one BSE animal in Canada

closed the world markets to our products. This government advertised, and I mean advertised widely that they were prepared to put multimillion dollars on the table; up to \$180 million, their advertisements talked about. They delivered only about a third of that.

There were a number of producers through no fault of their own and because of capping of the programs who were unable to make themselves eligible for some of this assistance. Would the government today reconsider that plan because they so grossly underspent their advertised amount?

Hon. Ron Lemieux (Acting Minister of Agriculture, Food and Rural Initiatives): Mr. Speaker, I look forward to the opportunity to answer this question. We have stood beside our producers all the way along since that one cow in Alberta was discovered with BSE. Right from the very beginning our Minister of Agriculture and Food (Ms. Wowchuk) has stood beside our producers. We put \$180 million on the table and thus far we have spent \$98.9 million, roughly, with regard to the producers.

We have stood beside our producers and all along the Minister of Agriculture has stated that it is important to get the border open. The border, as far as she was concerned and our government is concerned, is the key issue here. We asked the members opposite, instead of bouncing around all over the province and playing politics with this issue, support our Minister of Agriculture and talk to people they may know out there that can have any influence with regard to opening the border and work with our Minister of Agriculture to do that.

Mr. Cummings: Mr. Speaker, I am not going to abandon my constituents as that minister would suggest. At the very time when the roots of this industry have been shaken it is not about the politics or whether he is right or whether I am right, it is about whether or not they are able to maintain this industry in this province so it will be there for the future to support the taxes that their government wants to levy.

Mr. Speaker, restoring some cash flow to this industry is what needs to happen to keep it whole so it will be there to be a productive part of our economy. Will they now consider a cash advance?

Mr. Lemieux: Our money is on the table. Our Minister of Agriculture and Food has consistently said that repeatedly in this House as mentioned to

members opposite. I can tell you she has fought very, very strongly on behalf of, not only the producers with regard to this particular challenge that we have before us, but with regard to many, many issues with regard to agriculture in this province. Repeatedly we have said our money is on the table. We are behind our producers, we have stood behind them all the way along, Mr. Speaker.

* (13:50)

Mr. Cummings: The Minister of Agriculture, I would accept that she may have fought hard for the industry, but she obviously lost in her Cabinet. Mr. Speaker, a cash advance would create some stability in the industry at a time when people are making critical decisions whether to stay or whether to go. It would stabilize the base of the industry so that it would be there, as I said, to contribute.

Mr. Speaker, I look to the Premier (Mr. Doer) to provide some leadership and some direction and recognize that now would be a wonderful opportunity to instigate a cash advance program.

Mr. Lemieux: It is the anniversary of this terrible BSE that has hit our producers in the country and in the province of Manitoba, and it is regrettable that this has happened. The border has been closed and it has created such a hardship on many families. We recognize that and we have introduced many, many different solutions to try to address what we could with regard to this problem. Of course, our federal counterparts in Ottawa need to prioritize this particular issue which we believe at this point they have not.

Taking a look at what we have done, Mr. Speaker, we take a look at the Manitoba Feeder Assistance Program, there is \$6.2 million; Manitoba Slaughter Deficiency Program, \$9.4 million; Manitoba Drought Assistance Program, \$4 million; Manitoba Cull Animal Program, our portion is about \$4.8 million. Repeatedly, our Minister of Agriculture and Food has been very, very supportive of our producers.

Mr. Speaker: Order.

Bovine Spongiform Encephalopathy Supports for Farm Families

Mrs. Leanne Rowat (Minnedosa): Yesterday in this House we learned that the Family Services Minister has not met with any farm families, families

who have been struggling through the BSE crisis for an entire year. This is a family issue as well as an agriculture issue, and under this minister's watch farm families are hurting.

Where is this minister's sense of responsibility for all Manitobans and where is her leadership? Can this minister tell the House when she will start meeting with farm families?

Hon. Christine Melnick (Minister of Family Services and Housing): Our government works in teams. I am continuing to work with the Minister of Agriculture (Ms. Wowchuk) and the Minister of Health (Mr. Chomiak). We are continuing to work and monitor the rural stress line which we know was cut out by members opposite, reinstated by ourselves, and we will continue to work, all of us together, for the benefit of all Manitobans. Certainly we are very sensitive to those Manitobans who are suffering, having a very hard time, through the BSE crisis.

Mrs. Rowat: Mr. Speaker, I am going to provide some advice for this minister. During the 1997 flood, the then-Minister of Family Services, the Member for River East (Mrs. Mitchelson), understood the importance of visiting the families affected by the disaster. She met with them. She listened to what they had to say and she took action on their behalf. Why is this current Minister of Family Services choosing to ignore farm families during this time of crisis?

Ms. Melnick: Again, we are certainly not ignoring families in crisis. We are working together as a team. Our lead minister is the Minister of Agriculture. In my own department I know that people have called us experiencing difficulties around child care costs. We are being sensitive to that. We are helping families to relieve that cost, and we will continue to work with the Minister of Agriculture, the Minister of Health and our other caucus members for the benefit of the Manitoba families that are suffering through BSE.

Mrs. Rowat: Mr. Speaker, this crisis is having a serious social and economic impact on farm families. Hartney's mayor, Bruce Evans, said it best, "This government is ignoring this area, and the best they have told us is to pray for the borders to open." This has left the community suffering. I do not think I have ever seen people as depressed as this. This government talks about the concern and they do nothing.

My question to the Minister of Family Services is this: Why is she not taking responsibility for these families who are vulnerable and in need of help?

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, it is regrettable that government action that the member wants to personalize, an effort that has been undertaken by a team dealing with individuals.

When the rural stress line was cut out by members opposite, we reintroduced it, and thousands of people are taking advantage of it. When additional funding and positions were required for the rural stress line, we took resources from this government and provided it. When Assiniboine region required mental health assistance in the form of a mental health worker, we provided them with resources long before the member opposite realized it or even mentioned it as an issue. When the other region, North-Eastman, required mental health assistance, we hired and put in place individuals to do that, Mr. Speaker. Actions speak far louder than words. That is, in fact, what has happened from this government.

* (13:55)

Winnipeg Regional Health Authority Surgical Program

Mrs. Myrna Driedger (Charleswood): Two days ago the Minister of Health's answers to serious questions raised about bed closures or surgery cuts were unacceptable. He refused to calm fears that 100 beds could be closed in Winnipeg hospitals in order for the WRHA to avoid a surgery program deficit, but he did confirm that the system will change. I want to ask him will that change include the closure of 100 beds in Winnipeg hospitals.

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, I will not say what the member said on May 23. That very member when she said, "The Tory bed closures in the 1990s of 1400 beds was, a debedding was, a good thing." We intend, and we have, improved and enhanced.

When members opposite did nothing to the cardiac program, we have now changed and moved the cardiac program to one centre following the recommendations of the Koshal report. You cannot take 1300 to 1500 heart surgeries and move them into one centre and not have other movements around the system. Rather than closing 1400 beds,

which was a good thing in the 1990s, we are moving things around the system. I think it is a good thing to improve and have more surgeries.

Mrs. Driedger: Mr. Speaker, the Minister of Health likes to misrepresent questions that were asked in Estimates. He has had years of experience doing that. Also, the questions that are asked in Estimates in that instance were being put forward by policy centres in Manitoba and in the States.

If the hundred beds are not closed and if the surgery program is expected to stay within budget, the WRHA said that they would then be forced to significantly cut the number of major surgical cases done. Manitobans have a right to know if the Minister of Health accepted this proposal, especially because it is going to have a huge impact on patient waiting times.

I would like to ask the Minister of Health: Did he approve the cutting of a significant number of major surgical cases?

Mr. Chomiak: The significant proposal that the member is talking about was a planning budgetary document that is months old, that is from last year, that was a planning exercise undertaken by the WRHA as part of their \$1.2-billion budget with respect to a surgical program.

In fact, we have increased cardiac surgeries and the Canadian Association of Radiologists and orthopedics has recognized we have done the best number of surgeries for hips and knees of anywhere in the country; hardly a decrease, hardly like what happened in the 1990s.

The member can spin out whatever planning document she wants, but I recall two years ago when there was a planning document and the member said, "You are going to fire and fire nurses." The only time nurses have been fired in Manitoba is a thousand and that occurred in the 1990s.

Mrs. Driedger: The minister acknowledges there was a planning document. That planning document indicated that there either be a cut of 100 beds or a significant cut of the number of major surgical cases or that the deficit in the surgical program at the WRHA would be maintained. He is obviously aware of all of this. Out of all of those options, which option did he approve?

Mr. Chomiak: The planning document which was a planning document that the member leaked and indicated was some kind of policy decision is part of the budgetary process that we do here every year.

I can tell the member that we are increasing the number of surgeries, and we are moving surgeries around. We have taken surgeries from St. Boniface orthopedic surgeries and moved them to Concordia Hospital.

We have taken surgeries and moved them to the place the members opposite said not to which is Pan Am Clinic so that we can do more surgeries cheaper. We have taken cataract surgeries that cost more at Western Surgical and are doing them cheaper at Misericordia and at Pan Am, hardly a decrease in fact an increase, and cheaper. We will continue to expand surgeries and that is what planning exercises are all about.

* (14:00)

Gun Registration Offences Prosecutions

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the Minister of Justice. A major local newspaper released an internal policy directive, and it states in regard to gun registration, "It turns out that provincial Crown attorneys have been instructed to prosecute gun registration and licensing violations in some cases as long as the federal government pays, but Ottawa says it has no plans to pay and has never been approached by Manitoba to discuss the issue."

Mr. Speaker, we have had a resolution in which it states, "the government," the Manitoba government, "will not prosecute registration offences under the Firearms Act."

My question to the Minister of Justice is simply, if a member of the Hells Angels is found with a firearm that is not registered, would this government prosecute.

Hon. Gord Mackintosh (Minister of Justice and Attorney General): Mr. Speaker, our prosecution policy is clear. I believe it is being reflected by prosecution policies across Canada. The gun registration scheme, that ill-conceived waste, that boondoggle, is rightly to be administered by the federal government, federal prosecutors. They are accountable for it.

Where does the member stand on the gun registration scheme that was recommitted to by the federal Liberals today?

Mr. Lamoureux: I think the Minister of Justice needs to be very clear on this issue. Is it the position of this government that if a firearm is found to not be registered and in the hands of a member of the Hells Angels or any other gang, this government would not prosecute?

Is that what the government is saying, you would not prosecute if a member of the Hells Angels was found to have an illegal firearm that was not registered?

Mr. Mackintosh: It is obvious what the position of the Liberal members in this House is, Mr. Speaker, and I think it is regrettable. Of course, the Member for River Heights (Mr. Gerrard) was one of the creators of this ill-conceived scheme.

I think today the federal government unfortunately has spit in the eyes, particularly of western Canada, of common sense and of fiscal responsibility by recommitting to this gun registration scheme. I am disappointed the member opposite would not support us in opposing this silly boondoggle.

Mr. Lamoureux: I am disappointed in this minister, or in this government, who tries to give Manitobans the impression that he wants to get tough on gangs. Day after day he attempts to try to tell Manitobans that Manitoba is not a place for gangs, but if they are in violation of a federal law, he is telling his prosecutors not to charge them. Shame. The minister is cherry-picking.

I want to get a ministerial statement that is very clear. If a gang member is found with a gun that is not registered, why does he feel that is going to make Manitoba safer? Answer the specific question. Do not tell me about the cherry-picking of the laws that you do not like. If you want to talk about that, provide a list of the laws you do not like and you are not going to prosecute. That is just a stupid answer.

Mr. Mackintosh: When I hear the word "stupid" I cannot help but think of that gun registry.

Mr. Speaker, I want to remind members, and indeed the particular member, that there are Liberal

provincial governments in Canada that have similar approaches. This is a federal law. The federal government can be accountable for its administration and enforcement, and that is the view of governments across this country.

When it comes to gang prosecutions, it is this government that put in place a 10-person gang prosecution team. We do not need lessons from the members opposite about gun registration. Believe me, that is a mess.

Advancing Age Strategy Update

Ms. Kerri Irvin-Ross (Fort Garry): Can the Acting Minister responsible for Seniors please inform the House about the government's strategy on aging?

Hon. Christine Melnick (Acting Minister responsible for Seniors): Mr. Speaker, I am very proud to be speaking on behalf of the Minister for Seniors (Mr. Rondeau) in Manitoba today, who is at this moment at a sod-turning ceremony for a 55-plus complex.

Mr. Speaker, I am very happy to update the House on our strategy, Advancing Age, promoting older Manitobans, which was announced last April as a new strategy for seniors in Manitoba. Through this strategy, we have created education programs for seniors on elder abuse, fraud and ageism. In the budget of 2003-04, we provided four key seniors' organizations with \$80,000 so they could work with the Seniors Directorate in the development of this strategy.

I would very much like to take the opportunity to thank Age and Opportunity, Creative Retirement Manitoba, Manitoba Society of Seniors, and la Fédération des aînés franco-manitobaine for their very valuable contribution.

Justice System Trial Delays

Mr. Gerald Hawranik (Lac du Bonnet): The issue of court backlogs is a very serious one. Last week we heard that there are 2146 criminal cases that have not been brought to trial for over two years. Today we hear that John Allingham, who was charged with a child pornography offence and who was charged in February of 2002 still has no trial date.

What possible excuse can this Minister of Justice dream up to justify a child pornography case, an offence against Manitoba children, taking more than two years to be brought to trial?

Hon. Gord Mackintosh (Minister of Justice and Attorney General): I would urge the member opposite, first of all, to get his facts right. He has come into this House on repeated occasions in the last three weeks with wrong information. In terms of backlogs, for the first time in Manitoba history, there is a backlog-reduction strategy underway headed by the Chief Judge.

Mr. Hawranik: The Justice Minister obviously does not even agree with the figures produced by his own department. Child pornography is a serious crime against Manitoba children.

To sustain a delay of more than two years without setting a trial date would have taken remand after remand after remand. It is time the Justice Minister stands up for Manitoba children to ensure that this case goes to trial almost immediately. Will this minister stand up for Manitoba children?

Mr. Mackintosh: When Stats Canada did a study with Dr. Jane Ursel's assistance on backlogs in Manitoba courts under the former administration, she discovered that child abuse cases were taking over 18 months.

I remind members opposite that 86 percent of the cases in Manitoba now are dealt with in under 18 months, but child abuse cases have been prioritized, Mr. Speaker, and not just in terms of one prosecutor per file where that is at all possible. As well, we do have a child friendly courtroom and waiting room. We have a child friendly policy in place, and there are new funds in the budget to support child victims.

Mr. Hawranik: Mr. Speaker, the police have done their job by investigating this case and they have laid the charges more than two years ago, yet the accused does not even have a trial date. At this pace, a trial date would not be held until more than three years after the charges were laid.

This comes from a minister who says that child abuse cases are a priority; more than three years, probably, before that trial date will be held. What will this minister say to the victims of this crime, to the Manitoba children and their families who have waited at this point more than two years for justice?

Mr. Mackintosh: Mr. Speaker, we will certainly make inquiries as to the circumstances of this. Delay is caused by a number of factors. Sometimes it is defence tactics, sometimes it is the role of the court, sometimes it is prosecution issues, sometimes it is preliminary inquiries which we have asked the federal government to abolish.

I also want to leave with members this. During our term of office, we have increased resources to the prosecution service by 67 percent, Mr. Speaker. Now that is a commitment.

*(14:10)

Pharmacare Deductible Increase

Mr. Jack Reimer (Southdale): Mr. Speaker, concerned citizens continue to call our toll-free Pharmacare phone number 1-877-NDP-CUTS, as well as write us, sharing their outrage at the Doer government's repeated Pharmacare hikes. Mr. Stanley Oleson, on behalf of him and his wife, wrote to the Minister of Health to, quote, "register my displeasure to the tremendous increase in our 2004-2005 Pharmacare deductible."

Mr. Speaker, to the Minister of Health: What does he say to seniors such as Mr. and Mrs. Oleson, whose deductibility has risen not the 5 percent that he keeps saying, but has risen \$768 or 39 percent?

Hon. Dave Chomiak (Minister of Health): Mr. Speaker, as I indicated, the vast majority of individuals who have received Pharmacare deductible increases, 85 percent will see an increase of \$1 to \$9 per month. Now, as I have indicated on many occasions, it was not something that we wanted to do, but the Pharmacare budget has gone up in double digits, 15 percent and 20 percent every year.

If we want to cover all the drugs for all of the people, the \$25,000-a-year drugs that people cannot afford like the Gleevec and the MS drugs and some of the other drugs that have come on-stream, we wanted a program that was universal, not like in some provinces where only chronic diseases get covered or only seniors get covered or you have to put a co-payment in or in some provinces everybody pays a premium. We wanted a fair universal program based on income. The majority of Manitobans will see a small increase. That is regrettable but we want to save our program.

Fire Hydrant Access (Springfield) Turnaround Construction

Mr. Ron Schuler (Springfield): I raise an issue today in this House that is of great importance to the Rural Municipality of Springfield. After the fire at Hi-Qual which showed what happens when there is a lack of water, I have on several occasions, once, September 18, 2003, and just recently on May 13, 2004, raised the issue with two different ministers of Transportation. It has to do with the turnaround at PR 206 and PTH 15. I asked the minister if he would just extend a letter granting the R.M. of Springfield the right to build a turnaround at no cost to the province. It will cost an envelope, a letter and a stamp.

Will the minister give permission to the R.M. of Springfield so that timely access to the fire hydrant to get water to fires in the R.M. of Springfield can take place? I ask the minister will he please give his approval.

Hon. Ron Lemieux (Minister of Transportation and Government Services): The member from Springfield asked this question before in the Estimates process. At that time I answered it in this manner: Yes, we support our volunteer fire departments in many ways, to have extra access or egress off a major highway and close to a major intersection where there is a lot of traffic is a serious issue because safety is an ultimate concern for us, that we would really look at this in a serious way and have the department officials in that local region take a look at that particular plan and take a look at what they could do in consultation with the local councillors and the fire department.

I told the member at that time that we would look into it. That is exactly what the department is doing. Having said that, the member should note that this department is doing a lot with regard to the northeast perimeter that runs right through Springfield, a \$65-million project. I hope he is appreciative of that work we are doing.

Justice System Conditional Sentencing

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, the Minister of Justice spoke earlier in Question Period regarding a prosecution policy. We have been asking a question in this House about having a policy in

terms of when a conditional sentence is an appropriate sentence and when that recommendation should come forward.

I wonder now that the Minister of Justice has given approval on giving policy direction within his department if he will tell us if he has given that clear direction on when it is appropriate to ask for a conditional sentence to his prosecutors and his department.

Hon. Gord Mackintosh (Minister of Justice and Attorney General): There are rumours about a federal election, Mr. Speaker. I would urge the member opposite to make good use of this opportunity to impress on the federal government the need to make unavailable for serious violent crimes, conditional sentences. That is what this is all about. I wish that he would join with the other provinces in Canada, I think virtually unanimously, to ask for a tightening up of conditional sentences because the change has to happen in the Parliament of Canada, through the federal government.

Mr. Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Eunice Fatemehin-Oladele

Mr. Rob Altemeyer (Wolseley): Mr. Speaker, I rise today to inform the House of a very special person and constituent in Wolseley, Eunice Fatemehin-Oladele. Eunice came to Canada from Nigeria in 2000 with her children, where she was fleeing persecution, severe discrimination and indeed her very life was at risk.

Upon settling in Winnipeg, Eunice and her family applied for refugee status. Upon arriving Eunice became involved in the Nigerian community here through Folklorama, the Westminster Housing Co-operative and other local organizations. She found employment as a health care aide and was studying to become a nurse when she received the terrible news that her refugee claim was being rejected by the federal government.

A huge community effort sprang up instantly to support Eunice and her family through this difficult time. Neighbours, friends, faith groups, co-workers and organizations campaigned strongly on Eunice's behalf to the federal Minister of Citizenship and Immigration, the Honourable Judy Sgro.

