



Fifth Session - Thirty-Fifth Legislature

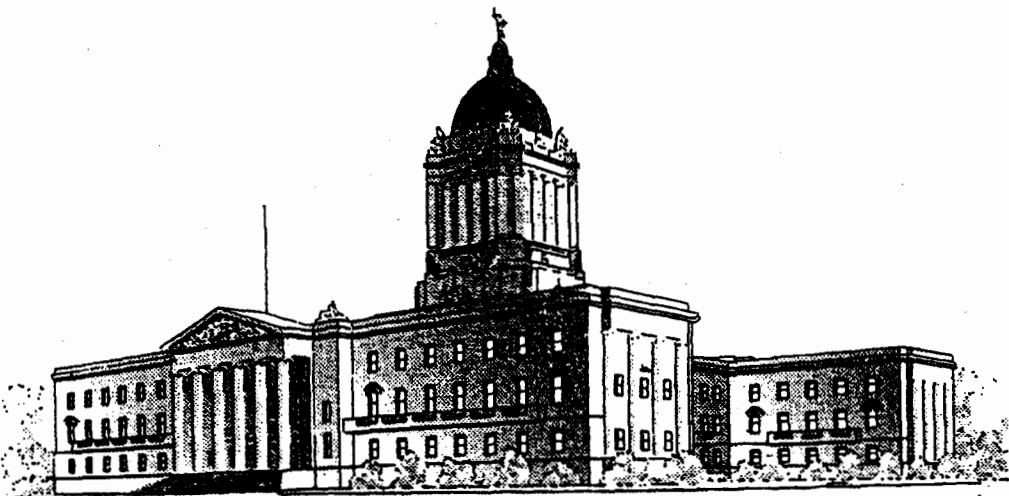
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

(Hansard)

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ASHTON, Steve	Thompson	NDP
BARRETT, Bocky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHOMIAK, Dave	Kildonan	NDP
CUMMINGS, Glen, Hon.	St. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
GRAY, Avis	Crescentwood	Liberal
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
KOWALSKI, Gary	The Maples	Liberal
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MACKINTOSH, Gord	St. Johns	NDP
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCORMICK, Norma	Osborne	Liberal
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
ORCHARD, Donald, Hon.	Pembina	PC
PALLISTER, Brian	Portage la Prairie	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROBINSON, Eric	Rupertsland	NDP
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
SCHELLENBERG, Harry	Rossmere	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WOWCHUK, Rosann	Swan River	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 18, 1994

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mrs. Louise Dacquay (Chairperson of Committees): Mr. Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

I move, seconded by the honourable member for La Verendrye (Mr. Sveinson), that the report of the committee be received.

Motion agreed to.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon 19 seniors who are out touring today from Treherne, Manitoba. They are under the direction of Mrs. Isabelle Adams, and they are from the constituency of the Speaker.

Also with us today, we have from Gainsborough, Saskatchewan, ten Grade 8 students under the direction of Mr. Gerald Kelly.

On behalf of all honourable members, we would like to welcome you here this afternoon also.

ORAL QUESTION PERIOD

Western Premiers' Conference Agenda—Quebec Election

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, my question is to the First Minister.

The original press release from the Premier had no reference to the whole issue of national unity and the possibility of the election changes in the

province of Quebec. Subsequent to the release and news media coverage, the Premier indicated yesterday that the issue of a western Canadian position could be on the agenda of the western Premiers subsequent to the comments made by Premier Harcourt.

I would like to ask the Premier whether, in fact, the agenda has been changed, and will this issue be dealt with at the western Premiers' meeting in Gimli?

Hon. Gary Filmon (Premier): Mr. Speaker, the member has incorrectly put on the record something that I did not say. I did not say that it would be on the agenda. It will not be on the agenda.

What I did say was that given the comments of both Premier Harcourt and Premier Romanow, undoubtedly, when we have breakfast or lunch together on a private basis, as national leaders, we would, I am sure, be talking about and speculating about the outcome of the upcoming provincial election in Quebec and what that might mean for the future of our country and the decisions that Quebec might have to take.

But it is not on the agenda, and it will not be on the formal agenda, Mr. Speaker.

Quebec Separation Manitoba Position

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, I would like to know then from the Premier, the Premier of British Columbia and the Premier of Saskatchewan have clearly stated that the question before the people of Quebec should be very clear, that if they want to co-operate and stay in Canada, there will be very positive relations with the rest of the country; but if they choose to go on a different path, that the path will be a tough one and that the province of Quebec can take nothing for granted.

* (1335)

I would like to know whether this scenario will be discussed informally at the Premiers' meeting, given the fact that many people feel that the people of Quebec should be fully aware of the feelings of western Canadians in terms of the decisions that the people in Quebec will be making in terms of a separatist government or a federalist government in the next provincial election.

Hon. Gary Filmon (Premier): Mr. Speaker, I just caution the member opposite that this is not a matter in which any of us ought to be looking for short-term political gain, getting into a situation that frankly lies within the jurisdiction of the people of Quebec. I have said time and time and time again, we have gone through two constitutional rounds in which I have been a participant, and I know that the people of Manitoba do not want us to engage in another round of constitutional debate and discussion, negotiation. The people are fed up to here with constitutional discussion.

Mr. Speaker, we are in a situation where having discussed the constitution in a formal sense for too long, too long taken away from the economy, jobs and the real issues of Canadians and Manitobans, we do not want to go into that any longer. We are in a situation in which we can say very openly that Manitobans would prefer Quebec to make its decision. They would prefer Quebec to remain a part of Canada. I believe that very strongly. I know that is my belief, but they do not want us to get into a situation in which we have to give in to further constitutional concessions and other things in order to convince Quebec to stay.

We believe that Quebec ought to stay because Canada is the best place for Quebec, and Canada is better having Quebec a part of it, but we do not want to get into that kind of constitutional negotiation now on an ad hoc basis, and further, I do not think that we want to be seen as putting things on the record that can be used to inflame the separatist movement in Quebec.

So we do not want to get into situations in which we threaten Quebec or are perceived to be inflating the consequences or upping the ante to Quebec. I

believe we are in a better position to just simply let Quebec make its decision and then deal with Quebec on the basis of whatever decision that it makes, having told them first and foremost that we would prefer them to be a part of Canada.

Mr. Doer: Mr. Speaker, we of course agree with the Premier in terms of the decisions that Quebec people will have to make, and we agree with the Premier in terms of keeping a strong and united country with all provinces in it.