I particularly want to commend my colleague Pat Martin, MP for Winnipeg Centre, for the key role that he and his staff played in this effort. All of these people asked that the minister at the federal level ensure justice was being done in this case, that there be a fair review of the facts. I was very glad to lend my support to this effort along with the support of city councillor, Jenny Gerbasi.

Miraculously the federal minister listened to the community and intervened in the case, overturning the decision to deny Eunice and her children refugee status. Thankfully they now are looking forward to becoming permanent Canadian residents and living here in Manitoba.

I was very honoured to attend a huge celebration at Eunice's home at the Westminster Housing Co-op where there were traditional foods, traditional dancing and an enormous number of smiles as we all celebrated the amazing accomplishment that had been achieved. I also want to commend the federal minister for righting a wrong that never should have happened.

Mr. Speaker, I would like to commend all community members who worked so diligently to ensure that Eunice and her family received a fair hearing. Thank you very much.

Fire Hydrant Access (Springfield)

Mr. Ron Schuler (Springfield): In September, 2003, the Municipality of Springfield approved funding for a 75- to 100-foot road that would provide firefighters with better and safer access to the area's only water supply. Today the project remains in limbo due to the NDP's inaction in approving the fully funded municipal project.

This project is completely funded by the Municipality of Springfield. The NDP government has no role in it other than to provide the necessary approval to allow construction to begin. What does delaying this project accomplish? Does someone have to die before action is taken?

The proposed access road would allow fire trucks to fill up with water by pulling up beside the area's only water supply instead of backing up the fire vehicle to the outlet some 300 feet.

Backing up these vehicles is dangerous because if they get off the road and get stuck, they cannot respond promptly. Often they have to go forward and

reverse and forward and reverse to make sure they line up with the fire hydrant.

Under the present system, if a vehicle gets stuck it blocks all the other vehicles from being refilled and that hinders response times.

The Springfield fire department services roughly six square miles, including the town of Dugald, from that particular pumping station. The department has access to only one body of water to fill its water tanks. It has been over nine months since our first discussion and still nothing has been done. Any delay in response times can mean lives, Mr. Speaker.

I would point out to the House that this is an important issue considering that the Hi-Quall fire was allowed to get out of hand because there was not enough water available, that there was not access to water in a timely fashion.

The R.M. is even prepared to go so far as to put two posts and a chain across so that there is no turnaround by the public and only the fire department. I hope that all members of this House support safety, support the R.M. of Springfield. Thank you, Mr. Speaker.

Princess Patricia Canadian Light Infantry

Ms. Bonnie Korzeniowski (St. James): The Second Battalion Princess Patricia Canadian Light Infantry stationed at Kapyong Barracks will be departing Winnipeg this summer and moving to CFB Shilo. The loss of these fine soldiers and their families is very sad for the community.

Many of the serving members of the unit and their families are actively involved in the community. Charitable organizations in Winnipeg will be losing some of their most dedicated volunteers. We will also lose coaches, scout leaders and many other volunteer workers. As the battalion moves to Shilo it is not only the soldiers but also their spouses who will be changing their places of employment.

There are two dozen nurses along with teachers, public servants, and many others leaving us. These families make up a very significant Francophone community. I am also very proud to have École Roméo Dallaire, a school that serves many military families in my constituency of St. James. However, our loss here in Winnipeg will be Brandon's gain.

Even as I see so many wonderful neighbours move to Shilo I am glad to know that they will find opportunities in their new community.

* (14:20)

I am proud to be part of a government which has taken action to improve the lives of our armed forces personnel. Our recent budget included new tax breaks for military and police personnel deployed outside of Canada. We have passed legislation to ensure that Canadian Forces members and their families keep their right to vote and retain their driver's licence benefits while serving in other countries and provinces.

I want to reiterate our appreciation of the energy and goodwill that the PPCLI families have brought to their work in the community. It is an honour for me and for members of this House to represent the members of PPCLI and their families. Their presence will be missed here in Winnipeg, but never forgotten.

Mr. Speaker: The honourable Member for Charleswood.

An Honourable Member: No. No, no, I was not in my seat.

Steinbach Carillon Budget Editorial

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, I will take a crack at it. It is nice to be speaking right after the member of St. James who referenced the budget and some of the budget cuts that she says were important within the budget.

I also would like to reference the last provincial budget and the Steinbach *Carillon* that under an editorial placed the headline: "Into one pocket, out another." In that editorial, the Steinbach *Carillon* properly points out that there was a sense of desperation that came from the budget and the sense of desperation in the language because any heft there was in Monday's budget was achieved by detailing every new day care space being funded and virtually every new mile of road being paved.

There was very little else in the budget for Manitobans to be proud of. So I think it is important to bring forward, as members in the last few days have been raising issues about how things are going well, and the budget is going well, and there are

taxes being decreased, that Manitobans are seeing through that rhetoric, Mr. Speaker, that Manitobans are seeing through what this government is putting forward.

They see, as the Steinbach *Carillon* references in their article, the inescapable fact is that the government despite taking in more than a billion dollars in new revenue over the past few years has already spent it. That is the shame of it.

When these members opposite try to bring forward rhetoric and try to bring forward smoke and mirrors to convince Manitobans that things are going well, real Manitobans are seeing through that and seeing the truth. It is represented in this article, the Steinbach *Carillon*.

I commend the editorial board of the Steinbach *Carillon* for seeing through the rhetoric of this government and showing Manitobans what is really happening in this province. Thank you very much.

Transcona Child-Parent Centre

Mr. Bidhu Jha (Radisson): Mr. Speaker, I was delighted to attend the first annual general meeting of the Transcona Child-Parent Centre Coalition yesterday evening. This community-based group is funded by Healthy Child Manitoba and works to develop initiatives and promote public awareness of nutrition, parenting, literacy and building community capacity.

Last night was also a celebration of all excellent programs that the Transcona coalition supports and provides through the community. This support is in numerous community programs such as parenting programs, teen-parent groups, community kitchen, rock and read and pre-kindergarten programs. Their home site is located in the Robson Street blocks and offers family activities, parenting resources and children's activities. They have planted a wonderful community garden to provide fresh produce and their community kitchen gives the important nutrition information and advice. They will be starting a clothing exchange in June providing used clothing to parents in exchange for other clothing. I am proud to be a part of the government that invests in community development. Through the Healthy Child Manitoba funding we are giving hope and opportunity to develop sustainable community projects.

I would like to recognize Sandy Owczar, the outgoing co-chair of the Child-Parent Coalition. I know that Sandy has worked very hard to develop the idea of community coalition from the early stages to build a strong and vibrant community organization.

I would also like to recognize the contributions of Donna Jervis, the co-chair, and Dayna Brentnall, the community connector, and thank all of its board members and volunteers for their ongoing commitment.

Mr. Speaker, the Transcona Child-Parent Centre Coalition is a wonderful organization in the community and we all admire the dedication with which the coalition has been striving to create greater opportunities for our children. Thank you.

* (14:30)

ORDERS OF THE DAY (Continued)

GOVERNMENT BUSINESS

Mr. Speaker: To resume Orders of the Day.

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, on behalf of the Finance Minister, I have a revised message from His Honour the Lieutenant-Governor, which I would like to table.

Mr. Speaker: Please rise for the reading of the message.

The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba revised Estimates of sums required for the services of the Province for capital expenditures and recommends these Estimates to the Legislative Assembly.

Please be seated.

House Business

Mr. Mackintosh: Mr. Speaker, would you canvass the House to see if there is an agreement to change the Estimates sequence, to move the Estimates for Employee Pensions and Other Costs from 254 into the Chamber ahead of Enabling and Appropriations; and for the Estimates for Legislative Assembly to be moved from 255 to 254, and for the Estimates for

Sport to be moved from 254 into the Chamber to follow Capital Investment, with these changes to apply permanently?

Mr. Speaker: Is there agreement to change the Estimates sequence to move the Estimates for Employee Pensions and Other Costs from Room 254 into the Chamber ahead of Enabling and Appropriations, and for the Estimates for Legislative Assembly to be moved from Room 255 to Room 254, and for the Estimates for Sport to be moved from 254 into the Chamber to follow Capital Investment, with these changes to apply permanently? Is there agreement? *[Agreed]*

Mr. Mackintosh: Mr. Speaker, just on the assumption that Estimates may end this afternoon, is there agreement that when the House resumes sitting later today that there will be no quorum?

Mr. Speaker: Is there agreement if Estimates are concluded this afternoon that when we resume sitting in the House that there would be no quorum? *[Agreed]*

Mr. Mackintosh: Would you please call Supply, Mr. Speaker.

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

COMMITTEE OF SUPPLY (Concurrent Sections)

LEGISLATIVE ASSEMBLY

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 be considering the Estimates of the Legislative Assembly.

Does the honourable Speaker of the House have an opening statement?

Hon. George Hickes (Speaker of the Manitoba Legislative Assembly): I sure do.

Mr. Chairperson: The floor is yours, Mr. Speaker.

Mr. Hickes: This afternoon I will be defending the Estimates of the Legislative Assembly. For several

years, the Speaker defended the Assembly Estimates on a trial basis. LAMC agreed in the last year that the Speaker will be the permanent defender for the Legislative Assembly Estimates. I look forward to any comments or questions that members may have.

I have in attendance advising me today, Ms. Patricia Chaychuk, who is the Clerk of the Legislative Assembly; Mr. Fred Bryans, who is the Executive Director of Administration; and Ms. Susan Scott, who is the Director of Members' Services.

Mr. Chairperson: We thank the Speaker for those comments.

Does the official opposition representative, the honourable Member for Russell, have any opening comments?

Mr. Leonard Derkach (Russell): Yes, I do, Mr. Chair.

Mr. Chairperson: The floor is yours.

Mr. Derkach: Mr. Chair, my opening comments would simply consist of showing some appreciation to the Speaker of our House and also to his staff for the work and the service that they provide to the Legislative Assembly. I think we are fortunate as legislators to have a Speaker and staff who really care about the independence of the Speaker's office and also who care about all members of the House. I would have to say that we in Manitoba have been served extremely well by the office of the Speaker and his staff over the course of the last year.

Mr. Chairperson: We thank the member for those remarks.

Did the committee wish to have a chronological or global discussion of these Estimates?

Mr. Derkach: Mr. Chair, I think it would be appropriate for us to simply go global.

Mr. Chairperson: Agreed and so ordered. We will have a global discussion. The floor is open for questions.

Mr. Derkach: Mr. Chair, as in the past, I think it has been customary for us to have some general questions if there are, and then we would be prepared to pass the Estimates globally, as quickly as possible.

Mr. Chairperson: The floor is open for questions.

Mr. David Faurshou (Portage la Prairie): I just want to compliment the Speaker of the Assembly, who has made a significant effort to promote the understanding of the procedures that go on in and about the Legislative Assembly by his attendance to numerous schools throughout the province. I know that he has put a lot of miles on in the last couple of years trying to do just that, and I know it is appreciated.

So I would like to get specifically to a couple of considerations for the Chamber itself. I know in past there has been discussion as to affording the members of the Assembly a time clock, perhaps being located on the Clerk of the Assembly's table in the centre of the Chamber, but I am wanting to query as to whether or not we can change up the clock that exists at the back of this Chamber because, to my assessment, it is not a clock that was on the wall when this Chamber was constructed and I would like to see if there is consideration of that to possibly have two functions within the clock, one being the hour of the day, and two, being the lapsed time of individuals that have the Speaker's eye and are participating in debate or discussion. That is just a comment I would like to leave for your consideration, sir, in addition to the numerous other considerations, and I would like to share with you at a later time whether it be the carpet or the peeling paint or the consideration toward the air conditioning.

Mr. Hickes: I do welcome questions because if there is any opportunity to improve either the Chamber or the services that assemblies can provide for members, we will never know that unless someone raises it with us. I really appreciate your comment about the outreach program, and I appreciate you thanking me for the miles and the time I put into it. It is not a one-man show. So I just want to share those thanks with the members that we have been fortunate enough to be invited to their constituencies.

Also, I want to share the thanks with the Clerk and her office who have assisted in the outreach program. With the contributions of the sitting MLA, myself and the Clerk's office, I hope that we are helping educate our youth and some day they will pass that on to their own children. That is the goal of it. I thank you for that and we will continue doing the best we can.

Your question about the clock, a year or so ago I had brought forward a proposal to Legislative Assembly Management Committee, and I had proposed that we get a digital clock on the wall. Oh, I am sorry, it was not LAMC, it was to the House leaders. I had proposed a countdown clock for members. For example, if you are doing a 30-minute speech it would be set at 30 and you would see a countdown and then you would know exactly how much time you have instead of someone having to run to the table all the time.

I thought it was a wonderful idea and that it would be of assistance to all the members, but when the House leaders took it back to their caucuses, what was reported back to me at that time was that there was not the will, but if there is interest, and I see new interest, so I would be happy to bring it forward again. As I said, if we can improve the services, that is what it should be all about.

Mr. Chairperson: Any further questions? We will get on with the resolutions. I will read the resolution into the record.

* (14:40)

Resolution 1.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,479,300 for Legislative Assembly, Other Assembly Expenditures, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 1.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,579,100 for Legislative Assembly, Office of the Auditor General, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 1.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,424,500 for Legislative Assembly, Office of the Ombudsman, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 1.4: RESOLVED that there be granted to Her Majesty a sum not exceeding

\$1,161,000 for the Legislative Assembly, Office of the Chief Electoral Officer, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 1.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$726,200 for Legislative Assembly, Office of the Children's Advocate, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 1.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$157,700 for Legislative Assembly, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

That concludes the Estimates for the Legislative Assembly and this year's proceedings for this section of the Committee of Supply. I would like to thank all members and departmental staff for their hard work throughout this process.

Committee rise. Thank you very much.

FAMILY SERVICES AND HOUSING

* (14:40)

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 Family Services and Housing. It was previously agreed to consider this department globally.

The floor is now open for questions.

Hon. Christine Melnick (Minister of Family Services and Housing): Previous to beginning questions, we do have some information that was inquired about in our previous discussions that we would like to present. I do have some preliminary comments for each document, so I will just read those through.

This is additional information required from the Services for Persons with Disabilities, the Supported

Living program, around the staffing stabilization phase 3. There were 143 agencies and eligible participants, 101 agencies and 42 In the Company of Friends participants eligible to apply for phase 3 of the staffing stabilization initiative. The Supported Living program has received 138 applications for funding, 99 from agencies and 39 from the In the Company of Friends. As of March 19, 2004, 94 agencies and 32 In the Company of Friends participants have received funding based on confirmation of establishing pension and/or benefit programs.

So I have the list of agencies that the member asked for previously and I would like to table those lists.

Mrs. Leanne Rowat (Minnedosa): Thank you, and I am looking forward to receiving them.

Ms. Melnick: Another piece of additional information that we would like to present today is from the division of Employment Income and Housing. The program is Housing, particularly through the Manitoba Housing and Renewal Corporation. The issue was the letter from the housing complex in Newdale, Manitoba. It was not a question put forward by yourself but one of your colleagues, the Member for Russell (Mr. Derkach).

When this committee last met, the honourable Member for Russell asked a question about a letter from a housing complex in Newdale, Manitoba. I would like to confirm that the Manitoba Housing and Renewal Corporation did in fact receive a letter from the Newdale Senior Citizens' Home, Inc. in late October, 2003, and forwarded a response on January 13, 2004. Staff also met with the organization in February, 2004, and are continuing to work with this group to try to explore possible solutions to the issues that have been raised. So we do not have a document that goes with it. I am just giving you more of a verbal response.

Mrs. Rowat: Thank you, and I will share the information with the Member for Russell.

Ms. Melnick: On the third piece of additional information, this dealt with the division of Services for Persons with Disabilities. The program is Employment and Income Assistance, and the issue was the last increase for EIA mileage rates for medical appointments, again a question raised by one of your colleagues that I have a verbal response to.

Mileage rates paid to EIA participants, primarily in rural areas who use their own vehicle to attend medical appointments, was last increased on April 5, 1982, to 13 cents per kilometre. We cannot determine what the rates were prior to April 5, 1982.

Another additional piece of information dealt with agencies currently under investigation which, I believe, was a question put forward by the member. The department routinely conducts reviews of programs and services to ensure value for funds provided. To our knowledge, no other organizations are under investigation. The member may want to check with the office of the Auditor General to determine any audits that are currently underway.

I believe we are up to item 6 for additional information. This deals with the division of Child and Family Services. The program is Family Violence Protection Program. The issue was the expansion of provincial sales tax impact on agencies, and I believe it was the member who made this request. The Family Violence Prevention Program provides funding and program support to 10 women's shelters across Manitoba. The shelters provide protective emergency accommodations for abused women and their children on a 24-hour basis, seven days a week. Support services include residential and non-residential crisis intervention, individual and group counselling, protection planning, children's counselling, parenting support and follow-up support for abused women and their children. In addition, the shelter offers public education and training on domestic violence issues.

The expansion of the provincial sales tax may impact shelters and other agencies in two ways. Firstly, when an audit is performed by an accountant and, secondly, on any legal fees the shelter may encounter. Legal services are usually sought around collective agreements or human resource issues. There are no specific figures on legal fees incurred by shelters. However, the extent to which shelters incur legal costs is limited, and some shelters may go many years without incurring any legal costs. Shelters do conduct annual audits as per the government's funding requirement. Shelter audits range from \$1,400 to \$4,100, with the average cost being \$2,500. The PST on audits would range from \$100 to \$290, with the average being \$175.

The expansion of the PST will not impact the level or range of services received by women and

children requiring the assistance of a shelter. The department estimates that the impact of the expansion of the PST on other funded agencies will be similar to the impact on women's shelters and that this expansion will not affect the level or range of social services available in the province.

Mrs. Rowat: I just have clarification regarding that report. You had indicated that there would be no reduction in services. Some of the centres will be seeing a reduction in dollars to use for programming of up to \$300. How could that not impact the services that they are going to be providing?

Ms. Melnick: Our understanding is that there will not be a reduction in services, that this would be part of the funding for administrative services is our understanding.

Mrs. Rowat: If there is a reduction in the amount of money that they are going to have available to provide services for the clients, for the families, definitely some services or programs will have to be cut. They will not be able to deliver all the services that they had planned if there is a reduction of at least even just \$300.

Ms. Melnick: We do not feel that there will be a reduction in services.

Mr. Glen Cummings (Ste. Rose): The minister is saying this would come out of their current funding. Has the minister undertaken to lobby with the Minister of Finance (Mr. Selinger) for an exemption for non-profit services such as this?

Ms. Melnick: The agencies that we fund have received a 2% increase this year. Another point that I would like to make is if there is an accountant, a lawyer, et cetera, sitting on the board that the PST will not be charged.

Mr. Cummings: If you are prepared to have a board member who could almost be perceived to have a conflict of interest sit on the board and be exempt, why would you not simply provide an exemption?

Ms. Melnick: I do not perceive a conflict of interest. I think it is bringing expertise. Many boards already have this expertise. We believe that with the 2% increase that this will help them more than cover any costs that they would incur.

Mrs. Rowat: I think this is putting undue stress on some of the centres that are already providing a

service in an area that is high stress by encouraging them. To seek somebody with the skills to do the accounting is, I guess, basically a good idea, but it is not always going to be able to be realized by the centres. The minister had indicated that there is a 2% increase in funding to the shelters. Is that what she had indicated?

* (14:50)

Ms. Melnick: I am sorry, could you repeat the end of your question.

Mrs. Rowat: Madam Chair, a 2% increase to shelters, is that what you had said?

Ms. Melnick: In our budgeting we have provided a 2% increase, effective October 1, to the agencies that we fund.

Mrs. Rowat: Could the minister give me the statistical percentage of increase in usage of shelters over the last year?

Ms. Melnick: We could get the specifics. It is about the same usage as last year. With the information I have just been provided, we have actually seen a decrease in the use of shelters for the '03-04 fiscal year.

Mrs. Rowat: And the '02-03?

Ms. Melnick: It was down. We have been seeing a decrease: '03-04 was less than '02-03; '02-03 was less than '01-02.

Mrs. Rowat: Could the minister provide me with the numerical numbers for '02-03 and also for '03-04 for Nova House in Selkirk and also for the Westman shelter in Brandon?

Ms. Melnick: I am sorry, Nova House in Selkirk and Westman shelter in Brandon?

We were requested for usage at Nova House in Selkirk. I will go through that first and then the second shelter that you requested information on.

So for '02-03, the total clients for Nova House were 513 and the total bed nights were 3469. Now, if we go to '03-04, the numbers are still being finalized, but I will give you what we have as of today. No, pardon me. These are actual counts. For Nova House, total clients 318 and bed nights 3152.

Then, if we go for shelter information/price-line calls for Nova House, the numbers for '02-03 are 818. Now we are still finalizing the numbers on this one, but the number that we have for '03-04 is 720. Okay, that is the year, '03-04, yes. That is okay.

Now if we go to Westman. Okay, the Westman statistics for '03-04, pardon me '02-03: Total clients 312, so 312 and if we go to bed nights 3360. If we go to '03-04 for Westman, total clients 245 and total bed nights 3764.

Do you want the crisis calls as well. Okay. Shelter information/crisis line calls for '02-03, 1206, and for '03-04, 1019. Okay.

* (15:00)

Mr. Peter Dyck (Pembina): I have several questions here for the minister. First of all, just to put it in context, the question will be, the first one is specific to Gateway Resources which is located in Winkler, Manitoba, and of course they work together co-operatively within the Morden-Winkler and surrounding area. But the issue is one, and I know I brought it up last year as well, but just in discussion with the CEO running Gateway Resources as late as two weeks ago, there still seems to be a discrepancy between the funding that they receive for those who are disadvantaged. In this case and I believe you panel them, is that correct? Is that the right word when they are determined as to the disabilities that they would have as to degree of severity?

Whatever the term used, I am not hung up on that. The problem is that I have had two situations where if the same client would go to a neighbouring community, which would be probably 40 kilometres east of Winkler, the funding for that same person would be quite different from what they are receiving for this individual at Gateway Resources.

Now I know it has been an ongoing issue where it appears to me, and in the discussion that I have had with the CEO and other areas, that the funding is not consistent throughout, this I guess would be the central region, for the same what I would call disability of a client. I am just wondering if this is still consistent with the way the department is operating, or are these people falling through the cracks, or what would be the reason for this disparity?

Ms. Melnick: I am very aware of the situation at Gateway. It is an issue of concern within the department. Gateway did request an overall review of day-service funding, which we are currently conducting. The review is not complete but I know that the department has been working very closely with them over the last while to try to resolve the concerns that have been raised.

Mr. Dyck: I appreciate hearing that answer. Could the minister give me a date or a reasonable time frame in which this could take place? I think, if memory serves me correctly, and I may need to look back in my notes, but I think I received somewhat of a similar answer about a year ago. We are still at quite a differential in payment structures. I am just wondering if I could have a date as to when this will be resolved and when they would be communicating that information back to Gateway.

Ms. Melnick: My understanding is there is a meeting with the board chair on June 7, with the department and the board chair, to discuss the next steps.

Mr. Dyck: Just to pursue that, there is a recognition of the fact that there is a differential and a disparity in payment that is received for the same people with the same disabilities. My issue is, and it has been for a number of years, but the funding is, I believe, not consistent throughout the region or even if you want to look at the urban area here.

I do not want to have a rural-urban one against the other. I do think, though, that the needs of the clients, wherever they are, depending on disability are the same. I would like to make sure that there is a consistency in funding, whether that be rural, urban or whether that be within regions even.

My question is simply is there a recognition of the fact that something needs to be done, because to me this is not new. I have been here for a number of years and have had that same concern year after year.

Ms. Melnick: Certainly we are aware of the concerns raised by Gateway, which is why we are conducting the review at their request. We will continue to work with them through this. The next meeting is on June 7, as I mentioned. My understanding is the focus of that meeting is to determine the next steps.

Mr. Dyck: Okay, thank you. I mean, I am hoping that as a result that can be resolved and I certainly appreciate that answer.

The other question I have, and there are several questions following, but it is a letter that the minister was copied on. I was also copied on this letter. It was sent out to Central CFS, but it is regarding, just to give you a little bit of a background and possibly to refresh your memory in this, I will just read from the letter here, parts of it. I will not be specific with names in order to just preserve that.

To give the context of it, the letter states, "When we adopted Nicholas, both you and we understood that he had significant special needs. We did not make our commitment to adopt lightly and continue to value and love everything that Nicholas—even though his entrance into our family has dramatically changed our lives."

The letter indicates fairly clearly, and I know these people and I know that they would not write a letter of this nature light-heartedly, but I will refer it to, first of all, my first question, where it says, and he indicates that mileage rates have been more than cut in half and that payments for parking and meal expenses have been cancelled completely. As I say, I know this family, and their letter goes on to say that their family income has been cut in half because the now-mother of this child was a nurse and is not pursuing her occupation in order to look after the child.

Further to that, they had an agreement, and in the letter it further indicates that the contract as far as they are concerned has been violated because they felt that they had a deal or a contract when they adopted this child, that there would be also monies that would be flowing with it. I am just wondering if the minister could make a comment to that case.

Ms. Melnick: I am, in fact, aware of this letter and we are looking into the details. If the member would like to have a discussion at a later date when we are more clear on what the situation is, I would be happy to do that.

Mr. Dyck: I appreciate that and yet though this letter was sent out, I received it on April 7 and in talking to the family yesterday, they have not had a response at all so they are concerned that nothing is happening. I am encouraged by the fact that you are looking into

it but I guess I would push on this issue because, I mean the letter also indicates they know that they are not the only ones in this kind of a situation. I am pleased by the answer. On the other hand, though, will this be looked into within the next short time and will there be a response to the family? As they indicated they were rather shocked by first of all, the abruptness of the letter that was received and by completely in many cases, as they have indicated, violating the contract that they thought they had specific to the adoption of this child which they felt was going to be valid until the age of 18.

Ms. Melnick: Yes. As I say, I am aware of the letter and we are working on it. I appreciate your sensitivity to the family as well.

* (15:10)

Mr. Dyck: Well, okay. I appreciate that. I look forward then to hearing a response and will also be in touch with the family to make sure this is consistent with what their understanding is of the situation when they adopted the child. Again, I mean, they are wanting to do what is best for the child but as they have indicated puts some real, added stresses on their lives. Money does not cure those stresses and that is not what they are looking for either, but I think they would like to have recognition of the circumstance that they are in so I appreciate that.

Ms. Melnick: I think I have actually given my answer, that I am aware of it and that we are looking into the details.

Mrs. Rowat: Just for clarification regarding the letter, on one specific point, mileage rates have been cut in half and payments for parking have been cancelled completely. Was that done across the board, do you know, for transportation or is that budgetary? I know that in the past there have been some issues with respite being discontinued for a period of time because of budgetary reasons until the new year. I was just wondering if that is the case here.

Ms. Melnick: We are looking into the details of the letter.

Mr. Cummings: I have a couple of questions around children in care. Emergency apprehension, I suppose, is part of—emergency lodging would be maybe more appropriate. How many emergency beds does the department have available, and are they full?

Ms. Melnick: Are you speaking specifically of Winnipeg?

We have the numbers for Winnipeg. It is 141. Individual agencies keep track of their own bed usage so we do not have that record here.

Mr. Cummings: Well, sometimes the appropriateness of lodging, particularly for those who are teenagers, I guess is a perennial problem that I understand. It came to my attention that a teenager was lodged, and it seemed like it was not unusual, at the Brandon Y. Is that a normal procedure?

Ms. Melnick: I am sorry. I did not understand. I did not hear the last few words. At the Brandon Y?

Mr. Cummings: Yes. The Brandon Y was where he was assigned. Would that be normal?

Ms. Melnick: In response to your question previously about the occupancy rate in Winnipeg, it is roughly 90 percent on an ongoing basis.

In Brandon they do not have emergency shelters. They use temporary foster placements so it may in fact not be unusual to have someone who is older placed in a more mature setting, such as the Brandon Y. That of course would be on a short-term basis.

Mr. Cummings: Well, I understand the difficulty in managing these situations, but I wonder if the minister would agree that placing a 16-year-old in the Y does not do a lot for making sure that they attend school. What authority, or what capability has the department, what leverage does the department have to have a teenager of this age? I think I know what the answer is, but I want it on the record in terms of 16-year-olds and school attendance. What leverage has the department available to try and have this age of youth do something useful?

Ms. Melnick: I will give my answer, and you tell me if it is the one you thought I was going to give. *[interjection]* There could have been several elements leading to the youth being placed in the Y. It may have been the youth's choice. Not knowing the individual situation, I am not sure. It could have been something worked out between the agency and the youth. The parents could have been involved in that decision as well. Without knowing the details, I think I would have to leave it pretty open-ended.

Mr. Cummings: Well, that is fair. The minister actually touched on something that I should have included in my answer. It was a voluntary placement, but one of the concerns of the family was that the child would stay in school, and that was really the genus of my question.

Maybe the minister can correct me from the school act and other areas if, at this age in life, a student does not want to be in school, he does not have to be there by law, but is not our system contributing to the problem by supporting them but not insisting that they do something productive while they are being supported?

I am not advocating kicking them out on the street. I wonder if the minister has any observations or examples of initiatives that perhaps the department has tried to deal with this problem.

Ms. Melnick: Well, again, not knowing the specifics, the arrangements with shelter placement is certainly to provide food, lodging and clothing, and we would believe that an agency would encourage a youth to attend school. It sounds like this was perhaps an ongoing problem. It may be one of the family issues that may have led to the youth going into emergency shelters, and so we would encourage the person to attend, but, as you have noted, we cannot force a person into attending school if that is not their wish.

*(15:20)

Mr. Cummings: In fact, part of the problem was that the youth in this case, it was a voluntary placement, because of problems in the home and problems with the youth, but was eventually returned to the community that was originally his home and went to school for a while after some inquiries were made about why this was.

I guess the concern was that the family made a voluntary placement, and that is always a concern off the top, but then one of the issues was that they wanted him to continue to be in school. When that did not happen, all of a sudden the family began to wonder. Even though they could not function as a family, they did not want to see their child abandoned completely. That is about what happened. Sadly, just so the minister does not feel too bad, in the end the kid walked out of school again, and you have him in care again and he is not doing anything.

It is a difficult situation, but I just, on behalf of the family, wanted to express a concern, knowing that the laws, the way they are written, probably does not support stronger action on the part of the minister. I do not believe in flop houses though, and with the greatest of respect, putting a 16-year-old on the street, even though he has a place to go back to, is not very productive, unless that 16-year-old is inclined to take a job, and as long as they are being supported, they are not very inclined to take a job. So it is a vicious circle that I do not have the answer to. I thought maybe the minister might.

I would like to ask a question about the Movement Centre which is a centre that I know a little bit about. They did apply to the department for some potential support to do some research. I just wondered, there is a letter here from the minister actually indicating that their proposal was not going to be supported, but through the Manitoba Community Services Council, provided the Movement Centre with an operating grant.

I just wonder, are there future opportunities? Or "opportunity" is the wrong word, because I really think there is a need in this area. Having been a little bit disappointed in not achieving their request, obviously, does the department believe that this is something that is a valuable tool within the community and would eventually produce some valuable results to the society as a whole?

Ms. Melnick: I am aware of the programs at the Movement Centre and their request for funding. Our concern is that we have yet to receive qualitative and quantitative evidence-based research that would support their programs, but we do understand that they are helping many families and many children.

Mr. Cummings: I think we all appreciate that concept. Does the department provide any assistance to organizations or groups in the province that would be considered as doing some leading-edge research, for lack of a better term, doing work that might have results or impacts beyond their own walls that would be valuable to others? Does the department financially support any other organizations that would fall into that category?

Ms. Melnick: We do not fund any such research through our department. Other departments, maybe, but we fund accepted techniques and existing clients. So the short answer would be no.

Mr. Cummings: I am wondering if the minister has any recommendations to this organization, or this centre, on where they would be best directed to look for some further assistance from the broader community. Of course we all look to government for assistance first but, certainly, they are not going to get ongoing support from community services, so that is a short-term bridge. Are there other areas that the minister could point to?

Ms. Melnick: I know that there are a variety of foundations locally, nationally and internationally and I do not know if the centre has attempted to get funding from those various areas.

Mr. Cummings: The centre, I know, can and does deal with a wide variety of situations, when people are dealing with, neurological problems lead to motor disabilities, if I am describing the terms appropriately. If people can gain some advantage over the problems they have been afflicted with, then they become a lot less dependent on society to help them with life.

I would certainly commend this organization to the minister and to the department, to take a serious look at their mandate and whether or not, if not in this department, there are other areas that would be of use to them because their service and expertise might not be spread as far-reaching as it should be if they are consistently running short of cash.

I do not need a response from the minister. She will get a chance to check her files on this at some point. I would just urge her to do so and do what she can to consider the value and the expertise that can be assembled in association with this movement centre.

* (15:30)

I have one other question, more related to Housing, and I apologize if I am in the wrong area of responsibility. The number of seniors residence housing in the rural communities where there are kitchens, those kitchens tend to be used for a lot more than just providing meals for their residents. They are not assisted housing, so perhaps they do not fall under this minister's purview.

I just wondered if there is any policy that the minister is aware of, either in her department or others, about the use of the facilities for community

activity and enhanced community activity for other residents of the community. What I am referring to is things like Meals on Wheels, that perhaps the facilities I am referring to do not fall under this minister's purview.

Ms. Melnick: Just a qualifying question, are you talking about sort of general-use kitchens, sort of a general kitchen area rather than an individual's? Okay. In a housing unit or—okay. Certainly, we have a congregate meal program here in the city where we work with the delivery of various meals.

In rural areas, community kitchens are used by residents as well as by local groups, often on a voluntary basis. We have many arrangements with different groups throughout the various rural communities. We are in negotiation with other groups and would certainly welcome proposals that have yet to come forward.

The only concerns that we would have would be if a group or organization was proposing something that may require an expansion of the kitchen, either the physical space or perhaps some equipment that currently is not there.

Certainly, we would encourage any groups to approach us and see if we could work with them to arrange any sort of communal kitchen arrangements.

Mr. Cummings: I thank the minister for that answer because, actually, the last part of her answer was what I was wanting to hear. I think the concern that has been expressed to me revolves around where there would need to be some expansion. I appreciate that the department might not be interested in paying for an expansion that is not part of the original mandate of the structure, but there are times when communities would be ready to provide some monetary assistance or pay for the expenses of those expansions.

I just would like it on the record that in these types of facilities and situations where communities want to become involved, I think the biggest frustration is that they need to know that if they bring forward proposals for expansion, and might even bring forward proposals that they are willing to pay for themselves, that somebody out there would listen. For some facilities, those expansions might not be all that costly and would be readily absorbed by an active community.

There are others where there might be some, and there are always operating costs, hydro and that sort of thing that can fall back onto the residents. I would just like to make sure that the minister's door is open, or through her policy direction that she would be interested in making sure that these types of proposals are looked at in a way that provides some direction. If they are talking about a quarter-million-dollar expansion and they want to put that much investment in, the sooner they know the answer, the better.

Just from the perspective of the usefulness of those types of arrangements, it is very useful to a community to have the facilities there, and it is very easy for them to fall into the pattern of borrowing the facility to provide Meals on Wheels. After a year or two, all of a sudden they have got a lot more meals to prepare than they ever dreamed of because we do have an aging society in a lot of our rural communities, which is a major frustration for those of us who represent the areas.

A minute ago, we were talking about the difference between rural and city of Winnipeg delivery in Child and Family and access to information and how they are accounted for separately, and for good reason, but I just want to make the case for the fact that our modest sized rural communities probably have a lot of demand in the area that I am talking about. It would be a far more important initiative in a small community like that than what might be anticipated in larger centres where there are other options because there may not be other options. This becomes very important that there be a direct response to these types of requests. I will leave the specifics until later. Thank you.

Ms. Melnick: Certainly I want to acknowledge the great work that is done by volunteer organizations throughout our province, such as Meals on Wheels which you have mentioned. It sounds like you have a particular group, a particular proposal in mind, so I strongly encourage them to bring forward a proposal.

I know it is not only under my direction but also under our assistant deputy minister's direction that proposal, as with every proposal, would be strongly considered, and where we are able to work within communities and to work with volunteer groups such as you may be suggesting, I know that if we could accommodate the needs, we would be more than happy to.

Mrs. Rowat: This is also on Housing, and I just have a few questions to get on the record and get some feedback on where the government is at on a couple of projects.

The Estimates for 2004-2005, I was wondering if there are any provisions for the development of the south Fort Garry land bank, the Waverley Heights.

Ms. Melnick: The Waverley West concerns are right now resting with the City of Winnipeg, and it would be a review of the Plan Winnipeg document around the development of Waverley West. Certainly with the current political situation, we do not envision anything being done around Plan Winnipeg until perhaps at the earliest the fall of this year so that is where the Waverley West is. There has been no financial provision made in the budget for this year.

Mrs. Rowat: I am curious. Public presentations by the government have linked Waverley West proposal to the issue of affordable housing. Could you sort of expand on the connection of the two projects?

Ms. Melnick: I would actually be delighted to.

The profits that will come in from Waverley West as well as Royalwood will be going directly back into the inner city around affordable and low-income housing.

Mrs. Rowat: What is the status of the public-private partnership with Ladco regarding the Royalwood subdivision project?

Ms. Melnick: It is a joint venture and the partnership is certainly ongoing as we continue to develop the area.

Mrs. Rowat: Back to the Waverley West project. Do plans for the proposed development include the construction of new housing which would qualify for the CMHC investment pursuant to the Affordable Housing agreement, or is the connection simply that profits from Waverley West will be directed to downtown, residential development as you had touched on?

* (15:40)

Ms. Melnick: Are you referring to the Affordable Housing Initiative? That is a five-year plan, \$25.4 million from the federal government, \$25.4 million

from the province and \$17.5 million from the City in monies and kind. That is a five-year plan. We are beginning year three, and we are working with community groups as well as private investors around the development of affordable and low-income housing. That money will not be going toward the Waverley West development. It will be used by communities throughout Manitoba.

Mrs. Rowat: Do you have an estimate of what the profits would likely be on a project such as we have been talking about?

Ms. Melnick: We have been talking about Royalwood and Waverley West. Would you care to be more specific?

An Honourable Member: Okay, the Waverley West project.

Ms. Melnick: We do not have specific numbers at this time.

Mrs. Rowat: I am going to leave the Housing one for now. I would like to go into the Children's Advocate report, please. In April, the Office of the Children's Advocate presented a report on the emergency assistance shelter placement review and with the report, the minister provided a response and action plan.

Mr. Rob Altemeyer, Acting Chairperson, in the Chair

I would like to just spend a little bit of time on that report; and, actually, probably based on the time restraints through the Estimates process, I would like to focus on some of the strategy points that you had indicated and we will go through clarification on some of them, if you do not mind.

The strategy point that I want to touch on first would be the development of the new emergency care resources, and would the minister comment on the recommendation that was made that no children under the age of seven should be placed in group care emergency facilities. If you could comment on that, please.

Ms. Melnick: Sure. We are accepting the recommendation of the Children's Advocate report. For children seven and under, we agree a shelter is not the best place for them, and so we are beginning the process of phasing out 50 of the existing shelter

beds and going to be moving them into a foster family setting.

We believe that a family setting, particularly for children within that age range, would be better. The exceptions will be that we have two shelters, one currently opened and another one scheduled to open in the fall, that will deal with sibling groups, and so we would believe then that it would be best to keep siblings together whatever the age group. So that would be the only time that we would have children aged seven and under remaining in a shelter.

Mrs. Rowat: Mr. Acting Chair, I just want clarification. So this is the shelter system or care system that you are moving toward is a foster care environment where families will be able to work or keep family members together. Can you give me an example of what type of an environment or setting that would be?

Ms. Melnick: We have agreed that children under seven would be best placed in more of a foster family setting, so an emergency foster family setting, rather than in a shelter. So we are moving to close down 50 of the existing beds in the existing shelters and move into that, but the exception to that would be we have one shelter currently open and another opening in the fall that would deal with sibling groups.