Mr. Speaker, there is a considerable amount of feeling in western Canada, and perhaps in other regions of Canada, that the early referendums in the 1980 period were almost an artificial referendum, where the words "sovereignty association" were used, and that the separatist movement in Quebec is pedaling a very, very irresponsible alternative in terms of what will happen if indeed they choose to go on a different path.

I would ask the Premier, at what point will we be dealing with the issue of allowing the people of Quebec to make an intelligent decision in their best interests but, at the same time, recognizing the strong concerns that other Canadians have about those options and what the ramifications of those options will be?

Mr. Filmon: Mr. Speaker, I do not think at this point we need to add our voice to those that have already been made, that have suggested very strongly, and I have happened to have had this discussion with the Prime Minister not too long ago. One of the best things that has happened over the last while with the election—a considerable number of Bloc Quebecois people to Parliament—is that they have been smoked out, and they have now started to use the term "separation."

That term has also been used in Quebec by Mr. Parizeau. I do not think that anybody is going to be dealing with a soft and mushy question when the Government of Canada and all the other governments across the country are saying very clearly that the choice is either to be a part of Canada or not to be a part of Canada. It is not some kind of mushy definition of sovereignty

association or whatever you may want to characterize it as.

I think that is perhaps one of the better things that has come out in the last six months, that both Mr. Parizeau and Mr. Bouchard have said clearly that their goal is separation. Under those circumstances, I believe that the people of Quebec will know what the choice is and what the consequences are.

* (1340)

Firearms Control Amnesty Program

Mr. Gord Mackintosh (St. Johns): My question is to the Minister of Justice. We understand the minister is considering an amnesty program for the owners of illegal guns so we can get these guns off the streets and out of our communities.

My question to the minister is: In order to make this program effective, is she considering forging a partnership with police so people do not have to just go into the police offices and be intimidated, but that the police can go out to homes to get the guns, and, as well, is she considering any incentive program to go along with the amnesty?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): As I said earlier in an interview, the government was considering several points to deal with illegal guns, one of which was an amnesty. I will confirm now that this government will be looking at an amnesty for illegal guns.

The details of that amnesty will be released when the program is released. As the member knows, it does require the co-operation of police services across the province, and I will be working with those police services to work out the details of an amnesty.

Manitoba Position

Mr. Gord Mackintosh (St. Johns): Just for clarification, the minister talked about an amnesty being one part of the government's plan, and we recognize it as only one part and perhaps a very small part.

What is the provincial government's position, and what position has the provincial government advanced to the federal government, first, about increasing the offences for the crime of using a gun in the commission of an offence? Second of all, what is this government's position, and what have they told the federal government about what has to be taking place on the issue of handgun control?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): This government and I as minister have said to the federal government that we certainly support the responsible use of guns and also the safe and responsible storage. Those were two areas in which we reinforced our commitment.

We have asked the federal government, however, to consider some changes within the current legislation that might deal with sentencing where crimes have been committed with a gun as a weapon, also in the area of parole to be considered.

Government Strategy

Mr. Gord Mackintosh (St. Johns): First, I just wonder if the minister would table any written correspondence she has had with the federal government, so this House knows what this provincial government's position is.

My question is, what is the province itself going to do about guns in Manitoba? Does it have any position? Does it have any plans, particularly regarding pellet guns and replica guns, otherwise complementing the federal legislation, Mr. Speaker?

Hon. Rosemary Vodrey (Minister of Justice and Attorney General): The member asks the questions but appears not to have listened to any of the answers. This government has made a decision to move ahead in co-operation with police services to move towards an amnesty to deal with the illegal guns, which are the guns of concern, the illegal guns which may in fact be the ones that people may use in the commission of a crime. Perhaps he did not listen to the answer.

**Manitoba Medical Services Council
Nursing Representation**

Mr. Paul Edwards (Leader of the Second Opposition): My question is for the Minister of Health.

Mr. Speaker, today the Minister of Health released the membership of the new Medical Services Council which originally was the product of the agreement between the government and the Manitoba Medical Association.

My question is quite simple for the Minister of Health. Given all of his talk about an inclusive system, about the need to consult broadly and widely, not restrict the level of his outreach to the various stakeholders in the health care system, why out of 14 members on that committee is there only one nurse?

Hon. James McCrae (Minister of Health): Mr. Speaker, the Manitoba Medical Services Council is there to advise the government on various areas, areas respecting the medical services appropriations of the government. It is true that one of the members representing the public interest is a nurse, and I think that is appropriate. I think it is also noteworthy that of all of the 14 members, four represent the medical profession, and the others represent regulatory agencies, the Faculty of Medicine, the Centre for Health Policy and Evaluation, and the general public.

So we think the mix is an appropriate mix. When you consider also the Physician Resource Committee and the opportunities that will be there for the public to have a say and the membership that has already been announced for that, two of those people are nurses, so we feel that the nursing profession will have its input this way and also directly with the government.

* (1345)

Mr. Edwards: It is my understanding that there are six medical doctors. In addition, there is the executive director of the Manitoba Medical Association, Mr. Laplume.

Mr. Speaker, the minister is right. There are two nurses on the Physician Resource Committee. As the physicians decide what they want to

investigate, they can certainly speak to nurses. Nurses are not brought into the decision-making process on what the minister calls medical services appropriation.

Why is there only one out of the 14 that is a nurse, given that there are 10,000 nurses in this province, Mr. Speaker, and only approximately 2,000 doctors?

Mr. McCrae: If the honourable member looks at the large number of committees, implementation teams, task forces and so on that provide advice to the Department of Health, he will see nurses on many, many of those committees.

Mr. Edwards: Mr. Speaker, this, by the minister's own announcement, is in fact the most critical committee in the review of health reform and how it is going to be implemented.

My final question for the minister: There is one out of 14 on the council, there are two as part of the Resource Committee at the direction of the physicians, but why, when the minister set up the advisory subcommittees, and he set up a number of these, is there not even a committee there dedicated to representing the nursing profession and the 10,000 nurses who are, in fact, delivering the vast majority of health care services to Manitobans every day on every shift on every ward?

Mr. McCrae: What the honourable member misses, which is the main point here, Mr. Speaker, is that this Medical Services Council has been set up to help us administer an agreement between the government and the physicians.

Now, maybe the honourable member is upset that finally at long last we have been able to bring peace to the relationship between the medical profession and the government, and he is now taking the position that he does not support the agreement between the government and the Manitoba Medical Association. [interjection] Well, he just said from his seat that we sold out. If he wants to support what he calls a selling out or wants to repudiate that, that is fine. He is saying that he does not support that agreement.