We believe that it would be better for siblings to be staying together than be separated, and so that would be the only time that we would be placing a child seven or under in a shelter, so that they can be with their siblings.

Mrs. Rowat: Are there any children under the age of eight who are currently in group-care emergency facilities?

Ms. Melnick: Within the emergency shelter system in Winnipeg, there are a total of 141 beds. At any given time one third of those children in emergency shelters are under eight years of age. So I do not have an exact number for you today, but generally there is just under 50. That is why we earmarked the number of closing the 50 shelter beds to create the 50 emergency foster beds.

Mrs. Rowat: The sibling group shelter or foster care environment, how many beds would be in each of these units, the one that is now in-place and the one that the one in the fall?

Ms. Melnick: Each of those shelters would have 6 beds.

Mrs. Rowat: As the Advocate had indicated, children under the age of eight, it is highly recommended that they do not be in a shelter-type basis. I am encouraged by what you are sharing here. But, I also would like to know if there are any children under the age of eight being placed in shift-staffed emergency care shelters at this time?

Ms. Melnick: Currently, all of our shelters are shift staffed, so I would say all of the children who are in the emergency shelter system are in a shift-staff environment. Yes.

Mrs. Rowat: Thank you for the clarification. How many emergency foster care beds are currently available?

Ms. Melnick: I believe it is 16, but we would be happy to get that specific number for you.

Mrs. Rowat: And how many new emergency foster care beds have been created, other than the 6 that she had indicated?

Ms. Melnick: We are currently in the process of putting together a process of identifying the 50 beds. We believe that will be completed by the end of this fiscal year. The question was how many homes. I cannot give you an estimate because we do not know what the breakdown of beds in individual homes will be. So, if we could talk about 50 beds, that may be an easier way to discuss it.

* (15:50)

Mrs. Rowat: Can you tell me what you mean by identifying, if you could clarify?

Ms. Melnick: We will be sending out requests for proposals establishing criteria, evaluating the proposals against the criteria. We are very hopeful that we will get a response from an organization that has experience in dealing with residential care.

Mrs. Rowat: Has the committee been struck to follow through in this process?

Ms. Melnick: The implementation committee which was referred to in the report will be the one who will be—oh, pardon me. They have been meeting every two weeks, and that committee is made up of the

four CEOs from the authorities, the newly created authorities, the executive director of Child Protection, Family Services and Housing, and Denis Bracken, who is co-chairing with the executive director of Child Protection. He is a professor at the University of Manitoba in the School of Social Work. This committee has already created the first draft of the RFP for the 50 beds. They will also be leading the evaluation of any proposals that we receive.

Mrs. Rowat: Has this committee structure given any consideration to having youth involved in the process, as children will be utilizing it?

Ms. Melnick: We will be consulting with youth as well as several other interested stakeholders, care providers, foster parents, foster family network. There will be a range of stakeholders we will be working with through the implementation committee.

Mrs. Rowat: Mr. Acting Chairperson, I would encourage the minister to have youth involved in the process, actually being right involved with the committee. I just know from past experience in community development that it I think creates a great perspective or a different thought process having the youth involved and especially somebody that has probably been through the system.

Back to the foster beds that are being created. Could the minister indicate to me what effort has been made to meet the culturally appropriate foster care needs and where the locations of these foster care beds will be placed, if any consideration has been given to that at this point?

Ms. Melnick: We will follow our process and we will review the proposals on the merit of their proposals. We have not identified specific locations, rather it will be the merit or the proposals that we will be looking at.

Mrs. Rowat: In the report there is an indication that there will be a province-wide assessment on the development of a new emergency care system. As my colleague the Member for River East (Mrs. Mitchelson) had indicated, transportation, communication costs or allocations throughout the department have been decreased.

I am just wanting to know if the minister can indicate to me what process will be followed to do

the province-wide assessments, if there will be travel involved and if communities have been identified of where these assessment meetings will take place.

Ms. Melnick: I will be getting an interim report from the implementation committee at the beginning of July. They will be putting together a plan, and I will review that plan. Certainly, I will be ensuring that we will be covering the geography of Manitoba and that the committee will have the resources that they will need to carry out this particular recommendation.

Mrs. Rowat: In the process of the assessments, in discussion with shelters and with different organizations—actually, the Member for Ste. Rose (Mr. Cummings) had indicated the issue about schooling and the need to make sure that the education component is still very strong within the whole system. I encourage the minister and the working group to ensure that component is looked at fairly strongly.

Can the minister indicate what action, if any, has been taken to address the issues that were identified in the report regarding the standards and training qualifications of the staff and the competence to adequately meet the needs of the children in care? I felt that that was a very serious issue and I guess there were a number of serious issues identified and raised in the report.

I think this has a great effect on the quality of care that children would be receiving. I just want you to comment on that and actually the status of implementing these immediately, the standards and training qualifications and implementation of those needs.

Ms. Melnick: On the question of standards, we have introduced protocols that are being used to guide workers and co-ordinators. We are also training co-ordinators to assess skills of workers and make sure best placements are made. All the workers will be receiving, within this fiscal year, competency-based training which will include non-violent crisis intervention. Those are four of the main areas that we are focussing on now.

Mrs. Rowat: Just for clarification, the time lines, I guess, are what I am looking at.

Ms. Melnick: The protocols are in place now. The training of the co-ordinators is going on now and the

competency-based training will occur for each worker within the system within this fiscal year.

* (16:00)

Mrs. Rowat: In regard to training and taking care of the children in the centres, the issue of children being restrained, I just wanted to know what type of youth care competency training that is taking place at this point to ensure those children will not be put in the situation that they have been in the past, in being restrained.

Ms. Melnick: Certainly we do have guidelines around the minimal use of force and those will be reviewed with each and every worker. These include very clear guidelines around the use of physical restraints when a child is acting out and may actually be a danger to themselves. This we will be reviewing on an annual basis. There has been this training in the past. So we will make sure that we are now providing it on an annual basis.

Mrs. Rowat: For the clarification, thank you. So the staff that are in place at this present time have received that training, and then it will be reinforced. Is that what you are saying? Annually? Okay.

Just back to a point that I had forgotten to ask about, would the minister be able to table the committee members for the action committee and the background offered on each?

Ms. Melnick: You are referring to the implementation committee? Sure, we could do that. We do not have it handy, but it would be something we could bring back. Did you want me to go through who the members are, at this time? That would be fine for you? Okay.

Mrs. Rowat: Thank you. I just need some statistical information regarding centres. The report indicates that there are 50 of them that are licensed. Is that still an accurate number?

Madam Chairperson in the Chair

Ms. Melnick: Are you referring to shelters when you say centres? There are currently 43 shelters and they are all licensed.

Mrs. Rowat: There has been a reduction from 50. Does that mean that 7 shelters have been closed?

Ms. Melnick: At its height there were 64 shelters. We are now at 53. Over the years we have been closing, pardon me, 43, I stand corrected. We have been closing the smaller shelters and shelters that have been unsafe. We have been consolidating shelters. Also we have been working toward the development of alternate treatment facilities so that shelters may not be as heavily used, so that there are other facilities for children to be in.

Mrs. Rowat: Could you indicate or clarify for me what you mean by alternate care facilities?

Ms. Melnick: We have been working with organizations such as Marymount, Mamawi, B & L to provide residential care.

Mrs. Rowat: Reducing shelters from 64 to 43, does that mean there are less children within the system? If you can provide me with some statistical information regarding the numbers, that would help me get a better understanding.

Ms. Melnick: In answer to your question, because of the development of the alternate treatment facilities, there are fewer children in the shelters. We do not have the listing for you right now but we could get that for you.

Mrs. Rowat: Are hotels still being used as emergency shelters? I know that was an issue and I just wanted to know if this government has addressed that and what the percentages are.

Ms. Melnick: For the number of children in hotels right now, there would be an average of 14 on any given night. These are largely sibling groups, and that has certainly been the impetus around our development of the two shelters that I referred to previously, one currently opened and one opening in the fall, which will be reserved for sibling groups and there will be six beds per shelter, again to accommodate siblings.

Mrs. Rowat: Can the minister provide for me statistical numbers for the last fiscal year of how many children were put in care? I am sorry, in hotels?

Ms. Melnick: I just want to clarify the question. Are you talking about children in care or are you talking about hotel stays? In hotels? Okay. We do not have the number handy, but we will be happy to bring that back to you.

* (16:10)

Mrs. Rowat: Could the minister indicate to me the number of children per week that are—oh, I am sorry, I guess the length of stay is my question. What is the average length of stay per child?

Ms. Melnick: Can I clarify, are you again referring to hotel, or the emergency shelter?

Mrs. Rowat: No, this would be hotels that we are going to be focussing on.

Ms. Melnick: Oh, we are focussing on—okay.

Mrs. Rowat: So I need to know what the length of stay is.

Ms. Melnick: Okay. We will have to come back with that too.

Mrs. Rowat: Could the minister give me information on what the ages are of the children on the average and the number in each of the rooms?

Ms. Melnick: We will come back with that information.

Mrs. Rowat: The information is not available, statistical information?

Ms. Melnick: It is not that it is not available. We do not have it handy. So we will be coming back with that.

Mrs. Rowat: Could the minister indicate to me which hotels are being used to care for the children?

Ms. Melnick: Again, that will be part of the information that we will bring back.

Mrs. Rowat: I am just asking for clarification. This information has been available at previous Estimates. I am just wanting to know if there is a reason why that information is not available.

Ms. Melnick: We just simply do not have it handy, so we will make it available to you.

Mrs. Rowat: Okay. What action has the minister taken to eliminate or reduce the 24-hour shifts? That was an issue that was brought up by the Advocate

and indicating that it definitely had an effect on the quality of care that children were receiving and also continuity of care.

Ms. Melnick: The new shelters that we are opening will not have 24-hour staff shifts. They will have the 8- to 10-hour shifts as recommended by the Advocate. Shelters that will be closed will be 24-hour-shift based staff. We have recently closed a shelter that had three staff who had the 24-hour shift timetabling. They were redeployed to shelters with 8- to 12-hour shifts.

Also, we agree with the Advocate's recommendation that management does have the right to design shifts that are for the benefit of the children. The Advocate was very clear on recommending that those are 8- to 10-hour shifts. So we will be working toward changing shifting for staff but also remain sensitive to how this change in shifting may affect staff. We are moving very delicately in this area and trying to keep the balance. Of course, our focus is on the quality of care, but we also are sensitive to employees and co-ordinators. So we will be moving forward in that way.

Mrs. Rowat: Can you indicate to me how many shelters currently still offer 24-hour shifts?

Ms. Melnick: To answer your question, I think we really have to talk in terms of number of staff rather than number of shelters. There are between 22 and 26 staff who are currently working the 24-hour shifts.

Mrs. Rowat: How many staff are working with these emergency shelters? So I have an idea of how you have reduced the numbers.

Ms. Melnick: Again, perhaps we could talk in terms of staffing complement. There are right now 191 staff: some are part time, some are full time, some are casual. Of that 191 complement, again, we have the 22 to 26 staff members who still have the 24-hour shift, so it looks like roughly one eighth.

Mrs. Rowat: Can the minister give me her comment on the statement that was made in the report that there is limited information about children apprehended into emergency care and how she has her department addressing that statement?

* (16:20)

Ms. Melnick: Close to a year ago, we brought in a new information system. The short term is STEP, and the longer term is short-term temporary emergency placement desk. What this information system does is allow for a much improved tracking system for the children and it would contain information such as where the children were before they presented the emergency shelter, how long they were in their previous placement, the number of times they have been in and out of the system, and past discharges, et cetera.

Mrs. Rowat: The statistical information that you have shared, is that available to review?

Ms. Melnick: Certainly on an individual case basis, we could not be sharing that information. We are still very much working with the system and working out the kinks, so it would probably be a year or two before any reliable information, any reliable patterns, might present from that.

Mrs. Rowat: Thank you. That is probably a question I could explore next year in more detail and get a sense. I guess that reporting and documentation issues were inconsistent. I am assuming that this program will help address those issues.

Ms. Melnick: That certainly is our hope.

Mrs. Rowat: The on-site supervision and supervision in general which was also indicated as an issue and the lack of support that staff felt that they were getting from their supervisors, can the minister address how that is being taken care of?

Ms. Melnick: Previously, when you had asked the question about standards, I had referred to protocols which establish guidelines for co-ordinators relationship with staff, so that would be one area that we would use to see improvement in. Certainly, the smaller number of shelters will lead to more contact between co-ordinators and staff and the training which I had also previously outlined.

Mrs. Rowat: In the report, in talking to the Children's Advocate, she had indicated that foster care locations as well placements were a major concern, an issue. I just wanted to know if the minister would just speak briefly to that issue.

Ms. Melnick: You are talking about the physical locations of shelters?

Mrs. Rowat: In discussion there was an indication that there is an obvious shortage of foster care placement available, culturally appropriate foster care availability. I just wanted to know if the minister could indicate what action is being taken to address that and, actually, timelines of implementation of dealing with that.

Ms. Melnick: Certainly, we are, if I could refer back a few moments to our RFP to be going out for foster placements for children in emergency care, one of the criteria that we would develop would be culturally appropriate placements. Geography will be taken into consideration. So those would be part of the criteria that would be developed through which every request for proposal would be screened.

Mrs. Rowat: I want to thank the minister for the responses quickly on that and I look forward to possibly doing a briefing on some of the other points. Just based on time, I do not want to run out and so I appreciate her comments and the information shared. I look forward to the information on hotel usage and hoping that I can get the stats and the information to help me with my research.

Quickly, on day cares, I know that the minister and the government have an interest in that area. But I also, as a former board member and user of the service, have a keen interest in the day care area. I wanted to know if the minister would provide for me the number of exemptions that have been allowed for day cares that are licensed this past year.

* (16:30)

Ms. Melnick: We believe it is 221, but we will confirm that for you.

Mrs. Rowat: Can you also provide for me the number of denials for staff exemptions?

Ms. Melnick: Yes, certainly, we will bring that back.

Mrs. Rowat: Can the minister provide for me the number of facilities which received grants this past fiscal year?

Ms. Melnick: Are you referring to the number of centres that received grants? Okay. The number for 2002-2003 was 552. It is approximately that now, but we will get the specific number for you.

Mrs. Rowat: Some more statistical information, the number of licensed child care spaces that are available this year and how many were last year.

Ms. Melnick: Are you asking total spaces or funded spaces?

An Honourable Member: Can I get both please?

Ms. Melnick: Sure. Okay, for 2004-2005, the total number of funded spaces are 17 509 and total licensed spaces 26 219.

Mrs. Rowat: I believe when we started the process the Member for Pembina (Mr. Dyck) interrupted the process of me receiving information that was tabled, so I thought maybe we would just complete that if we could.

Ms. Melnick: I wanted to table the information requested by, I believe it was the Member for Pembina, a few days ago.

The following information regarding housing units owned by the Manitoba Housing and Renewal Corporation and managed by the Manitoba Housing Authority in the communities of Piney, Vassar, Sprague, Middlebro and Woodridge.

The second is in 1995, the Manitoba Housing and Renewal Corp accepted the voluntary transfer of a housing unit in Sprague on which it held the mortgage from the mortgagee and proceeded to manage the housing unit as a rental property. In 2003, as this unit had not been rented for a lengthy period of time and the cost to bring the unit up to an acceptable standard of occupancy was excessive, the Manitoba Housing and Renewal Corporation placed the housing unit on the market for sale on an as-is condition. The unit was sold in 2003. I think actually the information requested is in the space above, so I will table this.

I would also like to table in response to a request, I am sorry I cannot remember—oh, I think it was you who requested the—[interjection] No. Because different people appeared or disappeared, I keep trying to remember who asked what. So it was you. Okay. Grants to external agencies for the '04-05 fiscal year.

Next, I believe, the Member for Minnedosa (Mrs. Rowat), requesting information on the terms of reference for the working group on housing for

individuals with a disability. You had also, I believe, requested the questionnaire that was provided throughout the province for the working group on housing for individuals with a disability and you had also requested a summary of the results of the questionnaire which was sent throughout the province by the working group on housing for individuals with a disability. These are three separate documents that I will table.

In response to another question, I believe from the Member for Minnedosa, additional information from the division of Services for Persons with Disabilities. The program is Adult and Children's Programs. The issue was adults receiving respite services. The response is that these services were provided through the Supported Living Program.

The Supported Living Program provides respite funding to families to give them a break from the care-giving given to an adult family member. Respite services can be provided to the program participant in the family home, out of home for community activities or out of home for overnight care. Services can be provided through an agency, departmental respite workers or funding that can be provided to families to manage their own respite services through a contractual agreement.

In the 2003-2004 fiscal year, 759 families received respite support. The 2003-2004 adjusted vote for respite was \$2,236,300. The final expenditures for the '03-04 expenditures are not known at this time; we are still finalizing.

Mrs. Rowat: Madam Chairperson, in the essence of saving some time so that we can go through line by line on the expenditures, would it be possible just to table the reports that were requested?

Ms. Melnick: We really do not have these in a format for tabling, they really are in a speaking note format, but if you wanted to follow-up outside of Estimates on any outstanding issues that you raised, we could do that. It is really a speaking form.

Mrs. Rowat: You can go on to the next one.

Ms. Melnick: This is a question I believe was put by the Member for Minnedosa, additional information, the division of Services for Persons with Disabilities, the program is Supported Living Program and the issue is staff training funding.

* (16:40)

The response to the request about funding for staff training is all 101 agencies and the service providers funded by the Supported Living Program are eligible for funding for specific training activities.

A training co-ordinator working within the Supported Living Program delivers some training for agency staff and co-ordinates financial support for other staff training including registration fees and training delivery expenses such as travel costs.

Equitable access to training is pursued for agencies in all regions throughout the province. In 2003-2004, approximately 2800 staff participated in training subsidized through this training budget. Funding is approximately \$300,000 per year for the training. Funding is provided for the staff training that focusses on the safety and quality of service for vulnerable persons living with a mental—

Madam Chairperson: Order, please. I am interrupting the proceedings of this section of the Committee of Supply because the total allowed for Estimates consideration has now expired.

Our Rule 76(3) provides in part that not more than 100 hours shall be allowed for the consideration in Committee of the Whole and Supply resolutions respecting all types of Estimates that have relevant Supply bills.

Our Rule 76(5) provides that where the time limit has expired the Chairperson shall forthwith put all remaining questions necessary to dispose of the matter and such questions shall not be subject to debate, amendment or adjournment.

I am therefore going to call in sequence the questions on the following matters:

Resolution 9.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,344,600 for Family Services and Housing, Administration and Finance, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 9.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$197,753,900 for Family Services and Housing,

Employment, Income and Housing, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 9.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$345,181,000 for Family Services and Housing, Services for Persons with Disabilities, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 9.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$228,037,700 for Family Services and Housing, Child and Family Services, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 9.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$126,271,500 for Family Services and Housing, Community Service Delivery, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 9.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,192,800 for Family Services and Housing, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

This concludes our consideration of the Estimates in this section of the Committee of Supply. I would like to thank the ministers and their critics for their co-operation.

Committee rise.

**EMPLOYEE PENSIONS
AND OTHER COSTS**

* (14:40)

Mr. Chairperson (Conrad Santos): Will the Committee of Supply come to order, please. This section of the Committee of Supply will be considering the Estimates of Employee Pensions and Other Costs.

Does the honourable Minister of Finance (Mr. Selinger) have an opening statement? We thank the honourable minister for saying no.

Does the official opposition critic, the honourable Member for Springfield (Mr. Schuler), have any opening statement?

Mr. Ron Schuler (Springfield): I look forward to spending some time with the minister on this very important issue. As the minister knows, this pension issue is near and dear to my heart, so I look forward to us getting into the whole pension discussion.

Mr. Chairperson: I invite the minister to please introduce the members of his staff.

Hon. Greg Selinger (Minister of Finance): I have with me the Secretary-Treasurer to Treasury Board, Tannis Mindell. I have the Associate Secretary to Treasury Board, Dave Woodbury. I have the Executive Director to Treasury Board, Bruce Gray, and I have the ADM responsible for Labour Relations, Gerry Irving.

Mr. Chairperson: How do we proceed? Global or item by item?

Mr. Schuler: If it is agreeable by the minister, a global discussion.

Mr. Chairperson: The table is now open for questions or comments.

Mr. Schuler: I would like to take this opportunity and thank the department for the work they do on behalf of an awful lot of people. Pensions seems to have been a debate that we are entering in. Particularly today was another one of those days. I think that, when you are young, it is an issue that you have very little interest in. When you start moving on, it starts becoming very important to you, and very often it is a controversial issue.

We appreciate what the public servants do in ensuring that, when our civil servants retire, they do so in a good form and are able to live the retirement years knowing that their retirement will be taken care of.

I would like to ask the minister, and I believe that this is the first time that I have gone through these Estimates in any kind of a major way, could the

minister tell the committee how large is the unfunded liability.

Mr. Selinger: The unfunded liability for the province of Manitoba civil service is \$1.3 billion. Now the member might say that that seems kind of low, because it does not include other agencies of the provincial government, including organizations like Hydro, Red River College, health authorities, et cetera. All told with the broader government entity, it is \$2.068 billion. There is the teachers' pension liability which is in the order of \$1.8 billion. The member might note that in the budget book, I do not know if he has it with him, on B26 it is listed there at \$3.8 billion. Those numbers should round to about \$3.8 billion, the 1.8 and 2 billion are approximately 3.8.

Mr. Schuler: My next question is how much over the last four years has the government put into the fund.

Mr. Selinger: The contributions we have made to both the teachers and the broader government entity fund for the employers pension obligations is about \$255 million.

Mr. Schuler: I take it that is since being elected as government in 1999, \$255 million is what has gone into 3 point. So in other words we are looking at about a 4 point, 5, I guess you cannot do that because there have been draws in it.

When the government talks about they have \$255 million to the unfunded liability, does that take that cumulative amount down, or does that just help to pay the draws that are being taken right now?

Mr. Selinger: The \$255 million has been in since we amended the legislation to allow a portion of the 96 to be dedicated to that. In addition, there is money going in since we have started the practice of every new employee having their employer's portion of the pension fund paid.

So there have been no withdrawals from it. It is sitting there in two accounts, one for the teachers, one for the civil service. The split is about 120 for the broader civil service and about 130 to 135, I guess, for teachers.

The member's question is "Has it reduced the pension liability?" The short answer is yes. But the

member should also know that the pension liability continues to grow, as indicated on page B26, because every year people are teaching, and they are building up more pension credits, in effect. So the amount we are depositing yet has not offset the overall growth in the pension liability, but over time it will.

Mr. Leonard Derkach (Russell): Mr. Chair, I would like to ask the minister a question regarding the retired teachers' COLA issue. I do not know, perhaps that was already addressed, but if not I would like to ask it.

Retired teachers have been expressing concern about the fact that the cost of living has not been allowed for their pension benefits. Each year it has been dealt with on a piecemeal basis. I think at present they are allowed about half of the COLA, if I am not mistaken.

* (14:50)

Can the minister indicate whether or not this is an issue that his government has addressed in any way, shape or form on a longer term basis?

Mr. Selinger: In answer to the member from Russell, first of all, that is actually outside the scope of this specific set of the Estimates. We are dealing simply with Manitoba employee pensions and other costs. But I am going to try and answer it anyway.

It is under the legislation controlling teachers' pensions, the TRAF legislation. There is a TRAF appointed board, which is partially appointed by government and also has representatives of the teaching profession on it. They have an inflation account that is prescribed by legislation that allows them to make an adjustment every year for inflation according to the ability of that account to support that adjustment. In recent years the account has not been able to fully support 100% inflation adjustment on an annual basis.

Mr. Derkach: I would take it that the minister is conversant with the item. I am wondering whether he would take just a couple more information questions from me on this issue. I am not very well versed in this area. I am not able to answer many of the questions that come from retired teachers, but it appears also that many retired teachers do not understand this whole area either, so they are wondering why it is that they cannot access funds to

allow for full indexing of the COLA or, I guess, the cost of living.

Is there any way in the future that this whole issue can be addressed so that teachers can expect to have their pensions fully indexed? Is there a way to address this from the minister's perspective? Does it require more contribution from either the people who are contributing to the fund or from government? What is the status?

Mr. Selinger: As I indicated earlier, the teachers' retirement legislation prescribes the pension adjustment account that I described earlier that is set aside for inflation improvements. The short answer to the member's question is that there could be improvements to that fund, but it would require more resources, from both the employers, the school divisions and the employees, teachers, if they wanted to strengthen their ability to have 100% inflation coverage. Those discussions are occurring between the teachers society and government. But there are cost implications for both parties in doing that. Therefore, it is not something that is easily done, because it has financial implications.

Mr. Derkach: I understand that part of it, because when we were in government we did have to make those adjustments. I think we only were making them on a year-by-year basis, as I understand it. I guess my question to the minister would be what is the magnitude of the cost implication on government. Is there any prospect of this being addressed in the short term at least so that teachers who have retired would know that they can anticipate some recognition of inflation within the province?

Mr. Selinger: Yes, historically, the pension adjustment account during that era when investment returns were quite high was able to support a full inflation adjustment, and, as the member knows, the last few years have been something less than stellar in terms of market returns. That is where the issue has arisen.

So during that period, there have been annual decisions on what kind of adjustment or acknowledgement of inflation could be provided for through the pension adjustment account, so they have not tried to ignore the issue but they have only been able to support an adjustment according to their capacity to pay through that existing account.

If the member is asking could a full 100% inflation adjustment be provided for through that

account, that would require a legislative change, given the current returns and, probably, significantly more contributions from both employers and employees to make that viable.

The member might note that with the civil service pension plan, there is an inflation adjustment every year of about two thirds, up to a maximum of two thirds, so it is what people are prepared to pay for, really, when it comes down to it.

Mr. Derkach: So at the end of the day, Mr. Chair, this is not simply a decision that government would make unilaterally, it would have to be a decision that is made on the basis of some meeting of minds between teachers who are active today, I guess the TRAF board and the government.

Mr. Selinger: Yes.

Mr. Derkach: Thank you. I have no more questions.

Mr. Schuler: The minister mentioned that there is about a \$3.8-billion unfunded liability. I do not know if the committee is quite clear yet. The government is contributing to it every year, but the growth of the unfunded liability will continue. Is that an accurate statement?

Mr. Selinger: It will continue, but not infinitely. In the first year we were in government, we made some adjustments to balanced budget legislation to allow a portion of the \$96 million to be allocated on an annual basis to the pension liability, and then we required every new employee's pension costs to be paid for up front by the employer, the Government of Manitoba.

As those monies continue to build, eventually they will overcome the growth in the liability and the liability will flatten out. That is based on actuarial projections. Originally, those actuarial projections showed that happening. This is in previous budgets, we had information on this provided in previous budget documents, a couple of years ago, I believe, for the member's information.

It was about in the 15- to 20-year range it started to flatten out, and then of course, that gets adjusted by further actuarial assumptions every three years or so. So there was a long-term plan to sort of stop the escalation of that at a certain point, flatten it out and then bring it down to full funding over a period of, say, 35 years.

Mr. Schuler: So, at a certain point in time, everybody's pension will be fully funded because it is being funded by whichever institution, whether it is government or the teachers or so on, and then that will no longer be an issue. It is just a matter of waiting for that time lag to take place.

Mr. Selinger: Prior to us taking office, the pension liability was continuing to escalate with no relief in sight because there were no employer contributions, but since we have started these contributions, and as the member knows the decision to stop paying for the pension liability on behalf of the employer was made in 1961, around the time of the first floodway project, and choices were made at that time about what could be afforded.

The bond rating agencies were asking for two things. They were asking for the pension liability to be recognized in the financial statements of the government. We did that through the summary treatment. And they were asking what plan the government had to deal with it.

* (15:00)

So, in that first year, we decided it was a 40-year problem. We decided to try and put a long-term plan in place to deal with it starting with a partial allocation every year out of the \$96 million. Then, as we kept working on it, we decided to start funding every new civil servant's employer's costs.

Over time, that will accelerate the contributions from the employers. The employee contributions will continue, of course. It will flatten out, and it will become fully funded at a certain point.

Mr. Schuler: In the case of the teachers' liability, it is \$1.8 billion. Were the school boards not tasked for continuously paying their portion right away, or were they also under the 1961 legislation where they also did not have to?

Mr. Selinger: The latter. They have not had to pay the employer's portion ever, since 1961. The government has been paying the employer's portion on behalf of school divisions. But from 1961 until we brought the legislative change in, there were no contributions from the employer's side of the table to the teachers' pension liability.

Mr. Schuler: So school divisions still do not pay the matching funds? That is done through the Province of Manitoba?

Mr. Selinger: That is why, when we have this debate about what portion of education costs we pay, we argue that we are paying the employer's portion of the teachers' pension costs.

That adds to that amount that we contribute to the education budgets every year, because it is basically outside of each school division's budget. It is not a number inside their budget. It comes to the Department of Education as a cost that they have to pay for.

Mr. Schuler: Just for historical sake, was that always the case, that the Province covered the school board's portion of the employee contribution?

Mr. Selinger: Yes.

Mr. Schuler: Civil service has 1.3 billion and then we have a number of all-inclusive of 2.068. So who else is there that has an unfunded liability? We know that the teachers' pension fund; we know that the Manitoba civil service. Who else would be in there?

Mr. Selinger: Well, as I indicated earlier, \$1.3 billion for the Manitoba civil service, the Liquor Control Commission, Public Insurance Corp., Assiniboine Community College, Keewatin Community College, Red River College, Manitoba Agricultural Credit Corporation, the health authorities, all of the Council on Post-Secondary Education, there is just a whole number of broader government agencies for which there is an employer's obligation that is part of that \$2 billion.

Mr. Schuler: I might have misunderstood the minister. Is there also an unfunded liability with Manitoba Hydro, or have they been fully funding their pension plan?

Mr. Selinger: The question, as I understand it, is about the Hydro circumstance. I just want to make clear that Manitoba Hydro has set aside trust monies to fully cover the cost of their pension liability. So, in effect, if you discussed it with the CEO, he would say they have a fully-funded pension plan in reality.

Mr. Schuler: Bond rating agencies would see it that way as well?

Mr. Selinger: Yes, they would, absolutely.

Mr. Schuler: Yesterday in Estimates, in the Public Service Commission, the minister mentioned that there are a lot of civil servants who are coming to the age where they would be retiring and, unfortunately, circumstances were that I had to leave and debate here and never got to the question that I actually had wanted to pose to the minister. What kind of numbers are we looking at with retirements? I do not know if the minister has that handy. I know he does not have the appropriate departmental people here who could give him that, but whatever that number is, and I do not know if he has the number, but that will have a major impact on the pension fund, I take it.

Mr. Selinger: The short answer is yes. As the number of people retire who, then, become eligible for their pension, that increases the draw on the fund. I do actually have some experience here that I can share with the member about the numbers of people retiring. In 2003 it was 459 people—

An Honourable Member: Mr. Chair, 459?

Mr. Selinger: Yes. The year prior to that was about 448, that is, in 2002. In 2001, it was 385. In 2000, it was 361; in 1999, it was 383; in 1998, it was 363; in 1997, it was 375. So it has been relatively constant. There has not been a flood of people exiting the system yet. But you can see some slight acceleration from 1997 to 2003. It looks like it has gone up about 85 more net a year. We think that rate will continue around 450 to 500 a year.

I think it is not an unreasonable number to forecast for future retirements. We think it might grow a little bit each year as that boomer generation sort of hits that eligibility, you know, the magic rule of 80, where their years of service and age total 80, when they can retire without penalty. Yes, several people in this room are moving into that five-year window. But the member knows that does not include the MLAs.

Mr. Schuler: This member also knows that at the rate we are going it will not.

An Honourable Member: I would be happy to discuss that with him off the record.

An Honourable Member: We will go for a break.

Mr. Schuler: I appreciate those numbers and, again, having been on the school board of the River East school division, I can remember there being a discussion at one point in time and it sort of reminds me of that Y2K scenario where if we all did not have generators and 14 cartons of toilet paper we were doomed because life, as we knew it, was going to shut down because of all the microchips in our refrigerators. I suspect some individuals made a substantial amount of money, of which we have not heard much from them lately, nor have they been forced to recant some of the things they said.

Often there is this discussion that we are going to face this impending doom. I remember those were discussions at the school board, that there were going to be tens of thousands of retirements. I remember it was always a very reasonable number as people retired.

You do not always hire, necessarily, university graduates. You hire people who are best for the job. That might mean a younger person; that might mean somebody who has 10 years' experience; it could mean somebody who has 25 years' experience. In the case when we were dealing with education, often a university graduate was not, perhaps, the best choice for a Senior 4 trigonometry class, for instance. You know, level entry math courses, it would be better to have somebody more seasoned. So the numbers retiring were fairly constant.

* (15:10)

From what I see from the minister, moving from 375 in 1997 to 459 in 2003, retiring is not really an unstable work force. From what he says, it seems to be fairly stable.

The minister referenced a little bit, but is there a concern that, at some point in time, we could see, say, within a two- to three-year period substantial numbers retiring? At this rate, it does not seem to be something that would affect the pension program too adversely. The numbers seem to be fairly stable. Is there a date at which it looks like there could be a substantial amount of people retiring, or does he see this as being on a continuum, stable, you know, anywhere up to 500 a year, but nothing too over the top?

Mr. Selinger: We approach the answer to the member's question this way. I will give some facts

and, then, I will maybe discuss a little bit about the context.

About 24 percent of the civil service will be eligible to retire within 5 years. That would be about one quarter. Within 10 years about 44 percent are eligible to retire. Currently, the average age of retirement is about 59.5 years old. The average length of service is about 23.5 to 24 years. The average age of current civil servants is about 45 years old. That would tell you that in about 10 years about half the civil service could retire without penalty. Now, if they all retired at that point it could be pretty dramatic in terms of the loss of corporate memory, intellectual resources, human resources in the system. That is why we discussed yesterday we are into this renewal initiative, we are trying to forecast that and ensure we are bringing on people to replace those areas where we know we are going to have long-term needs for skills.

Now, what would promulgate retirement? Working conditions is a huge factor. If people feel that working conditions are getting worse and they have met their magic rule of 80, then they have options that they can take without penalty. If the pension benefit was dramatically forecast to be reduced, that would promulgate a number of retirements. We saw that in the non-profit sector this year through the United Way. They decided to change some of the eligibility rules for retirement. They lifted them. They made them harder to achieve. That triggered a number of retirements before those new rules came in. In other words, you could have retired at 62 in the United Way plan. They changed it to 65. Well, everybody who was 62 took their retirement so they did not have to work three more years for the same pension.

There are a number of factors that could accelerate the rate. We do not have the factor in Manitoba of a mandatory retirement age for over 20 years. Technically, people could work beyond 65 if they wished. Most do not. Most choose to retire usually before 65, Mr. Chairperson, 59.5, as it indicates here, for a variety of reasons. People like to retire while they feel they have their health in reasonably good shape and they have some good years ahead of them.

It is a situation that I would say could be characterized by increasing risk of retirement as more people meet the threshold where they can leave

the service without penalty. It does not mean that they will all exercise that exit option, but they could. So the risk profile grows and it requires us to be doing some long-term planning to have replacement people that have the proper skill set in place in case they do.

Mr. Schuler: The minister brings up an interesting discussion, because one of the things you do not want to see is your top managerial pool of, say, the top 10 percent all retiring on you, and, at the lower paying scale, people deciding that they are going to stay longer because they need the income, but you are devastated basically at the leadership end of it. From the numbers that the department has, the retirements seem to be right across, or are we seeing heavy retirement at certain levels?

Just so that I am really clear to the minister, what I am trying to get at, one of the concerns we always had at the school board, years ago, there used to be an opportunity where you could get a teacher's certificate. It was just that we needed a lot of teachers at one point in time, so we had all these teacher's certificates. They tended to stay longer.

However, what was happening was we were losing an awful lot of our senior management. In fact, I remember one year we had a lot of principals and vice-principals, superintendents, probably. We had a lot of them leave. We were having a real difficulty with management. The retirements were not taking place right across the strata. That was something that we were trying to monitor because that meant a big difference in how we were going to hire people.

The retirements taking place in the civil service, are they some at this level, some at this level, some at this level, or are they bunching up sort of at one level?

Mr. Selinger: My staff inform me, and we do not have a detailed analysis in front of us because we are actually one day late on that, the Civil Service Commission has better trend analysis, but, generally, without having been able to verify the data today, we can come back to this if you wish; it does seem to be across the system. There are a number of factors.

The member is right. Those in the higher income levels might feel that they can retire a little earlier because their pension is going to be a little larger.

Some of the folks, maybe, in the lower scales might not feel they can retire quite as early. However, sometimes those jobs can be more demanding, for example, physically. So there are a number of factors that come into this. Spousal income is a factor. There is not one single driving force here.

But without having scientific evidence in front of me, I would say the major factor is how people feel about the work they are doing and whether they still have the enthusiasm or motivation to carry on, and what their alternatives are. If they feel they have a reasonable alternative available to them, in terms of income, either through pension or other sources of earning a livelihood, then they may decide to take their exit option. But it seems to be across the board and it seems to be as people get about 24 years' experience and they approach the age of 60 that they start saying "Well, you know, I think I have done my time here. I am ready to move on and try other things."

Mr. Schuler: I appreciate the minister very much allowing such a global discussion that we tend to touch upon two different departments. I know he does not have his civil service department staff here. It has a great impact, because people staying means less draw on the pension plan. So my questions are pension-related but they do cross over.

I know, for instance, before Y2K there was an incredible demand for techie people in every field of life. The amount of work that was done, and the work that was done was, I am sure, fantastic and it was much appreciated.

With the sky-is-falling, chicken-little stuff that was going out that all our food was going to rot in our refrigerators because there would be no electricity, obviously programmers were in high demand, and techie people. I know that government had a problem retaining techies, in fact, to the point where there were substantial increases in the tech field, substantial increases because obviously we could not lose our technology people because that would leave us vulnerable.

In that case, the minister is right. I mean, working conditions will have a big impact on a person's retirement. Also, then, that has an impact on their pension because they work then an extra number of years. And maybe when the minister answers this question, he could just bear with this

member a little bit and explain to me the 80 rule. He has referenced it a couple of times, but how long do you have to work at this new increase to hit that area?

Again, I comment to the committee. If I am not as versed on pensions as I should be, it probably has a little bit to do with the amount of time before I will be getting more interested in that area. Right now, my interest seems to be grade school where my kids are in nursery school. I mean, that is where I am in life. Pension is just not an issue that is really up there in my agenda, if the minister could bear with me on it.

* (15:20)

For instance, if you get a substantial bump up in your pay, how long do you have to work to hit that point, I guess, called the 80 rule, if he could just bear with me to explain it?

Mr. Selinger: I apologize for not explaining it earlier. There is no relationship directly to pay. The rule of 80 means that before you can retire in the Manitoba public service without penalty you have to have combined years of service and age equalling 80 and you have to be at least 55 years old.

In the City of Winnipeg, once you hit the rule of 80, you can retire, regardless of your age. So a lot of folks over there retire at 50. They start at 30 years regardless of age. Every plan is a little different.

I know in the City, some chaps, they start at 20; they make it to 50 and they can retire. In the Manitoba government, if you try to retire at 50, you are going to take a penalty on your pension. There is a reduction by the number of years below 55 of your pension.

What the rule of 80 says here is that once you hit 55, if your combined years of service and age equals 80, you can take a pension based on 2 percent for each year of service times your last five years of income or salary, best five years of salary, and get a pension accordingly. So, if you had a salary of a hundred thousand dollars, which would be extremely high, but just for round purposes, and you had—*[interjection]* Yes, okay. Let us say \$50,000, because that is probably more around the average of—the median salary is about \$45,000. So, for purposes of calculation, I will use \$50,000.

Say somebody hits 55 years old and they have 25 years of service, 55 plus 25 equals 80. They could retire without penalty. The 25 years of service would be multiplied by two. That would equal 50. So they would get 50 percent of their \$50,000 salary if that salary had been \$50,000 over the last five years of service. So they would get a pension of \$25,000. This is the pension formula.