Mr. Speaker, we have had problems in Manitoba that have gone on for years and years. Members of the previous government—and previously we have not been able to resolve those differences. Through the agreement we have with the Manitoba Medical Association, we have a fighting chance of providing a quality health system for Manitobans for generations perhaps to come. We are pleased to have the input of the nursing profession on the Medical Services Council and on the Physician Resource Committee as well.

Manitoba Medical Services Council Selection Criteria

Mr. Dave Chomiak (Kildonan): Mr. Speaker, the minister will know from questions in the Estimates that of 89 working committees that this government has, only 6 percent of the representation on those committees are nurses, and the minister will know that we asked the minister and he undertook to try to increase the percentage of nurses on all committees. He gave that undertaking in Estimates.

My question to the minister is: We see familiar faces, like Jules Benson and Frank Maynard, on this committee. I am wondering if the minister can outline for us how it was determined which individuals would represent the public interest on this committee, because there are three representatives, and can the minister indicate how it was that the three individuals who represent the public interest were chosen?

Hon. James McCrae (Minister of Health): Mr. Speaker, I think the record needs to be set straight, too. It was not too long ago that I asked the various members of the nursing profession to sit at the same table. There are some nursing professional and educational issues that need to be resolved, have not been resolved for 28 years in this province.

I tried to bring all of the nursing organizations together. We had representation from the Manitoba Association of Registered Nurses, the Manitoba Association of Licensed Practical Nurses, the Manitoba Association of Registered Psychiatric Nurses, representatives of nursing assistants, and the day before the meeting that we

were to have a day-long meeting—and there will be others as well—I was told by the Manitoba Nurses' Union that they would not be attending the meeting. I went to the further step of calling Vera Cbernecki to ask her if she herself could not attend this extremely important gathering of nurses to try to resolve long-standing issues, and her answer was no, she would not be attending.

* (1350)

Mr. Chomiak: Mr. Speaker, is it any wonder that there is a little bit of a lack of trust perhaps in the community given that response?

Will the minister answer the question: How was it that this government determined who the public interest representatives would be on this committee?

Mr. McCrae: Mr. Speaker, the consideration of the government in the striking of these committees was driven by the agreement itself, which calls for representation from the department. We have to have government people involved in a committee that is going to be making very important recommendations. There is representation from the Manitoba Medical Association; representation on the Physician Resource Committee; from the Urban Health Advisory Council; as well as the Northern/Rural Health Advisory Council. The Faculty of Medicine—I think it is appropriate that that organization, which does not represent the same interests as the Manitoba Medical Association or indeed of the government be represented. The Professional Association of Residents and Internes of Manitoba—it is appropriate that, when the future of physicians in Manitoba is being discussed, that organization be represented; and the Manitoba Health Organizations and on and on.

Agenda/Minutes Release

Mr. Dave Chomiak (Kildonan): Mr. Speaker, since this committee will deal with a billion dollars of expenditures over five years, it will have a significant factor on our health care system. Will the minister, in what he says will be a new era of communication, undertake to make public both the agendas and the minutes of all meetings of this

committee because it deals with such significant issues?

Hon. James McCrae (Minister of Health): Mr. Speaker, I would take the honourable member's question as a representation and consider the matter, but I think it is also important that he understand that decisions are based on population health needs. That is why it is important to have representation from the Manitoba Centre for Health Policy and Evaluation, that we have representation of people who have an interest in the community and an interest in the health needs of the population from a purely public point of view. That is why we have people like Edith Parker, Lynn Raskin-Levine and Barb Gfellner on that committee representing the public interest. I do not know what it is the honourable member has against these people, but I think they have a lot to offer.

Adoptions

Aboriginal Family Reunification

Mr. Doug Martindale (Burrows): Mr. Speaker, between 1964 and 1981, over 2,500 aboriginal children were removed from their home communities. In the early 1980s, aboriginal children represented over 60 percent of children in care, and in 1982, 45 percent of aboriginal children placed for adoption were placed outside of the province of Manitoba, half of them in the United States.

In his excellent report in 1985, Judge Kimelman called this process cultural genocide. I would like to ask the Minister of Family Services what her government is doing to assist aboriginal persons who were adopted to find their birth parents, a crucial process for these individuals that is reuniting families and helping individuals re-establish their identity.

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, I thank my honourable member for that question. The history in our province has left some questions unanswered, much before my time as the Minister of Family Services or this government, in fact, and I suppose members of governments of all political parties have had a part to play or a role to play.

Mr. Speaker, we have within the Department of Family Services a postadoption registry that does try to unite birth parents and children. We will continue to use that process to ensure that where there is a will, there is a way to unite both sides.

Postadoption Registry Fee for Service

Mr. Doug Martindale (Burrows): I would like to ask this minister, why has she and why has her government begun to institute a fee for service in April of this year of \$300 at the postadoption registry, since Judge Kimelman recommended that staff resources continue to be available to co-ordinate and expedite the repatriation of native children who were placed out of province in the past? Why this new fee to many people who cannot afford it?

Hon. Bonnie Mitchelson (Minister of Family Services): Indeed, services that are available in many instances—I mean, it would be wonderful if government could do all things for all people, and we could just tax more and generate more revenues so that we could spend unconditionally.

Unfortunately, that is not the case. In very difficult economic times, we have to look at, in instances, recovering the costs for services that are provided by government. This is one of those instances where, indeed, there will be an increase in fees.

* (1355)

Mr. Martindale: Unfortunately, this minister does not understand that this issue is really about righting a historical wrong. That is—

Mr. Speaker: And the question, sir, is?

Mr. Martindale: I would like to ask the minister, since these changes have major implications for aboriginal peoples and First Nations in the province of Manitoba, could she table any correspondence that she has had, before this fee-for-service policy was implemented with aboriginal Child and Family Services organizations, with any aboriginal organizations and with the federal government? What consultation was there before this fee for service was implemented?

Mrs. Mitchelson: We have an opportunity, and I believe it might be just as early as tomorrow, to get into the Estimates process for the Department of Family Services.

Indeed, we will have the opportunity to dialogue around all of these issues in great detail. Members of the opposition can put on the record their policies and what they might do differently from this government, and I look forward to that opportunity for that dialogue and discussion.

Manitoba Sports Federation Funding Reductions

Mr. Clif Evans (Interlake): Mr. Speaker, recently the members of this House passed a resolution praising the achievements of several Manitoba athletes. Their hard work and training brought them to the highest levels of competition, but their achievements would not be possible without the strong foundation created by the presence of the numerous provincial athletic associations.

However, the Manitoba Sports Federation's latest budget contains several severe blows for athletes in Manitoba, as funding for several sports were substantially cut, particularly the high school and university sports programs.