Now, say they would get that \$25,000 pension. It would be adjusted downward for any Canada Pension Plan benefits that they were eligible for at the time of retirement. Most people do not take an early CPP. They usually take it between 60 and 65, as I understand it. So they would get their \$25,000 pension until they hit 60. They would then have an option of electing to take some of their CPP and getting a downward adjustment or they could wait until 65, in which case they have to take it, as I understand it. Is that right? The CPP. Oh, 69. They cannot defer their CPP any longer than the age of 69.

So, just in simple terms, a \$50,000 salary of a person hitting 55 years old with 25 years' service, 25 and 55 would equal 80. They would be eligible for a pension of about \$25,000 going out, adjusted annually for two thirds of the cost of inflation, up to two thirds, according to the ability of the plan to pay for it. So it just gives you an idea of how it works.

Now, I would be happy to discuss with the member, probably at a different forum, the recommendations of our commissioner. There are some slight differences. The main one is that under the commissioner's recommendations it would be a similar type of pension plan, but you would be eligible at 55 without the rule of 80, because most MLAs are not here for more than about seven years, just so the member understands that there is a difference there, an importance difference.

Mr. Schuler: That is based on the last five years. Is that correct? So you take your last five years, divide by five, and that is the income that it is based on. Is that correct?

Mr. Selinger: Usually, it is your last five years because they are usually your best five years, but there are some anomalies, you know, where some people may have had a high salary for ten years early, or for five years, and, then, for some reason, they were in a lower category for their last five years.

You can elect your best five years of salary to do your pension calculation.

Mr. Schuler: So, just taking the example of our technology people who would have gotten substantial pay increases, it would be beneficial for them to get five years of that substantially more pay to get the better pension. Does that have substantial effect on, assuming there would a lot of them, and I know there are not that many tech people, but does that kind of thing have an effect on the liability of pension plan? I know that it is all being paid for now but does that then have an effect on the pension plan?

Mr. Selinger: In the case of techies, you are right. During that Y2K period, there was a labour market imbalance. There was a greater demand for people with those skills than there were people available so there was a premium that had to be paid by all sectors to get the people they needed to address the Y2K problem.

In most cases those individuals were fairly young, say 30-somethings. Even though they got a good pay the prospects are that it would not be their best five years pay because they would be working at least, in most cases, another 25 years. You know, with inflation and 25 years out, that five years pay even though it was good at that time probably would not be their best five years. If it was somebody in the last, say, 10 years of working in the public service, that additional pay during that period could help them in picking their best five years for calculating their pension.

Mr. Schuler: Again, I know we are crossing over into Public Service Commission and I ask the minister to bear with me. Right now, the pay increases that the public service is getting, I take it there is the cost of living increase and then was there just not a negotiated settlement about a year or year and a half ago? If the minister could just comment, and, again, I know this is crossing over into Public Service Commission, but I will bring it back to the pension.

Mr. Selinger: The last collective agreement signed with our civil servants came into effect in March of 2003, 3 percent; March of 2004, 3 percent and March of 2005, COLA, whatever it is at that time. As the member knows COLA has been running under 2 percent in the province in recent years.

Mr. Schuler: And I apologize to the minister again for asking these questions. So it is 3 percent and that is it for the increase? If you earned \$50,000 you are now earning \$50,000 plus your 3 percent. There is no other increase; there is not a cost of living on top of that; it is just the 3 percent?

Mr. Selinger: In simple terms, yes. Now, as the member knows, sometimes people are within a pay scale and would get some annual increments. If they are at the top of the scale they get 3 percent, that is it. If they are within their pay range there is the possibility of the percentage increase in addition to an increment.

* (15:30)

Mr. Schuler: I thank the minister. Now I remember. That increase, for instance, if your range is from \$40,000 to \$49,000, how does that increase take place? I mean, you get your 3 percent but, then, how do you move up? Is that a recommendation of a supervisor, or is there a percentage creep that takes place, that you creep up to your top level?

Mr. Selinger: The 3 percent goes into the base as per the collective agreement, the annual increment, and usually there is about five, no more than six steps usually, in most pay ranges, the people within would be based on annual satisfactory performance, whether or not they get that increment.

Mr. Schuler: Okay, and then again, that then adds to their best five years that they can choose from.

Mr. Selinger: Yes.

Mr. Schuler: Out of all of the pensions that the branch oversees, are there any of the plans that have a surplus in them currently?

Mr. Selinger: The last actual evaluation of the Civil Service Superannuation Fund showed a modest surplus, not counting the unfunded liability, and I believe the legislation requires a re-actuarial evaluation every three years. So that can change. As the member knows, there has been a lot of volatility in the markets in the last couple of years. Some plans are starting to show some deficiencies, which are becoming some issues. That does not mean that they are not able to pay their current obligations, but the tests, the actuarial tests, require certain solvency requirements and run-as-you-go requirements, which

may not actually mean the plan is in peril at the moment, but could be if conditions do not change on a go-forward basis.

Mr. Schuler: So there is no plan right now that is running a surplus? For some reason, in the budget books I remember hearing or seeing that between \$6 million and \$7 million are going to be pulled and put into the common fund.

Mr. Selinger: The member might recall in the Finance Estimates I was discussing a surplus in the group insurance plan that could be of the employer's portion of the surplus which was available to the government.

Mr. Schuler: Could the minister explain that a little bit more for us, for the committee. The group insurance plan, as compared to all the other plans, what exactly is that, and how is it that we have such a surplus in there?

Mr. Selinger: The Public Service Group Insurance Fund is established pursuant to The Public Servants Insurance Act. The membership in the fund consists of the civil service, Manitoba Hydro, MPI, the Liquor Control Commission, colleges, agricultural credit, crop insurance, Workers Comp, and a number of other smaller employers. Evaluation of the fund in 1997 revealed a surplus. In 1999, \$15 million of that surplus was refunded to employees. Each employee received a minimum of \$25 and a maximum of \$2,500 based on the formula.

The employer portion of the surplus was retained with the fund and is presently maintained in trust. A recent evaluation by the Province's actuary has determined that the surplus employer funds, over and above the requirements of the fund could make available \$9 million attributable to the civil service, not to the other agencies that are part of it.

The actuary has advised that these funds can be distributed to the participating employers. That is why the number popped up in the budget. We have decided to allow that retained surplus in the fund to be moved into our general revenues this year.

Mr. Schuler: I can understand government being strapped for cash. Is that a prudent move? Would that not have been better if it would just have been transferred over to the unfunded liability? I guess I always get a little nervous when pension funds are

taken into general revenue. Why is it that we are growing such a big surplus? Is it that too much is being paid in? Is it not enough people drawing? Will this have an impact later on?

Mr. Selinger: Well, first of all, this specific fund, the public servants group insurance fund, the experience of the fund was that the obligations of the fund were less than the contributions, and a surplus was generated.

It was made available to both employers and employees. Employees drew their portion out through a rebate in '99. The employers left their portion there until the actuary again determined in a recent review that it was available without threatening the viability of the fund.

Mr. Schuler: Is there some surplus going to be left in there, or it is all being taken out?

Mr. Selinger: Yes, there will be some surplus left in the fund.

Mr. Schuler: Can the minister define for the committee how much that might be?

Mr. Selinger: The actuary has confirmed with us that there is additional surplus, but he is currently evaluating. He has not yet identified or quantified exactly what that is, but he has informed us that he is certain that there is a surplus remaining in the fund.

Mr. Kevin Lamoureux (Inkster): I would ask for maybe potentially a little bit of latitude from the minister in regard to pensions. I understand that we are on pensions. I did not hear all of the minister's comments. I am not too sure to what degree the minister has gotten involved with the pension issue, whether it was the Bill 212 or concerns that have been expressed.

I am sure the minister has received a great deal of correspondence and comments in regard to other pension issues. What I wanted to know is from the Minister of Finance's perspective. Has he sought any sort of opinions or just to comment on the pension issue that we have been talking about for the last little while?

Mr. Selinger: If the member is referring the private member's bill in front of the House, I really cannot comment on it in this process here. This process is to

consider the specific information related to Employee Pensions and Other Costs. That discussion about the private member's bill is properly before the Legislature when that bill is being debated. So I would respectfully have to defer comment on that here.

Mr. Lamoureux: So, in essence, what we are talking about this afternoon is just the government-funded pensions. In terms of limitations that once someone hits retirement, are they all set at a specific age before you can collect in terms of civil service pension? What age would that be?

Mr. Selinger: As I was explaining to the member from Springfield, the earliest age at which you can retire in the civil service without a penalty, or a reduction in pensions benefits is 55. The conditions under which you can get that pension without penalty are what they call the rule of 80. Your combined age and years of service have to equal 80. So, when you achieve 55, you need a minimum of 25 years' service in order to have the magic rule of 80 and receive a pension without penalty. In addition, you can get a pension without penalty at 65 with at least one year's service.

*(15:40)

Mr. Lamoureux: So would that apply to all the provincial civil service jobs that if in fact you are in for one year, you would qualify for a government pension then? For one year's service you would in fact qualify for a government pension?

Mr. Selinger: If you started at 64, achieved the age of 65 and elected to retire, you could collect a pension for that one year's service, based on 2 percent of the salary for that year times the number of year's service. So it would be 2 percent of your salary times one.

Mr. Lamoureux: It would not amount to very much, but I learned something, in the sense that I did not realize, I thought there was a minimum number of years before you would actually be eligible to qualify. The civil service is a 2% accrual. Is that the norm in Canada?

Mr. Selinger: For public servants, the short answer would be yes. But there are quite significant variations on the attendant benefits on that. I explained

earlier that, for example, in the City of Winnipeg, you can retire after 30 years of service regardless of age. So, if you started at 20, you could retire at 50, because you would have the rule of 80: at the age of 50, 30 years' service; age 50, without penalty.

You cannot do that in the province. You have to be at least 55 to retire without penalty. But in both cases you accrue benefits at about 2 percent a year. However, the City's plan is significantly more generous in other regards. It is a much more generous plan to the civic employees. One of the benefits is, of course, you can retire before 55, which costs the plan money.

I will just check this, but for the most part the city plan has better inflation protection, usually in the order of 100 percent, whereas the Province's plan maxes out your inflation protection upon retirement at no greater than two thirds of the rate of inflationary increase.

The City's plan does not have an absolutely 100% CPI, but it is better than ours at the provincial level.

Mr. Lamoureux: When someone hits that 55, and they are eligible without penalty, let us just assume that they are eligible without penalty, it is a predetermined-then amount that they would be receiving on a monthly basis. Are there any other capabilities of the individual pensioner to apply for, or receive anything over and above what that predetermined amount would have been?

Mr. Selinger: Just first of all, I have to make a clarification. There is a pamphlet available on this from the Civil Service Sup. Fund. Probably all of this is on the Web site, the new improved Web site. The 55-retirement age requires at least 10 years' service. If you had less than 10 years' service, you would not be able to retire without penalty for your pension plan. So that would suggest that at 55-plus, then you would have to sort of have at least a combined age and service of 65, but you have not hit that full 80, so there are some penalties as a result.

The member's question, are there any additional benefits after you retire, flexible benefits you could be eligible for? The short answer is no. The only other thing you could be eligible for is the CPP when your age makes you eligible for it. You can get a reduced CPP. When you draw your pension, you

could start accessing a CPP benefit at 55, as well at a reduced amount because you are younger. Some people decide to do that. That is netted against your pension, in most cases, as I understand it. But, if the member is asking can I go to the amount of money that has been set aside for my pension and take more out after I retire, if that is what the member is asking, the short answer is no.

Mr. Lamoureux: If you had, let us say, a career civil servant then that works for the Province and after putting in X number of years, let us say 30 years, then hit 65, and then upon hitting 65 they determine that they want to move to Saskatchewan, where there are different pension laws, would they still be obligated to follow the provincial law or would they be able to withdraw more moneys out because now they happen to reside in Saskatchewan. How does that work?

Mr. Selinger: The civil service plan is a defined benefit plan. You would get the benefit, based on your years of service and age, and that benefit is portable. You can receive it anywhere you wish, literally, on the planet, as I understand it. But you have no additional ability to draw money out by moving to another jurisdiction. You get the defined benefit.

Mr. Gerard Jennissen, Acting Chairperson, in the Chair

Additional information, if I still have the floor, if before you retire you move to another jurisdiction, through reciprocal agreements, depending on whether they are in place for that jurisdiction, you may be able to move the money you have set aside before you start drawing any benefits to that other jurisdiction through a reciprocal transfer agreement and then put it into the plan of the new employer that you are engaged with and then receive the benefits under the rules of that employer. But, if you have retired, you cannot change the benefit you have been defined as receiving under law by moving to another jurisdiction.

Mr. Lamoureux: That is an important point, I think. Let us say I am approaching retirement after 30 years. I started at age 35, so it works out nice. I am getting close, maybe a couple of weeks before retirement. Then, if I were to move to Saskatchewan, would it have to be another civil service job, or could it be any type of job where there is a pension program for me to be able to make that transfer?

Mr. Selinger: Let us say for discussion purposes you moved two weeks before your retirement date. You would have to move to another employer that had a reciprocal transfer agreement with the fund you left, in this case the Manitoba Civil Service Superannuation Fund. They would have to agree to the transfer.

Now, this is an important point. If you transfer to that other jurisdiction, let us say you had half-a-million dollars set aside from having worked for 30 years in the public sector here and you were transferring to a jurisdiction that had a richer benefit two weeks after you got there, when you retired. They do not give that to you for free. They would charge you the cost of receiving that benefit as part of the transfer agreement. In other words, you would have to fund that additional benefit out of your own pocket in order to be eligible for it.

Mr. Chairperson in the Chair

Mr. Lamoureux: This only applies where there are reciprocal agreements. Because it is a province or it is a civil service fund, the reciprocal agreements, and I am going to stick with the Saskatchewan model, would it only then be the civil service in Saskatchewan that would have a reciprocal agreement, or could it be other areas of the private sector that would have reciprocal agreements with the Province?

* (15:50)

Mr. Selinger: If the member is asking, this hypothetical civil servant with 30 years' service, if they moved to another jurisdiction, could they take their pension here, then move to another jurisdiction and start another job, and get their pension at the same time as they worked in another job?

Absolutely. Once you are eligible for your benefit, you can get it regardless of what you do with your time once you are retired, and many people do this. They take their pension—and they might even take an early benefit—retire early and start up a business and get the income that is earned off that or take another job. For example, the City of Winnipeg, often police officers can retire after 25 years' service regardless of age, as I understand it. They take their 50% pension, 25 times 2, say, at the age of 50, and they will take another job in the security field, receive their pension and get the income from that new occupation.

I have to tell you we are way off the purpose of these Estimates discussions, okay. So, if I am going to share some more information with this member, I do not want it to be used inappropriately, to be unfair.

In the case of a civil servant, there is the option that, if you move to another jurisdiction, and I would have to check the facts on this, they could, potentially, put into a locked-in retirement account in another jurisdiction. But, if they did that, I am informed they would lose the benefits of indexing by leaving it in the existing fund they have now, but they might have that option. Most people would not do that because that increases their risk.

An Honourable Member: I know somebody who is doing that.

Mr. Selinger: But there is a risk there. Right?

An Honourable Member: Yes.

Mr. Selinger: You could get burned. So you could, potentially, do that. You cannot use general rules because advice should be specific to the individual, but most people would probably be advised not to do that because they would lose their indexing feature. Okay? So I just wanted that to be on the record. Now, I do not want to debate this legislation, but I think the point that some of the folks are making in the credit union movement is that where they have locked-in funds here and the rules are more flexible in another jurisdiction, there may be an incentive to move to that other jurisdiction to get that greater flexibility. But that would likely not be the case for a civil servant because they would not want to give up their indexing.

Mr. Lamoureux: I truly appreciate the latitude that the minister is using and the frankness on it. The reason why, initially, when I was asked if I had a couple of questions, was because of a particular individual who had stopped by and I met at McDonald's. He had said, "You know, Kevin, as far as I am concerned with Saskatchewan's law, I could move to Saskatchewan, and then I will get whatever benefits I want." I am just thinking we have to ensure whatever happens here, whatever does eventually happen, that we got to be at least cognizant of the fact that we do not want people necessarily to be leaving our province because of that issue. That is the only reason why I brought it up in the nature that

I did, and I look forward to the continual discussions on the issue.

Mr. Selinger: As the Minister responsible for the Civil Service Superannuation Fund, which is actually not under discussion here, I will say this: When people retire in Manitoba, in the SUP fund, I would say that well over 99 percent of them take the benefit without shifting it out or locking it in anywhere because they have that indexing feature. Why would they want to give that up?

That is like a bottom line that gives them security every year, as opposed to going into the market and taking your chances on what the markets will do, right, up and down. You know, there is considerable risk, and the risk grows with advancing age because you are less able to gain employment. You have less options, so most people opt for security as opposed to taking a risk with advanced age because they have less options to go back into the labour market and make up any losses they might incur.

That is part of this debate around this bill. It is the trade-off between choice and predictability and security. I do not want to go too much more into the bill.

Mr. Schuler: I would like to take this opportunity to thank the minister for his candour for answering questions that were, really, not all in the scope of the Estimates we were discussing, but because of the impacts other areas do have on these Estimates I think it was most appreciated by the committee, and at this point in time, if it be the will of the committee, we would be ready to pass on the Estimates.

Mr. Chairperson: Resolution 6.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$67,737,500 for Employee Pensions and Other Costs, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

That concludes the Estimates for this particular organizational unit. The next Estimates will be a different unit.

**ENABLING APPROPRIATIONS
AND OTHER APPROPRIATIONS**

Mr. Chairperson (Conrad Santos): Will the Committee of Supply please come to order. This

section of the Committee of Supply we will be considering the Estimates of the Enabling Appropriations.

Does the honourable minister have an opening statement?

Hon. Greg Selinger (Minister of Finance): No, I do not.

Mr. Chairperson: We thank the minister for that remark.

Mr. Leonard Derkach (Russell): No, Mr. Chair.

Mr. Chairperson: We thank, also, the honourable Member for Russell.

Does the committee want a global discussion or an item-by-item discussion?

An Honourable Member: Global.

Mr. Chairperson: Is there agreement? *[Agreed]* It will be global. The table is now open for questions, comments, whatever.

Mr. Derkach: At the outset, I have to tell the Minister of Finance that this is not my area of responsibility, so he may find some of my questions either inappropriate or somewhat, perhaps, uninformed, but allow me to pose some questions, more for information than to seek some critical analysis of anything in this supplementary Estimates, Mr. Chair.

I noticed that when we look at, first of all, the appropriations and the total for the enabling vote, enabling appropriations, for the year 2004-2005, we have about a 9.5% decrease. Can the minister explain that trend in that whole area to me, please?

Mr. Selinger: If the member turns to page 2, under the Canada-Manitoba Enabling Vote, he will see that there is about a \$10-million-and-change shrinkage there. The specific lines show where the money has been reduced, Flood Proofing down, the Floodway slightly down, Treaty Land Entitlements stable, Official Languages stable, slightly down on Infrastructure, increase in Primary Health Care Transition.

The Medical Equipment Fund has been drawn on for a dramatic reduction. That is probably the

most significant one. The rest, Hydro Northern Training Initiative is somewhat down out of the Enabling. Some of these things get moved into regular departmental expenditure lines. That is why they are reduced here.

* (16:00)

Mr. Derkach: As I understand it, Mr. Chair, as the money is drawn on the Enabling Vote into various departments, it reduces the total in this Enabling Vote. This money has been set aside for the various purposes that are described here, but I guess each year we have seen sums of money set aside. I am going to use the Red River Floodway as the example.

I believe in previous years it ranged from a high of \$20 million down to this year of \$10 million, and \$9 million has been drawn. Can the minister tell us whether or not the monies that were not drawn, do they lapse then to the Treasury, or are they carried forward?

Mr. Selinger: They lapse.