Can the Minister responsible for Sport tell this House how he will ensure that Manitoba will maintain its strong record of achievement in athletics in the light of the cuts made by the Sports Federation, forced on them by this government?

Hon. Jim Ernst (Minister responsible for Sport): Mr. Speaker, I would caution my honourable friend from Interlake, he should not always believe everything he reads in the paper.

Mr. Speaker, if my honourable friend would read the Estimates book tabled with the budget a month or so ago, he will see that our funding to the Manitoba Sports Federation is exactly the same as it was last year. No change. As a matter of fact, the president of the Manitoba Sports Federation has publicly, on a number of occasions, complimented the government for in fact maintaining the funding that they have obtained for this year.

What is going on, as the member perhaps knows or should know, is that the Manitoba Sports Federation is made up of 96 different organizations. They are the membership of the Manitoba Sports Federation. They are the Manitoba Sports Federation. What you have read in the paper today is in fact a dispute among the members as to how much of the pot they are going to get. It is an internal dispute, nothing to do with us. It has to do with only the membership of the Manitoba Sports Federation.

Mr. Clif Evans: Will the minister not acknowledge that a cut of 30 or 50 percent for university athletes and the cutback in sport activities in high schools and public schools will reduce future opportunities for our young people to participate and achieve athletic goals as well as their education? Will he not accept that?

Mr. Ernst: Mr. Speaker, I could not agree more with my honourable friend from Interlake. I do not find it very palatable that the sport profile arrangement that the Sports Federation has for distributing money amongst its members is very fair in terms of this agreement. I agree with the member for Interlake.

* (1400)

Mr. Clif Evans: Mr. Speaker, will the minister then agree with this member to consider alternate provincial funding, including money from lottery ads or block grants which are unfair for the organizations which are unfairly penalized by this new policy?

Mr. Ernst: Mr. Speaker, we once again see the true spots of the members in the opposite benches. When all else fails, throw more money at it. When all else fails, put more money in. It does not necessarily mean that the money already there, the same as it was last year, is being appropriately spent. That is the argument. They ought to appropriately spend the money that they receive.

Child Guidance Clinic Service Reductions

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, my question is for the Minister of Education. Last night Winnipeg School Division No. 1 finalized

their budget for '94-95. In this budget, the effects of this government's cuts to the education system became, once again, evident. In order to preserve the classroom setting, the school division cut a number of services, among these staff of the Child Guidance Clinic. The Child Guidance Clinic deals with thousands of cases every year and already has a lengthy waiting list.

My question for the minister: What alternatives are there for children with development and behavioral problems in need of treatment when the mental health system is overburdened and the services provided through the Child Guidance Clinic are being cut?

Hon. Clayton Manness (Minister of Education and Training): Well, Mr. Speaker, the member asks a question not totally within our responsibility. The Winnipeg School Division No. 1 is constituted under law to make decisions with respect to its own budgetary matters. The board was put in place and indeed has been duly elected.

I, too, have been watching carefully what decisions that board was going to render with respect to its programming areas, and although it would be unkind for me to reflect on some of the decisions made, I can say that if the member is wanting, again, more money directed to the questions, I am indicating to him that I would be more than willing to engage in discussions on this. It is coming up very quickly in our Estimates review, and I would expect that we will have an opportunity to dialogue around that issue at that time.

Mr. Lamoureux: Mr. Speaker, the short answer would be that the government does not have an alternative, which is most unfortunate given the children that need these services.

Education System Physiotherapy Services

Mr. Kevin Lamoureux (Inkster): Can the Minister of Health (Mr. McCrae) tell this House if the department is now ready to provide physiotherapy to needy children in the schools, something they have refused to do in the past, in that Winnipeg No. 1 is now refusing to pay for this

service which is a health and not an education service?

Hon. Clayton Manness (Minister of Education and Training): Mr. Speaker, again the member is asking the provincial government to step in and assume the responsibility for the fallout of decisions that are made elsewhere. Yesterday in Estimates review, of course, the members opposite wanted us to assume all the responsibility of the ACCESS programming, given the federal government has stepped out of that. Now what the member is saying is that the provincial government should have contingency plans or other plans in place when a school board which has been supporting a particular area of programming decides no longer to support it.

The members try and make believe that somehow it is our responsibility. The Winnipeg School Division No. 1 is accountable to the people who elect it. They have within their purview to make these decisions. That is indeed what the governance model is all about, and I do not think the members opposite would take very kindly if we were to rush in and do all of the activities, make all the decisions of that local board.

Mr. Lamoureux: Mr. Speaker, I do not believe the Minister of Education understands. Physiotherapy is in fact now as a result of the cut—

Mr. Speaker: Order, please. This is not a time for debate. The honourable member for Inkster with his question.

Mr. Lamoureux: I would ask the Minister of Health—physiotherapy is a medical requirement that students require. It is something that the school divisions have picked up because of the lack of commitment from this particular government to be able to provide—

Mr. Speaker: Question, please. Order, please. The honourable member for Inkster, kindly put your question now, sir.

Mr. Lamoureux: Mr. Speaker, my question to the Minister of Health is: Will he indicate to this Chamber what sort of alternatives the minister has to deal with this particular area?

Mr. Manness: Again, not to reflect too strongly on decisions made by other levels of government, but there are other alternatives. I say that we are open to the local school division. There are other priorities that could be chosen, but again, the member is asking us to somehow defend the actions of the local school board who have given lesser priority to this particular health care issue than some other areas.

* (1405)

So, Mr. Speaker, what the members are saying now is, more clearly define education from health and make sure that health is funded out of this pocket and education is funded out of this pocket.

It does not work that way, Mr. Speaker. The Minister of Finance (Mr. Stefanson) is responsible for the whole Consolidated Revenue Fund, and indeed the whole process of budgetary decisions are all directed towards drawing from one Consolidated Revenue Fund, and that is the issue here. As far as the Winnipeg School Division No. 1 making certain decisions with respect to their responsibilities, they have done so accordingly.

Western Premiers' Conference Agenda—Farm Support Programs

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, given that the western Premiers will be meeting in Manitoba, I would hope high priority will be given to agriculture issues.

My question to the Premier is: Will agriculture be on the agenda, and can he tell us if he will be encouraging a co-ordinated effort by western provinces to develop a national farm support program to replace the existing programs?

Hon. Gary Filmon (Premier): Indeed, Mr. Speaker, agriculture and particularly agricultural trade and some of the harassments that western agriculture has been experiencing at the hands of the Americans will be a serious issue for debate on our agenda.