Mr. Derkach: So, even though those are budgeted and are not spent in their entirety and they are lapsed, would that not signal that perhaps there was an inappropriate budgeting amount put into that category? If you do not use what you put in there year after year, that would indicate that it is not very effective budgeting. Then that can in itself become a bit of a fund that you can play with to shore up other expenditures.

I am wondering whether there is a critical analysis done on an annual basis to see whether or not the appropriate amount has been budgeted, and, if in fact it has not been expended, what justification there might be for plugging in an amount that is comparable or close to that expenditure, Mr. Chair.

Mr. Selinger: Every year, as the money lapses, it has to be reappropriated, and it has to be reappropriated based on what the expected expenditure requirements are. As the member knows, as you go throughout the year, some things change in terms of how fast, for example, engineering contracts are let, weather conditions.

I mean, I think the member was focussing on the floodway one as just an example. There have been environmental approvals that have to be achieved.

Sometimes the timing of that changes throughout the year. So you make your best forecast of what the demand is, you see how it is working out. If all the resources are not required they are lapsed, and then you have to provide a new forecast for the next year's budget based on your best estimate of what is needed.

Mr. Derkach: Can the minister tell me, of the \$10 million that had been appropriated to Red River Floodway in 2003-2004, how much of the \$10 million lapsed?

Mr. Selinger: The lapse amount of the 10 million on the Red River Floodway last year, third quarter forecast, is about 5.5 million, roughly. It may be less than that when we get the fourth quarter in and that is, really, timing issues. I mean, ultimately you have to spend the dough on this project. It is a question of when. Oh, sorry, sorry. It is the reverse 4.5 lapse; 5.5 was spent, my apologies.

Mr. Derkach: So, when funds of this nature lapse and they go back to general revenue, that then becomes available to other areas of expenditure which might be over their budgeted amounts. Is that correct?

Mr. Selinger: Not directly. As the member knows, in every budget that has been done in this province, including when member opposite was in government, there is a lapse factor built into the budget every year and it becomes part of achieving that target.

Mr. Derkach: When we look at the Medical Equipment Fund, and I know that the government this year has spent some money on capital equipment in hospitals around the province and I would assume that that amount of money that is drawing off that, was it \$17 or \$18 million, that amount of money was established through an agreement I believe with the federal government. Was that a time-sensitive agreement in terms of when those monies needed to be expended, Mr. Chair?

Mr. Selinger: Subject to confirmation, we do not have the exact source documents here, we believe the money was available over a horizon of five years for the Medical Equipment Fund, the federal contribution to that.

Mr. Derkach: Under the terms of the agreement with the federal government, was there a specific

amount that was required to be spent on an annual basis or was it open to be expended over the five years?

Mr. Selinger: It was open-ended to accommodate capital expenditures or what they call lumpy expenditures. Sometimes you need a whole bunch and then a little and then a whole bunch depending on what you are buying. So it was not required that you had to spend any specified amount each year.

Mr. Derkach: Can the minister tell me when the end of the five-year agreement is?

Mr. Selinger: The Medical Equipment Fund will lapse this year, that 5.3 million is the last tranche of that.

Mr. Derkach: So in total, can the minister indicate what the total was over the five years? Was it 18 million per year for the five years or was it 18 million in all?

Mr. Selinger: The total of 37.3 million. The member probably wants to know how that flowed. In the 2001-2002 year, 2.8 million; in the 2002-2003 year, 16.5 million; in the 2003-2004 year, the projection is 12.7 million; and in the 2004-2005 year, the estimate is 5.3 million for a total of 37.3.

Mr. Derkach: Can I ask the minister whether or not the Diagnostic Medical Equipment Fund was established in a similar fashion, and when its sunset is?

Mr. Selinger: Yes, it is spread over five years, and it is projected to be depleted in '07-08.

Mr. Derkach: Can the minister indicate what the total amount of the agreement was? I am sorry I am asking these questions, but I do not have them at my fingertips.

Mr. Selinger: The projected amount is \$54.6 million.

* (16:10)

Mr. Derkach: So, in this current year, the minister expects that \$12 million will be spent on diagnostic medical equipment. Is this going to fulfil those commitments that have been made to regional health authorities over the course of the last three years? I

will just use one instance as an example. There was some dialysis equipment that was promised about three and a half, well, it was actually promised under the former administration but was never fulfilled because there was something called an election which came in the way, and so it was left to the new administration to fulfil, I believe. As of this date, although there is a significant need, because I would tell the minister that equipment of that nature is required in areas, specifically where there are large populations of Aboriginal peoples. I represent an area that has actually five reserves in the area. So there is some urgency to this, and there have been constant requests. I am wondering whether this is a fund that will be used to fulfil those obligations.

Mr. Selinger: Well, first of all, I think the member is asking about dialysis equipment. I do not know that that would classify under diagnostic equipment. It might be more under medical equipment because it is a treatment-oriented thing. But, to be fair here, you are getting into the details of the Health Estimates. I am not really equipped here with the staff to give you the precise answers you want on this. But, from a reading of the title, I am not sure that diagnostic equipment would include dialysis treatment technology.

Mr. Derkach: Well, I guess I have been told that that is the category it would have come out of. I do not want to get hung up on that because I was only using that as an example.

I guess my bottom-line question is is this amount of money, the \$12 million, for promises that were made throughout the campaign and beyond or since, to fulfil the obligations that have been made by either the Minister of Health or the government and have not come to fruition at this time.

Mr. Selinger: The specific sourcing of the capital for specific election promises, I cannot give the member the direct line between the specific appropriation and the specific promise. So, if the member is asking, "Will the election promise be fulfilled?", yes. I am having trouble answering the question because I really do not have the staff here that can give me the answer. I have got Treasury Board staff, not Health officials.

Mr. Derkach: Having been around the Cabinet table, I can assure the minister the Treasury Board staff probably does have a fairly good idea of where

this money is going to go. But I just want to ask the minister once again whether or not this is for projected new equipment? I mean, the minister has to know. He is assigned \$12 million for this current year. Now he has got to know what he has assigned it to.

My question is is this for purposes of diagnostic equipment that the government is planning to put in that has not been announced yet or is this to fulfill commitments for diagnostic equipment that have been made, but have not been fulfilled.

Mr. Selinger: I understand the member's distinction and I just do not have the information to clarify which of those two things. It is for future purchases of capital diagnostic equipment, yes. Is it for election-specific promises by any government in the past? I do not know for certain. Is it for as yet unannounced diagnostic equipment?

I do not know for certain. It may be a mix of the both but I just do not have the information for the member here today. I would have to take it under advisement at a minimum and seek out that information. It is for diagnostic equipment. The thinking was on Romanow that health care would be improved by more modern diagnostic equipment being made available in our health care system.

The federal government sourced \$54 million to provide for that over a period of, it looks like five years, out of their year-end surpluses that they always pretend they do not have until the last quarter. Then boom, they make a number of one-time commitments and tell you it is for five years, but they write it off in the last quarter of the year in question.

I think it would be safe to say that the minister will bring priorities forward to Treasury Board for approval on how that money should be spent to meet health priorities, and what those will be, will be identified by the minister and his department officials.

Mr. Derkach: Well, I appreciate the minister may not have the specifics at his fingertips and I will accept that. I will also accept the fact that he is committed to give me further information on that, as he can get it.

What I do not accept is the fact that this is just a block amount of money that has been set aside for

whatever equipment the Minister of Health (Mr. Chomiak) chooses to appropriate it to. In the budgeting process I would assume that specific allocations, and through the scrutiny of Treasury Board, specific allocated areas have been identified for this. Whether those are new initiatives or initiatives that have already been announced, are things that I would like to know from the minister, and again, he does not have to give me the response right now, but after consultation with department and his staff I would be prepared for him to take this as notice, and then to get back to me at a later time.

Mr. Selinger: I will take the member up on that offer, and once again just reiterate, before it is spent, the department has to propose to Treasury Board the priorities to which they want to attach the dollars in terms of the goals of the Department of Health, and health authorities that they work with.

So I will undertake to try and get that information as Health clarifies how they wish to spend that this year.

Mr. Derkach: Mr. Chair, if we could move along to another area, and that is the Hydro Northern Training Initiative. In this area I would assume that the amount of money that has been identified here, a significant decrease from 2003-2004, would be going to the training of personnel for the future hydro-electric projects that the government is contemplating for Manitoba.

I would just like the minister to perhaps give me some clarity whether, in fact, that is the case, and then more specifically where that money is going to be spent.

Mr. Selinger: This enabling authority represents 100% provincial funding in '04-05. The member notes that it is a million dollars. The amount in '03-04, which was a higher amount, was net cost to the province of a million. The difference, the \$2.75 million, was recoveries from the federal government which we could not budget for because they had not been made available to us through any federal announcement prior to the budget being set. That explains the difference.

As the member knows, for some reason not entirely clear, there was an announcement earlier this week by the federal government of about some \$20 million for northern Hydro training initiatives. But

we were not aware of that in the budget window, and we are not aware of how much of that is available in this year. At this stage, we have not analyzed that yet.

* (16:20)

Mr. Derkach: Is the \$20 million available to Manitoba alone?

Mr. Selinger: I must confess I have not seen the details, the specific detail of the announcement. I just have the media information that the member opposite might have. The \$20 million was announced by the federal government to support Hydro training initiatives in the province of Manitoba over a period of time. I am not exactly clear how many years that is, so I do not know how that cash flows. But I suspect it is over four or five years. It is not indicated in the press release either. Details are to follow.

Mr. Derkach: I guess we will just have to stay tuned for that information. I would like to just spend a little time on the Northern Training Initiative, because I think part of it does fall under the minister's jurisdiction.

I would like to ask what has the government done in terms of formatting training for the northern hydro projects. Is it all being done in house, or is it being done through contract, or is it a combination.

Mr. Selinger: That question, and I am not trying to be difficult on that, is properly addressed to the Minister of Advanced Education, who is responsible for those training initiatives. I have neither the staff nor the detail to give an accurate answer to that here, but it is an initiative that is administered by the Department of Advanced Education and Training. Just for information's sake, it is on page 31 of the detailed Estimates under a subtitle of Hydro Northern Training Initiative.

Mr. Derkach: I thank the minister for that. So what basically happens is the Minister responsible for Hydro and Manitoba Hydro purchase or arrange for training for projects through the Minister of Advanced Education in total? Is that correct?

Mr. Selinger: I do not believe I could describe it that way. I think there are two levels of government, the federal and provincial government, that have committed some resources to training for northern residents to access employment opportunities on

future projected hydro projects. The specifics of how that will be administered, et cetera, I do not have the people here that I can answer that. I would have to take it as notice if the member wants details on the specific administrative arrangements.

Mr. Derkach: I think this is a fairly important area, because it is an area where a significant amount of dollars are invested. The money is being drawn from this appropriation for that training, or for part of it. I know sometimes it is even difficult within government, but for us in opposition it is very difficult to try to get our minds around a proper understanding of how the training initiatives carry forward. I guess I say that because of my experience in having taken over the Department of Education and the Limestone training aspect of it and trying to get my mind around the various components of the training aspects under Limestone training. For someone who works in it on a daily basis, it becomes second nature, but if you are sort of disassociated from it, it takes a little while.

So I would appreciate if the minister would undertake to give us some clarification in how the training dollars are drawn on from this area and through which departments or agencies and at least then it would give us some understanding of the specifics of it. So I appreciate that if the minister could do that.

Mr. Selinger: I am just reading from the press release of May 18, the second last paragraph, it indicates that the Province of Manitoba and Hydro have been working closely with the northern First Nations and consortium members in the vicinity of the proposed projects to support development of multi-year annual training plans. Consortium members include Tataskweyak Cree Nation, War Lake Cree Nation, York Factory First Nation, Fox Lake Cree Nation, Manitoba Métis Federation, Manitoba Hydro, MKIO, Nisichawayasihk Cree Nation and the federal government.

So there is a consortium of actors that are working together on developing these multi-year training plans and any more detail I will have to provide to the member as part of my taking his question as notice.

Mr. Derkach: Mr. Chair, because we are doing Other Appropriations under this as well, I would like to just spend a moment on the area of monies that were identified and drawn on for the BSE crisis.

As we went through the Estimates, we found that the Minister of Agriculture (Ms. Wowchuk) was using one number and press releases were referring to other numbers. The Minister of Finance had put on record yet another number and so it was difficult to understand exactly how much the government had spent on the programs that were announced for the BSE crisis.

I think, because we are under Other Appropriations, I would like to get an understanding from the Minister of Finance today what specific number is being used by the government with respect to funding the various programs under the BSE crisis.

I will use the two numbers that have been put on record, one was 31 million and the other was 46 million, I think that was used by the Minister of Finance, and I am wondering whether the minister could clarify that discrepancy in those numbers.

Mr. Selinger: Yes, the number I have put on the record and I confirm today is 46 million related to BSE compensation, and that is a third-quarter projection and will be updated and finalized in the fourth-quarter projection.

Mr. Derkach: So, as I understand it from the minister's comments, this is a projection; the \$46 million is a third-quarter projection. That is not what has been paid out; that is simply the projection that the minister anticipates will be paid out. So can the minister tell me how much of that \$46 million has now been paid out?

Mr. Selinger: The member is correct. That is the projected amount. I do not have an actual amount paid out to date and we will not be able to firm that up until we do our fourth quarter report.

Mr. Derkach: I guess the confusion lies in that the Minister of Agriculture, I think, in her Estimates, has indicated that \$31 million has been paid out. Now, I guess we need to know, the \$46 million in BSE compensation, does that include the loan guarantees, does that include projected losses from the loans, or is that simply support that has been paid out by the government directly for programs and does that relate also to the \$46 million the minister is saying that has been projected? Are those two figures synonymous in terms of their purpose that they are being used for?

*(16:30)

Mr. Selinger: The \$46 million does include loan loss provisions as projected.

Mr. Derkach: Now, you see if we would have had this information during our Estimates process this way, we probably would have avoided a lot of acrimony here in the Legislature in Question Period, but I am going to ask the minister, and I appreciate the forthrightness of the minister here because that is important, so what we have is \$31 million of direct support that has already been paid and has been accounted for, and on top of that we have a loan loss provision of approximately \$15 million, as I understand it, and that will bring the total to about \$46 million. Is that correct, or are we talking about two different pots here?

Mr. Selinger: I am simply indicating that the total compensation costs are \$46 million. I am not suggesting that it is 31 and 15. I do not have the numbers in front of me on that. There is within the \$46 million estimates of what the provisioning costs will be for the loan program and other related costs as well. I would have to get a detailed breakout for the member of how the 46 has been calculated and I can do that, if the member wishes.

Mr. Derkach: I want to ask the minister that on top of the direct payments of the \$46 million that he is projecting, there is a loan amount that was provided for producers to help them through the crisis. Can the minister tell me what that amount is, either projected or budgeted or spent?

Mr. Selinger: I do not have that information here for this Estimates review that we are undertaking right now, Enabling Appropriations, that amount of loan amount was under Loan Act authority and is administered by the Department of Agriculture and its agencies through the Agricultural Credit Corporation. I just do not have that information here. I would have to take it as notice again.

Mr. Derkach: So, under Other Appropriations, the minister is saying that none of the money for the BSE crisis, if you like, or the BSE situation in this province, none of the funds came from this appropriation category, if you like, at all. It all came from the provincial Loan Act authority. Is that correct?

Mr. Selinger: The provisions for loan losses are here in this Other Appropriations category. The loans themselves are under The Loan Act. That is the

information I do not have available. What we have got in that \$46-million number is the officials' estimates of what provisioning would prudently be required to cover off those loans that were made available.

Mr. Derkach: Well, Mr. Chair, in order for the minister to be able to project the loan losses, he would have to have some idea of what the global amount of loans that have been either set aside or established for that purpose would be, and we have heard varying numbers. Can the minister today confirm what the \$15-million loan losses were based on, what the global amount was based on? Was it on \$100 million, \$200 million, or was it on \$90 million?

Mr. Selinger: I just want to reiterate that that \$15-million number is not a number I have used. I know what the member is doing. He is subtracting 31 from 46 and coming up with 15. I am simply saying there is an amount in here which I will have to get for the member for provisioning as recommended to cover off the exposure under the loans that were made available for the BSE crisis. I will undertake to get a breakdown of that \$46 million for the member and provide him the details of that.

Mr. Derkach: Sure. I accept that. I may have misheard the minister earlier when he said there was approximately \$15 million set aside for—

An Honourable Member: You said that last summer, Greg. I asked you last summer.

Mr. Derkach: Well, you know, I am not going to get into that debate, because I was silly. If I assume something, I am going to apologize for that and wait for the minister to come back to me with the information.

I would like to move along to one other area. That is the area of potash, the Crown corporations part of it and the amount that we are using for the whole potash industry. Each year we spend some money on this corporation more so to keep it alive than anything, I think, because the activity has been minimal. I am wondering what the increased allocation for this year is all about, whether it is just simply to shore up the salary that is available there, because I think about all that is left there is maybe one or two salaries. Is there some anticipated activity in that whole area of potash development?

Mr. Selinger: If I understand the member correctly, he is referring to the \$135,000. It is a modest amount. Last year's budget projected \$115,000, but is forecast to spend \$125,000. So in actual terms it is a \$10,000 increase, just thousands, not millions.

Mr. Derkach: I am sorry, I misspoke myself. We have been talking millions. I knew that it was \$135,000. I know it has been there a long time and we just simply keep bumping this along. We spend \$135,000 or \$120,000 each year—

An Honourable Member: Potash prices.

Mr. Derkach: —but I am wondering whether or not there are any anticipated results out of this expenditure at all by the government.

You do not know anything about potash.

An Honourable Member: Oh.

Mr. Derkach: I am talking to the Minister of Health.

Mr. Selinger: I just happen to have the government's expert at the elected level, in potash with me, who has dramatic experience. We would dearly like to develop this asset in the province to pay for the health care funding that we need on an annual basis. I am not sure whether the member wants me to unleash our resident expert I am prepared to do that, but I will leave it up to the member whether he wants to hear his answer.

* (16:40)

Mr. Derkach: You know the saying, Mr. Chair, "Unleash the hounds." But, in this case, I say unleash the minister if, in fact, they are holding him back from doing his work on potash development. I would welcome the minister, and I would be the first one to offer the minister a personal tour of Manitoba's potash area and also invite him to visit the area. I do not recall the minister ever being out to my area to view the potash deposit area. But in fact if he was, I certainly would welcome him to it. Maybe then we could next year at least have some results out of the \$135,000 that we spend on this initiative on an annual basis.

Mr. Selinger: I am going to take an enormous risk here and unleash our resident expert on potash, and I just want the member to know that anything the expert may say is subject to further verification by Treasury Board.

Mr. Chairperson: I am interrupting the proceedings of this section of Committee of Supply because the total time allowed for Estimates consideration has now expired.

Our Rule 76(3) provides in part that no more than 100 hours shall be allowed for the consideration of the business of Supply. Our Rule 76(5) provides that when the time limit has expired, the Chairperson shall immediately put all questions necessary to dispose of the remaining matters. These questions are not subject to debate, amendment or adjournment.

I am therefore going to call in sequence the questions on the following matters: Enabling Appropriation Resolution 26.1 to 26.5; Other Appropriations Resolutions 27.1 and 27.2; Capital Investment Resolution B.1 to B.15; Sports Resolutions 28.1 and 28.2. The resolution regarding Capital Supply.

I would remind the members that these questions may not be debated, amended or adjourned according to the rules of the House.