I know that the member will want us to ensure that we speak out in the strongest possible terms against the harassments that the U.S. government has been placing against things like hogs, things

like sugar, durum wheat, barley exports and all of these other issues.

Ms. Wowchuk: Certainly we will want those issues addressed, but my question is, will there be a discussion on farm support programs, and can the Premier tell us what position he will be taking to the table as far as support programs?

Has the committee that is developing the replacement program here in Manitoba put any proposals forward, and can those proposals be tabled here in the House?

Mr. Filmon: Well, Mr. Speaker, of course the Agriculture ministers will be meeting, I believe, in Manitoba this summer and will be discussing very seriously those issues.

We in Manitoba, of course, have continued our commitment to programs like GRIP and NISA. We, in fact, extended the time of the agreement on GRIP to provide that extra security of the safety net to our farmers, and we, of course, believe that that is the approach to take, that we ought to be ensuring that our farmers have that kind of safety net which they can fall back on.

Agriculture is an extremely important part of the Manitoba economy. We will continue to give it our utmost support, Mr. Speaker.

Farm Support Programs Government Position

Ms. Rosann Wowchuk (Swan River): Mr. Speaker, my question is to the Minister of Agriculture.

Can the Minister of Agriculture tell us whether his committee has put any proposals forward as to what they see as a replacement program, whether they are supporting a national program and whether they are considering programs that will have caps on them and programs that are based on the cost of production, and if there is a proposal, will he table it in the House for us?

Hon. Harry Enns (Minister of Agriculture): Mr. Speaker, the member asks a very large question. A committee is busy at work. Those proposals will be viewed very seriously by the Ag ministers who

will be meeting here in the national conference during the first week of July.

They contain a host of variations. Some include an enhanced NISA type program. Others, in particular eastern provinces, are looking towards extension of current stabilization programs.

Mr. Speaker, I would invite the honourable member to enter into this discussion with me during the Estimates debate on the Department of Agriculture.

Keewatinowi Awasisak Opi-Ki-Wak Funding

Mr. Steve Ashton (Thompson): The provision of adequate child care is important to many people, particularly women entering the labour force, also to students, particularly the ACCESS students, and many child care centres are facing difficulty because of this government's policies, Mr. Speaker.

I would like to ask the Minister responsible for Family Services whether this government will be responding to the Keewatinowi Awasisak Opi-Ki-Wak child care centre, which is targeted towards aboriginal students and particularly ACCESS students in Thompson, that is indicating, Mr. Speaker, and I quote: Without provincial funding and subsidy spaces allocated to our centre, it will be impossible for the Keewatinowi Awasisak Opi-Ki-Wak to continue to provide services.

Will the minister be responding to this application?

* (1410)

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, I had the pleasure and the opportunity of visiting Thompson not long ago on the consultation process that we held with the community volunteers, with the service providers, with clients that receive support from social assistance, and I visited the infant lab and the child care that does support young single parents who are trying to complete their Grade 12 education.

I must say that I was quite impressed with some of the programming that is going on in the Thompson area. I think we have to look at what is

happening there in the whole context of what some of our pilot projects might look like for single moms as we develop them and approach the federal government for support and for funding.

I have received a letter, and I did hear first-hand, Mr. Speaker, some of the issues and concerns around child care support in Thompson. We will be addressing those issues, and when those decisions are made, I will certainly communicate.

Child Care System Single-Parent Families

Mr. Steve Ashton (Thompson): Mr. Speaker, I hope the minister will look favourably in terms of that. I would also like to ask the minister if she is aware of the pressure that is being put on the child care centres, whether it be the Teekinakan Centre, which is having to close infant care, whether it be the Juniper Pre-School, which has a waiting list of 131, particularly single parents.

Will she ensure, now the minister is talking about a single-parent initiative in conjunction with the federal government, that one of the aspects that will be dealt with will be changing some of the government's own policies in terms of child care which are impacting negatively, Mr. Speaker, on single parents?

Hon. Bonnie Mitchelson (Minister of Family Services): Mr. Speaker, as I have indicated, we have had several consultations right throughout the province, including Thompson. The issues around child care were issues that were raised as a result of that consultation process. As we develop proposals and projected, proposed pilots to deal with the issue around single moms and getting them off of welfare into the workforce, into training opportunities, completion of high school education, all of those issues will have to be dealt with in the context of what our pilot projects might look like.

Mr. Ashton: My final question, Mr. Speaker, will the minister in particular look at what is happening? Many child care centres are reporting an increase in the number of single parents, many of them women who are unable to obtain the

support they are entitled to legally because of problems of enforcement.

Will she review the government's decision to cap the number of subsidized spaces and provide the spaces that are absolutely key for many single parents to get off welfare, to get into the workforce, the child care system?

Mrs. Mitchelson: Mr. Speaker, I do want to indicate and put again on the record this government's commitment to child care in the province of Manitoba. We have increased dramatically the support in the child care area with dollars and with increased subsidized spaces, twice as many as were in place under the former NDP administration. So we have made a major commitment.

There are more subsidized spaces within the system, considerably more. There are more licensed daycare spaces in the province of Manitoba, considerably more than were there under the NDP government.

I just want to relate and put things into perspective when we look at our \$47 million budget for child care as opposed to \$14 million in NDP Saskatchewan.

Mr. Speaker: The time for Oral Question has expired.

Speaker's Ruling

Breach of Privilege—Committee of Supply

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

After Prayers on May 17, 1994, the honourable member for Inkster (Mr. Lamoureux) rose on a matter of privilege and moved "THAT the motion moved by the member of the official opposition in Committee of Supply calling for the question to be put is a breach of privilege and should be referred to the Committee on Privileges and Elections."

I thank the honourable member for his submission, as well as that from the honourable member for Thompson (Mr. Ashton).

In his argument, the honourable member for Inkster submitted, I believe, that his privileges as a member had been breached because he was not

able to speak to a motion under consideration in the Committee of Supply on May 16 because a motion "THAT the question be now put" was presented, and terminated debate on the main motion.

The honourable member fulfilled the first condition of privilege by raising the matter at the first available opportunity. As to the second condition, that of establishing a prima facie case, I am ruling that this is not a matter of privilege.

Beauchesne's Citation 107 indicates that a matter of privilege arising in a committee must be raised initially in that committee. The House can only deal with a matter of privilege which originated in a committee on receipt of a report from that committee. I would add that our Rule 65(14) permits the use of the previous question in Committee of Supply and states that the motion is not debatable.

Also, I would remind all honourable members of rulings of June 2, 1989, and July 7, 1993, when events arising from committee meetings were raised in the House as an alleged matter of privilege. On those dates, I pointed out to the House that it is not competent for a Speaker to exercise procedural control over committees. The proper course of action on May 16 for the honourable member for Inkster would have been to raise the matter at the earliest opportunity in committee.

There is, therefore, no prima facie case evidence for a case of privilege.

ORDERS OF THE DAY

House Business

Hon. Jim Ernst (Government House Leader): Mr. Speaker, before I move the Supply motion, I do have two or three items of House business that I would like to attend to if I could.

On April 29, I announced in the House that there was an agreement between House leaders for the House to sit Monday hours on Tuesday, May 24. If you were to canvass the House, I believe you will find unanimous consent to make this adjustment to our sitting hours, and following that I would have a couple of other items.

Mr. Speaker: Is there unanimous consent of the House to sit Monday hours on Tuesday, May 24? [agreed]

Mr. Ernst: Discussions amongst House leaders, Mr. Speaker, lead me to believe there may be unanimous consent for the Committee of Supply to sit in two sections on Wednesday, May 25, from 7 p.m. to 11 p.m.

Mr. Speaker: Is there unanimous consent of the House to sit next Wednesday between the hours of 7 p.m. and 11 p.m.? Is that what you said?

An Honourable Member: Today.

Mr. Speaker: Today. That has already been agreed to though. Next Wednesday is what you are asking for? Yes, next Wednesday.

Is there unanimous consent of the House to sit next Wednesday night between the hours of 7 p.m. and 11 p.m.? [agreed]

Mr. Ernst: Mr. Speaker, House leaders have also had discussions respecting tonight's sittings of the Committee of Supply and also now those on the evening of May 25, and they have agreed that provisions of subrule 65.(9), which include reference to formal votes and the introduction of Estimates of a new department should apply from 7 p.m. until adjournment. I believe there may be unanimous consent for that.

Mr. Speaker: Is there unanimous consent to have Rule 65.(9) of our rules apply for this Wednesday night and also again for the next following Wednesday? [agreed]

* (1420)

Mr. Ernst: Mr. Speaker, I move, seconded by the Minister of Family Services (Mrs. Mitchelson), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider the Supply to be granted to Her Majesty.

Motion agreed to, and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Education and Training; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Health.

COMMITTEE OF SUPPLY (Concurrent Sections)

EDUCATION AND TRAINING

Mr. Deputy Chairperson (Marcel Laurendeau): Order, please. Will the Committee of Supply please come to order.

This afternoon this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Education and Training. When the committee last sat it had been considering item 4.(b) on page 41 of the Estimates book.

Shall the item pass?

Ms. Jean Friesen (Wolseley): This is still the ACCESS line, Mr. Deputy Chairperson.

Mr. Deputy Chairperson: Yes, it is.

Ms. Friesen: I wanted to follow up with the minister on a couple of the questions I raised yesterday, and one of those is the issue of the Canada Student Loan regulations. The existing regulations are such that there are indeed annual caps and total caps for different degrees or for the number of years of particular programs, and I suggested to him that in general this is going to affect adversely the ability of many, not all but many, of the ACCESS students to complete their programs.

I want to ask the minister what he plans to do about that? Has he made any representation to the federal government? Is there any flexibility within the program for changes within Manitoba regulations that might enable him to assist students who are caught in that particular bind? What plans does he have?

Hon. Clayton Manness (Minister of Education and Training): Mr. Deputy Chairperson, I know in the mind of the member for Wolseley it is impossible to separate the ACCESS Program from changes that might be contemplated by the federal government with respect to student financial assistance, and therefore drawing the question, well, if there are changes what would be your support? But more importantly, I suppose, the question arises, well, what will you do to take into

account these caps coming into place and being more effective?

Ms. Friesen: The caps are already in.

Mr. Manness: I know the caps are in place, but I think what the member is saying is now we are going to be driving a new group of students against those caps. I think that is what she is saying. As I said yesterday on the record that to the extent of the few cases that that may be happening, then obviously those individuals are going to have to make the same decisions as regular students today who are also coming against those caps.

Now we keep hearing statements made that the federal government is going to increase those caps. In what time frame I do not know. The member says, well, the legislation is tabled and does not make any reference to—I do not know whether this draw of cap changes were to draw their support from regulatory changes that could flow from therein, I do not know. The member probably knows the bill better than I do. The public stance—I mean, first of all I do not know whether the government is going to come out strongly supporting the increase in caps and total indebtedness for across the board, beyond the levels that are in place now. So that is why I am kind of hesitating.

I say that in all candour because I question the wisdom of enticing people beyond the caps that now exist. I have no problem, though, asking some groups that up to this point have not had significant loan requirements because of the nature of certain programs, i.e., ACCESS, I have no problem whatsoever asking them to begin to move towards whatever caps are in place, but I still generally support lesser debt as compared to greater debt. In saying that, if the province is borrowing in support of free education for those students, they too have their own debt, and they no longer can do that.

* (1430)

Ms. Friesen: Mr. Deputy Chairperson, there are really two issues here. The first issue is the existing regulations and the existing caps which are in place, which presumably will remain in place until the federal bill is passed and until the regulations flowing from that have been introduced.

Okay, so let us take situation (a) right now where there are existing caps which the minister knew about. It has been brought to his attention that this will have an impact on some students. The minister's argument is that this, his new program, introduces the principle of equality into the bill, into the program. But the response of the students is that they are not equal to the majority and to the average Manitoba students, that they are starting from further behind, that they are starting from a lower grade level, and their programs have been arranged in such a way that they do move, as they are adult learners, more quickly through a program, so that they are, in fact, using up the caps, particularly since many of them are parents, more quickly than the average students.

So the idea of equality, that they are similar to other representative groups of Manitobans, seems to me to be not borne out.

Mr. Manness: Mr. Deputy Chairperson, in part, the argument is correct, and that is why, of course, we do not wish and will not force individuals of whom we are speaking to the second level of loan, that being the Manitoba Student Loan portion, the \$110 level per week.

Ms. Friesen: Does the minister have any sense of how to feed a family of two or three on \$165, plus the \$40 bursary, plus pay fees, plus pay books, plus pay transport?

Mr. Manness: Again, it is \$110 plus \$40, so her numbers are wrong.

Ms. Friesen: I am giving you the Canada loan, plus your bursary, which is \$165 plus \$40.

Mr. Manness: \$165 plus \$110 plus \$40.

Ms. Friesen: But you are now forcing them to the Manitoba level.

Mr. Manness: We are not forcing them to take a loan. We are providing that as a grant. We are providing the second level as a grant. That is why the second level is uncapped for ACCESS students.