Resolution 26.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$44,991,600 for Enabling Appropriations, Canada-Manitoba Enabling Vote, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 26.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,400,000 for Enabling Appropriations, Sustainable Development Innovations Fund, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 26.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,250,000 for Enabling Appropriations, Justice Initiatives, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 26.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$300,000 for Enabling Appropriations, Security Initiatives, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 26.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,000,000 for Enabling Appropriations, Internal Reform, Workforce Adjustment and General Salary Increases, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 27.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$25,000,000 for Other Appropriations, Emergency Expenditures, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 27.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$810,000 for Other Appropriations, Allowance for Losses and Expenditures Incurred by Crown Corporations and other Provincial Entities, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$610,000 for Capital Investment, Legislative Assembly, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,120,000 for Capital Investment, Advanced Education and Training, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$242,000 for Capital Investment, Agriculture, Food and Rural Initiatives, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$994,600, for Capital Investment, Conservation, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$150,000 for Capital Investment, Culture, Heritage and Tourism, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,080,000 for Capital Investment, Energy, Science and Technology, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,890,000 for Capital Investment, Family Services and Housing, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$700,000 for Capital Investment, Finance, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.9: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,204,000 for Capital Investment, Health, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

* (16:50)

Resolution B.10: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,600,000 Capital Investment, Justice, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.11: RESOLVED that there be granted to Her Majesty a sum not exceeding \$26,358,400 for Capital Investment, Transportation and Government Services, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.12: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,600,000 for Capital Investment, Internal Reform, Workforce Adjustment and General Salary Increases and Enabling Appropriations, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.13: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,658,600 for Capital Investment, Conservation, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.14: RESOLVED that there be granted to Her Majesty a sum not exceeding \$78,917,600 for Capital Investment, Transportation and Government Services, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution B.15: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,015,700 for Capital Investment, Water Stewardship, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 28.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,642,800 for Sport, Sport, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution 28.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,400 for Sport, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

Resolution Regarding Capital Supply: RESOLVED that there be granted to Her Majesty a sum not exceeding \$899,110,000 for Capital Supply, for the fiscal year ending the 31st day of March, 2005.

Resolution agreed to.

This concludes our consideration of the Estimates in this section of the Committee of Supply. I would like to thank the ministers and the critics for their co-operation.

Committee rise. Call in the Speaker.

IN SESSION

Committee Report

Mr. Conrad Santos (Chairperson): Mr. Speaker, the Committee of Supply has adopted certain resolutions. It directs me to report the same and ask leave to sit again.

I move, seconded by the honourable Member for Selkirk (Mr. Dewar), that the report of the committee be received.

Motion agreed to.

* * *

Mr. Leonard Derkach (Official Opposition House Leader): Mr. Chair, would you please canvass the House to seek leave to table the list of departments we would like to call forward this afternoon for concurrence?

Mr. Speaker: Is there leave to table the list which will be called for concurrence. Is there leave of the House? *[Agreed]*

Mr. Derkach: Mr. Chair, I would like to request and table that we would like to seek leave to have the Department of Health, the Department of Family Services and the Department of Labour and Immigration called forward for this afternoon.

Mr. Speaker: List for concurrence for this afternoon will be, once it is called, Department of Health, Department of Family Services, Department of Labour and Immigration.

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call Supply.

Mr. Speaker: We will now move into Committee of Supply. *[interjection]*

Oh, we have to revert back to the House first, and then I will call committee after.

Mr. Derkach: I do not know if it is the appropriate time or not, but in trying to give adequate notice for our sitting next in concurrence, I was wondering if I could provide the list of ministers that we would like to have come forward in our next concurrence sitting.

I would just like to announce that we would appreciate the Premier (Mr. Doer), Minister of Health (Mr. Chomiak) and the Minister responsible for Water Stewardship (Mr. Ashton).

Mr. Speaker: For Wednesday next, for the next sitting of concurrence after today, we will be calling the Premier, the Minister of Health and the honourable Minister of Water Stewardship. Now, I will call the Committee of Supply.

* (17:00)

COMMITTEE OF SUPPLY

Concurrence Motion

Mr. Chairperson (Conrad Santos): Committee of Supply, please come to order.

Hon. Gord Mackintosh (Government House Leader): I move that the Committee of Supply concur in all Supply resolutions relating to the Estimates of Expenditure, for the fiscal year ending March 31, 2005, which have been adopted at this session by a section of the Committee of Supply or by the full committee.

Mr. Chairperson: It has been moved by the Honourable Government House Leader that the Committee of Supply concur in all Supply resolutions relating to the Estimates of Expenditure, for the fiscal year ending the 31st, day of March, 2005, which has been adopted at this session by a section of the Committee of Supply or by the full committee.

The table is now open for questions.

Mr. Kevin Lamoureux (Inkster): Just procedurally, Mr. Chairperson, do I stand or sit, given we are inside the Chamber? Does it matter?

Mr. Chairperson: The member has to be in his own seat. He can be seated.

Mr. Lamoureux: Thank you, Mr. Chairperson. I do have a number of questions for the Minister of Health. The first couple of issues are just dealing with constituency type of concerns. I want to give a

specific example and get the minister just to, in essence, give some advice, or possibly some direction. Then one or two other questions related to issues, one being the Health Links, something in which I like to believe that somewhat as many MLAs are a strong advocate for.

To start off, in regard to a situation, I have one constituent who has a serious sleeping disorder who has met with me and had raised the issue in terms of he is not too sure exactly where it is that he should be turning. Obviously, as many Manitobans are impacted by the short number of beds, I believe over at the St. Boniface Hospital, the concern is, of course, the waiting period.

My first question to the Minister of Health is where you are in a situation in which you are in desperate need of getting attention to deal with a sleeping disorder, what would the Minister of Health recommend as an MLA that I tell my constituent.

Hon. Dave Chomiak (Minister of Health): I think the situation with respect to sleeping disorders is that depending upon the acuity or the seriousness of the situation, individuals can be seen very quickly, and that is the case, they are seen very quickly. They are then classified on a clinical basis. There are cases and there are occasions in many cases when if it is a case that requires attention and the individual is not able to wait the period of time, we will transfer that patient on our patient transfer program out of province.

So I think it is primarily based on the clinical situation vis-à-vis the particular patient. That is how I would advise my constituents. I would suggest that the member could advise his particular constituents. In other words, I would approach the doctor at the sleep clinic and make a determination with respect to the acuity of the case and make a determination from there.

Mr. Lamoureux: So, depending on the severity of the condition or the acuteness of the condition, the individual would go to their general practitioner possibly and then get advised to go to some form of a specialist.

Then that would determine the classification, where that patient would be at and then if it is determined as to being severe enough, the individual

would then be allowed to be transferred out of province in order to get it addressed if, in fact, the Province has not been able to provide a bed.

Can the minister give some sort of an indication as to what then would be an appropriate time period for someone that would be classified as being in serious need of being given attention?

I do not know all the different classifications. I have met with the person. The Leader of the Liberal Party (Mr. Gerrard) has also met with this particular individual. It seems that he would be fairly high in classification. I wonder if the minister could just comment on that.

Mr. Chomiak: My suggestion to the member would be to, if it is an individual case, individual circumstances, perhaps to get the details because I know there was a matter raised by the Leader of the Liberal Party. There were general questions and there were no specifics provided to me as I recall. If the member could get those specifics to me we could look into that particular situation.

The general modus operandi we follow is that we do not make those determinations. Those determinations are clinical and medical decisions, and situations that require immediate or urgent care are provided on that basis and then determinations are made by medical and clinical experts.

So I think the best route for the member, I would suggest, because I do not make those determinations, I think the best route would be to get the details to my office and we can do a follow-up to see if appropriate routes have been followed and what suggestions might be made in terms of follow-up.

Mr. Lamoureux: And I will do that with regard to this particular constituent. I thank the minister for the comments.

In order for someone to be classified as "immediate" or "urgent," is there a special facility that they have to ultimately go to? Who actually then would fit them in? Do they go to the St. Boniface Health Centre? Do they have to make some sort of appointment because I am sure the minister would acknowledge when you make an appointment with a specialist, quite often it could be months before you could actually see this specialist? How does one get that qualification of being "immediate" or "urgent"?

Mr. Chomiak: Generally, these decisions are made by the primary care provider to the individual who makes an assessment with respect to the particular condition of the individual. Generally, there are clinical criteria and guidelines that apply that determine whether or not a referral to a specialist is in order.

The referral is generally made depending on who the practitioners are and what the condition is. The referrals are made on that clinical basis. Periodically, there are decisions made sometimes less than appropriately for the individual suffering from a particular condition or sometimes less appropriate than the particular general practitioner.

When clinical guidelines are applied, they do not necessarily apply. But the general rule is that it is based on the condition and references are made based on the condition of the particular individual and the determination by the primary care provider usually in conjunction with the determination by the specialist.

* (17:10)

Mr. Lamoureux: I will follow up on that with the Minister of Health, but I want to move on to the next issue. Again, I will give you a situation.

This particular individual does not happen to be a constituent but resident of the North End who took the time to come and meet with me to share with me a situation. The situation is this: You have an individual that grew up in a household atmosphere. The family from what I understand had immigrated to Canada a couple of generations back. They came from a country in which food was somewhat of a scarce commodity. When they came to Canada, there was a lot more food availability and it was kind of inbred into the mother and into her that you eat food, and there is a different type of mentality as she had explained from the country in which her family originated from.

As a result, she gained a considerable amount of weight. When she was at an early age she weighed over 100 pounds, gets into her teens and she is already up to 160, 170 pounds. I would guesstimate that she, probably, stands somewhere around 5'5" or 5'6", and she is actually fairly obese, Mr. Chairperson.

Her concern was what could be done in order to assist her in losing some of the weight. She wanted very much so to be able to address this issue. So as a result she went on some diets, considerable amount of dieting and lost a great deal of weight. The concern she has is that now that she has lost the weight there is a lot of loose skin, and there are other issues that she wanted to be able to get addressed.

She went to her doctor and her doctor says, "You know, you could look at getting your stomach stapled," as an example. Ultimately you know, the Province, she tells me, does not do that, but if you go down to, she had told me, Saskatchewan, that Manitoba Health would pay to get her stomach stapled. That would go a long way in terms of ensuring that she does not gain back the weight.

So the first question I would ask is this: Individuals in this nature, and the reason why I took the time to explain the background is that obviously when you are three, four, five, six, seven years old, you do not intentionally go out to eat. It is a social thing, at least in good part, and it is the environment in which she is living. Now in her mid-twenties, she is trying to address this. And the question that she had is that, to what degree is government prepared to assist?

We know—and we see the Minister of Healthy Living (Mr. Rondeau) is also there—the benefits of an individual deciding to live healthier. The future health care costs are going to be, I believe, especially if she remains at the weight that she is currently at, we could see significant savings. The question to the Minister of Health is does the government in any form assist individuals in this sort of a situation.

She made mention of going to Saskatchewan to get her stomach stapled. I believe she had told me that her doctor had indicated that that would, in fact, be covered through the Department of Health or through Manitoba Health. Would that, in fact, be the case?

Mr. Chomiak: Again, this would depend upon the individual circumstances of the individual. The procedure that the member is talking about is undertaken on some occasions. There is some debate, some dispute about the effectiveness, the validity of that particular method, but it is covered.

Again, if the member were to get individual information to my office, we would take a look at the particular circumstances. Let me just cite an

example. Recently, an individual went quite public with her situation regarding losing considerable weight and there was a significant media issue with this regard. There was a suggestion that Manitoba Health would not cover her particular procedure. In fact, as I recall, she had not approached the department with respect to what options were available.

As a general rule, it has not been an area that has been historically covered for a variety of reasons, and I could, but I will not get into it. I think the individual ought to contact us, have a review of the circumstances. There have been cases where people have been covered in some instances for particular procedures, and in these particular cases, it would depend upon the individual circumstances.

On the larger issues of coverage, non-coverage, et cetera, I do not want to take a lot of time on it, but I am prepared to talk to the member at length on the entire issue of the range of what core services should be offered in the health care system, what should be in and what should be out, what has evolved to be important, what has evolved not to be important, the issue of nutrition, the issue of eating disorders in general, on the other extreme, and how that figures into the equation.

With respect to individual cases, I think if the member could get the details to us we could take a look at it.

Mr. Lamoureux: Mr. Chairperson, the reason why I went into the background was because I wanted the minister to have a sense in terms of what it is that I am hoping to be able to get at through the following questions.

This individual, and we could, in fact, be talking about the same individual, she did not want to get her stomach stapled, but acknowledged that had she got her stomach stapled, public tax dollars would have assisted her in doing that. As opposed to doing that, she went on a very vigorous weight-loss course and still, to this day, from what I understand, it is much like AA. The intent is there to not only lose the weight, but to keep the weight off. It is a change in lifestyle.

The concern is that it is very difficult to see the amount of excess loose skin and, as a result, there was a requirement to get a different form of an operation. The total cost of that operation was \$10,000, and it has made a huge difference, both physically and psychologically, and the argument of

course is, is that if the government is prepared to pay at one end, but is it prepared to look at the other end?

Where someone has shown very clearly, and again, you have to establish that this is not someone that is 30 years old, goes on a feeding binge, this is someone right from their childhood who now recognizes that, maybe what grandma and mum were saying about eat, eat, eat, was not right and has gone the extra effort and then we have someone that says, well, look, in certain situations the government is prepared to finance, but here, I believe her cost is \$10,000, she did provide me a bit of a breakdown. The biggest cost was, in fact, paying for the doctor to do the procedure. But it has made a huge difference.

My question to the Minister of Health is would he acknowledge that there could be situations in which maybe Manitoba Health could be involved, and this might be one of those types of situations.

Mr. Chomiak: There is a famous saying in law that "difficult cases make bad law" and that is taking extremes and using extremes to make particular cases. We do have some flexibility and we are—I would say the Department of Health is extremely flexible and compassionate to individuals.

* (17:20)

There are certain rules and criteria that we follow. Following the release of the Sinclair inquiry we provided Manitobans with a very clear statement with respect to services that are covered and services that are not covered—for better, for worse. We also provided information on those situations where services are not covered here and when they are covered for out-of-province travel and when we would pay. In fact, we have the most generous out-of-province travel arrangements in the country.

Notwithstanding that, there are individual cases where it does seem on the surface to be very unfair. We tend to look at these extreme cases; I use "extreme" in the sense of the adjective, not to cite a particular case. We look at these cases and there are occasions that we are flexible with particular instances. At the same time, one must be very careful because there are precedents that are set and there are standards that can be established by particular cases.

I agree with you, the argument that a procedure that saves money in the short term should quite

naturally be financed by the Department of Health because it is going to save money down the road in the long term is a valid principle. But within that particular principle, there are a number of exceptions and there are a number of countervailing principles that fly in the face of that.

I am particularly sensitive on eating disorders and eating-disorder issues because of all of the eating disorder people that are so concerned about our preoccupation with eating issues and blame the mental health associations with eating disorders on either end of the continuum, that I do not even like to talk about issues of why a person has a particular condition or what the circumstances are.

Suffice to say for a variety of reasons people get themselves in situations where they are not healthy. They take steps to improve their health. There are occasions when we can be flexible and help. There are occasions when unfortunately we cannot. We have particular criteria and we apply them and where there is flexibility we try to exhibit it. Where we cannot unfortunately we are unable to.

Mr. Lamoureux: The interest that I have in this particular case is always one in terms of sympathy for the individual in question. What I also find is that this raises an issue, I think, in which there could be good solid debate and a lot of work done in terms of trying to find out how do we address issues of this nature on the broader, on the macro scale if I can put it that way. An example of that would be in certain types of surgery even if there is some sort of a loan that goes out and after a certain period of time it is forgiven under certain situations. That is one of the suggestions that came up in a discussion that I had with someone else in regard to this particular issue, as I choose not to use names.

What I am going to do is I will hand over the name to the minister's office and follow it from a perspective of again, I think there is a broader debate that needs to occur here. It will be just kind of interesting to watch and see how the department deals with this particular case. If the minister wants to comment on that it would be great, otherwise I am going to move on to the next issue.

Mr. Chomiak: Just briefly, the broader debate is contained in the Romanow report. It is contained in the broader debate about our medicare system. In

fact, what should be the core principles and core coverage in a medicare system? What should be outside of the core? What has evolved and what has not evolved? It is a valuable debate and it is a relevant debate and something that occurs on a daily basis. I can quote someone as interesting in this matter as Ralph Klein who says, "Why has not the universal health care system covered ambulance coverage as a core service?"

It would make much more sense than a variety of services and there are anomalies and what has been fashioned as a system that in some areas covers core and some areas covers a broader core. There is debate about refashioning what in fact should be the core services offered by a universal health care system in whatever form and whatever modality and methodology.

Mr. Lamoureux: To that end, I truly hope that there are very long days during the summer in which provincial and federal governments and bureaucrats will spend a great deal of time and, hopefully, will come up with something in which we will really set the course for the future of health care in our country.

Having said that, the Health Links line is a line in which I over the years have been very, very fond of. I think that it just has fabulous opportunities to deliver grass-roots health care services in the sense of that no matter what time of the day, what day of the week, there is a number that can be called and you are going to be able to talk to a health care professional. I have nothing but great words, I think the government is moving in the right direction. I know it has put in additional resources over the years. I would applaud them on that.

The question that I have in regard to it is that there are a good number of people, I believe, that could be using that line, but there is a bit of a language barrier.

I am wanting to know if the government is prepared to make sure that people are aware of the fact that, whether it is Vietnamese, Punjabi, Tagalog or German, what we really need to do is, if we focus attention on those languages, like we recognize that French and English are our official languages, today there are certain cultures in the province, especially through immigration policy, where there is still somewhat of a barrier; some cultures more than others.

I would suggest to you for example that there would be great merit for, whether it is Mandarin, Cantonese, Punjabi, those ones come to mind specifically, Vietnamese, in terms of being able to feel comfortable if they call that number, that they would be able to get some sort of a service in the language in which they feel comfortable. I would look for the minister's comments on that.

Mr. Chomiak: I could stand corrected, but I believe that Health Links does have access to a wide variety of languages and translators, individuals that can provide language, not instantly but at command. But I think the point the member is making is a very good one. It occurs that in fact our advertising and our promotion of Health Links ought to incorporate a broader sector than perhaps we traditionally have. Now Health Links has sent notification to every household. There are advertisements in newspapers. It is an interesting question and I think it is a very good suggestion that perhaps a language, perhaps ethnic and local cultural organizations and bodies in their language ought to be provided information with respect to Health Links. I will take that suggestion back to Health planning and look into it. I think it is a very good suggestion.

Mr. Lamoureux: Again, I am going to highlight the ones which I think the department could specifically look at. The Chinese, the Vietnamese, Punjabi, those ones are the ones that come to mind. Obviously, there are others, and even though we could do drops, we can advertise in other agencies and so forth. They do not necessarily receive that.

In terms of are there translation services at Health Links, I believe that there are. You can call and then they will get someone. But even that does not necessarily do the job for all people. That is the reason why, maybe in the short term, it is having someone there that could speak Punjabi or Vietnamese, if that is doable, given the numbers that we are talking about.

Mr. Chomiak: That is a very valid suggestion. But the idea of the software utilization, for example, it might be possible that in terms of a recorded message that comes up in various languages, that allows a person to press a particular button. I mean,

that might be possible, too, although it would extend the overall message.

I think that is a very good suggestion. We will take that under, not advisement, we will take that suggestion, very good suggestion on both points, back to Health planning and I will discuss it further with the member.

Mr. Lamoureux: I know that we had asked for a couple of ministers, I was not too sure what time we were going to be getting out of the Estimates process. Those are the questions I had for the Minister of Health. I appreciate his candour and responses to the questions, and I will do some follow-up with regard to it.

I can continue to ask another question. I realize that we have got about 30 seconds, maybe possibly a minute, if the will is to call it 5:30 we can do that, or I see the member from—

Mr. John Loewen (Fort Whyte): I know everyone is disappointed. I will be quick. It is only a minute and a half. I just wonder if the minister could give me an update on plans at Victoria Hospital regarding 24-hour obstetricians, and any new equipment plans for the maternity ward at the Victoria Hospital.

Mr. Chomiak: As I sit in the House during Question Period, there is planning that goes on, on a regular basis, and regular planning that goes on with respect to enhanced and expanded service, and I am happy to report that the expansion at Victoria that had been under consideration all through the nineties is going ahead, Mr. Chairperson. I think that is a tremendous step forward with respect to the Victoria.

As well, as I think I indicated in a response to some accurate—

Mr. Chairperson: Order, please. The time being 5:30 p.m., committee rise. Call in the Speaker.

IN SESSION

Mr. Speaker: The hour being 5:30 this House is now adjourned and stands adjourned until 1:30 p.m. on Tuesday. So everybody have a good weekend.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 20, 2004

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