Ms. Friesen: So will the minister then give us the budget then for an ACCESS student who accesses the maximum amount available? It will be \$165 Canada Student Loan, repayable; \$110 Manitoba

Student Loan, nonrepayable? Is that what he is saying?

Mr. Manness: \$110 Manitoba Student Loan, nonrepayable.

Ms. Friesen: So that is a bursary given at the time?

Mr. Manness: Yes.

Ms. Friesen: And how many of the ACCESS students will be eligible for that?

Mr. Manness: Mr. Deputy Chairperson, whoever meets the regulations and the criteria that are in place right now. What number, I do not know. Until we go through the whole eligibility criteria and all of the process, we do not know. And yet, as we indicated before—I think I read the numbers the other day, that 30 percent of those applying would not qualify for any Canada Student Loan portion.

Ms. Friesen: There are two sides to that. There are those who do not qualify, because their assets are sufficient; there are those who do not qualify for other reasons; and there are those who do not qualify unless they liquidize their assets, such as their house or their car, and under the new federal regulations, that is going to be a car over \$2,000, which I think is going to be an issue for rural students. I am sure the minister appreciates that.

But to continue on the other line of questioning, the Manitoba Student Loan then will become a Manitoba student bursary of \$110 available to students who qualify under what regulations? Where are the regulations and what are the criteria for qualification?

Mr. Manness: Well, Mr. Deputy Chairperson, again, as I pointed out and as I have indicated in the House several times, I indicated to the audience here yesterday, these are policy. These are not required—changes do not have to be put into place with regulatory change. These are policy changes, and this is why students who come in and are eligible under certain sets of rules and policies are told at the time that this may not be the guarantee of support in terms of the length of your program. This will vary from budgetary year to budgetary year. That is well known, maybe not as

well known as it should be, but I mean, an attempt is made. And so what we will do here, when we do not need to make regulatory changes, we will just indicate that those, of course, who come through the criteria are ACCESS students in this case who qualify, will indeed be provided with nonrepayables on their Manitoba Student Loan side of the issue.

Ms. Friesen: I am trying to get at what the implications are for individual students. There is a first barrier they are going to have to face under this new program as whether or not they fulfill the criteria for Canada Student Loan, and the minister, I think, is aware that there are restrictions on that which will adversely affect people who are in this program now or who had anticipated being in this program.

I tried to discuss with the minister yesterday what representations he might have made, might be interested in making, to the federal government for some flexibility in their rules of application of Canada Student Loan regulations, existing ones, to ACCESS students, and I really have not heard any response on that.

The second issue I am trying to get at now is who is eligible, what are the criteria to be eligible for what the minister is calling that second stage, that \$110 bursary as it has become for ACCESS students.

Then there is a third level, I understand, of approximately \$40 per week available to ACCESS students, also as a bursary.

Mr. Manness: Mr. Deputy Chairperson, the \$40 third level is available to all students who achieve the criteria, but let me point out, the member would say, well, some students may not be able to be brought under this program because indeed of certain sets of circumstances, and as I said yesterday, I cannot change the Canada Student Loan program to make it work better specifically in Manitoba for one subset of students, but what we can do, and as I said yesterday always happens, if there are special sets of circumstances, then they would form, I would think, the basis for an appeal to the appeal board under the Canada Student Loan program.

Ms. Friesen: So the minister as Minister of Education in this province is essentially prepared to put the burden on the student of essentially changing regulations across Canada so that they can be eligible for this program. I mean the limitations on accessibility in a program called ACCESS seem to me very evident in what he is doing, making this program, by making students go to loan under the regulations of the Canada Student Loan, less accessible.

Mr. Manness: I guess we agree to disagree. We are asking individuals who today, in larger and larger number by way of the survey have greater and greater means, we are asking for support for the program to change to take into account what is happening. Yes, obviously, there are going to be some negative impacts on certain individuals who come against the cap sooner than otherwise may be the case.

But I say what we are trying to do to moderate those impacts is to make ACCESS students, have them treated differently under the second level, the Manitoba Student portion which would now shift from loan to grant and, thirdly, ask those who for whatever set of circumstances would dictate in the first instance that they not even be eligible to appeal under the existing mechanism.

* (1440)

We are not going to recreate Canada Student Loan, that whole process and that whole procedure, for one specific subset of students. Likewise we are not going to maintain the existing ACCESS Program, take into account the new reality of a larger and larger number of student intake who have the means. Still the minority, granted, but the reality is, Mr. Deputy Chairperson, it is a policy decision of government, it is supportable by, as we indicated yesterday and the day before and the day before that, information we have, which we will make available as quickly as we can.

Ms. Friesen: I would like to have some information on the eligibility criteria for that second level of student bursary.

Mr. Manness: Exactly the same criteria except we ask the institution to sign on the form as to whether

or not the applicant is an ACCESS student. That is then what allows the process to reflect the policy decision that I have just enunciated here a few minutes ago.

Ms. Friesen: Each of those institutions works under a formula of student needs, established by, I understand, the Canada Student Loan Program. So are we working essentially on federal guidelines still for this second level, and if we are not, what are the guidelines?

Mr. Manness: Mr. Deputy Chairperson, the criteria are the same criteria that are in upon entry, and the needs are determined by way of the requirements of the individual. If they require the second level of support, the second level of support flows. All the institution does is indicate that this is an ACCESS student and consequently turns over the machinery for needs over to the Canada Student Loan process.

Ms. Friesen: So the answer is that we are working on the guidelines established by Canada throughout. Now, those guidelines—

Mr. Manness: Mr. Deputy Chairperson, I was in error. The provincial guidelines apply to the second and third level. They are specific provincial guidelines, and the member wants to know what those are. When I have the staff here for the next line, I could certainly—well, they are all-needs based, and of course it is very complex and complicated. I will gladly share that with the member when we have the staff here who brings forward that particular information.

Ms. Friesen: As I believed, in fact there were and are provincial guidelines along the issue of need. Is the minister anticipating any changes in that to accommodate the ACCESS students who might find themselves in difficulty as a result of the total caps that do exist now and presumably will exist in some form under the Canada Student Loan programming? This is the area where the department has some flexibility.

Mr. Manness: Mr. Deputy Chairperson, we will monitor this, but the flexibility is within the budgetary discretionary decisions of the government. It is not the department's discretionary; it is the Treasury Board's

discretionary powers, and indeed the budget has been set. The budget has been set, but it will be monitored, and indeed if a year from now, if it requires a change after that monitoring, it will be looked at at that time in keeping with the budgetary requirements of the province.

Ms. Friesen: The minister has flexibility in determining how needs are assessed and how institutions apply those needs and how they apply to individual students. We already know that going to the Canada Student Loan Program is going to eliminate some students.

I am looking at the ones who may indeed pass that needs test, and who might still need some kind of flexibility. I am looking at what kind of planning the department has done. It has made a drastic move again this year in this area. What kind of planning has it done in the areas within which it has control to make some steps towards meeting those needs?

Mr. Manness: We are doing everything we can to provide support to, hopefully, by far, virtually all of the students. The flexibility that we have shown in this case is to of course not make the second level of provincial support repayable. That is a flexible decision. That has been accounted for, and that is reflected in the numbers.

The member says, well, you have discretion, the ministry has discretion. The ministry does not have discretion just to begin to spend more money at will. If the changing of guidelines—and after monitoring, you can change it—but if you do not have any money to support it, then you do not have effective discretion. You have discretion from budgetary year to budgetary year. That is where your discretion comes in. It does not come in halfway through the year unless there is money to support that.

Ms. Friesen: Well, you know, as soon as one suggests any change to the minister, any sense of flexibility, any sense of adapting a particular program to the needs that are on the ground, he immediately thinks more money. He does not seem to have any other way of thinking. These are quite rigid guidelines that are made by Canada Student Loan, quite rigid guidelines which are set

by the Manitoba Student Loan Programs, and yet we have now in the ACCESS Program people with very different kinds of circumstances—longer programs done more quickly, mature students. I mean, is there no sense there might be some adaptability, some flexibility, within the overall money that has been established?

Mr. Manness: Yes, Mr. Deputy Chairperson, we understand that, and that is why we have allowed for the flexibility with respect to nonpayable on the Manitoba Student Loan side and, secondly, the appeal process which hopefully will take that into account. It is built into the system. Why recreate something that is there?

Ms. Friesen: Mr. Deputy Chair, will there be a review of this program at the end of this year, and is the minister anticipating further changes next year to the ACCESS Program?

Mr. Manness: This program has been reviewed every year since we have been in government, every year, in all detail. I am sure it will be reviewed again next year, No. 1, and the second question—I am sorry?

Ms. Friesen: What plans for change did the minister have for next year since we have had very short-term notice to students on dramatic changes over the last two years?

Mr. Manness: I cannot answer that because it depends what the reviews show, firstly, and, secondly, the requirements and the global funding targets that are placed upon this department by the Minister of Finance once we begin the next budgetary cycle.

Ms. Friesen: Does the minister anticipate that that Manitoba student bursary, the second level, will remain in place next year?

Mr. Manness: Well, it is the current policy. It is there because we, I guess, are in sympathy indeed with some of the arguments put forward by the member and saw them coming long before she did. I mean, that is why it is there, but ultimately is it going to be rigidly locked into concrete? I cannot make a commitment. I refuse to make a commitment because indeed the very essence of these programs, and the students know, is from year to year policies change. No long-term

commitment is made to any student with respect to the level of tuition, with respect to the level of support that government provides. None.

So the member is saying provide a commitment. I cannot do that. I can say that right now I am hoping that the changes we are talking about are the final significant changes that need to be made to this program, but as we begin the new budgetary cycle, ultimately as Education will have to make its commitment to the—I mean, the member opposite, I could get into a philosophical statement here. I know that there are members opposite that do not give a damn, one hoot, as to the financial standing of the province and where it finds —[interjection] I did not accuse the member for Dauphin (Mr. Plohman) to say that.

But the reality is, Mr. Deputy Chairperson, we have budgeting. It means you are dealing within targets, and if the Minister of Finance says that the targets for the Department of Education are such, then you have to live within those targets, and that brings us right, I guess, back to the beginning of the discussion and the motion put forward by the member the other night.

* (1450)

Ms. Friesen: I am pointing out to the minister, underlining for him, that this is a program which deals with students who on the whole are less well equipped to deal with planning for the future than others. In the past two years, there have been two very dramatic changes in this program. We have eliminated some students. You have reduced the accessibility of this program. I am looking for some sense of security. What can students plan on for the next 12 to 24 months? That is not asking a great deal, and I am looking for how committed you are in fact to the program you put in place this year.

Mr. Manness: Mr. Deputy Chairperson, the programs are obviously going to stay, the ones that are in place now. They are going to be there till their completion. The counselling support and all of the other ancillary supports obviously have to be in place to maintain the program.

Ms. Friesen: My question was directed at what assurance the students could receive. I was not

speaking at this point of the assurances to the programs.

The federal program which is now going to have such an impact upon not only ACCESS students but all students in Manitoba, but particularly ACCESS students, is in the process of being reshaped. The bill has been tabled. I assume it will pass. I do not know what kind of revisions there might be to that bill, and eventually there will be regulations flowing from that. Can the minister tell us what representations he has made, what discussions he has had? Is there anybody in his department who is in contact with and has had some impact upon indicating Manitoba needs and particularly ACCESS student needs under the new Canada Student Loan Program?

Mr. Manness: Well, Mr. Deputy Chairperson, this is ongoing. There are interprovincial committees. There is certainly a committee who deals on an ongoing basis with Canada Student Loan issues. I can indicate that our government probably in a formal way became most highly involved when it became apparent the federal government changes, and reaching to a higher level, \$165, was in essence just basically offloading part of the first dollar costs on the province. This troubled us greatly, and there has been an awful lot of dialogue with respect to that issue over the course of the last year and a half, certainly since I have been in office, because certainly staff and our interprovincial officials saw this coming. Well, this started under the regime of the other government, of the former federal government, and from a Manitoba's point of view just represented a pretty hard offload. Yet certainly the new federal Liberal government has seen fit not to change the process.

Ms. Friesen: I asked specifically about what representations Manitoba had made about the difficulties of such students as ACCESS students under the Canada Student Loan Program. Has the minister made any attempt to, at this stage when regulations and bills and material is being drafted, have Canada understand that some provinces will need some flexibility in the administration of those loans?

Mr. Manness: As announced also by the former government, and I am led to believe supported by the present federal government that they too will introduce programs that will benefit certain groupings of students, particularly grants to women in Ph.D. studies, grants to students at risk, and I would have to think that ACCESS students, as we understand them today, possibly may be eligible for that area of programming, and grants to students with disabilities. If the federal government comes through with that in '95-96, like they have indicated to some they plan to, then obviously there may be new sources of support available to all students who find particular sets of circumstances, find themselves in those sets of circumstances, of course, that would dictate they should have additional support.

Ms. Friesen: There are two provinces, or three provinces, which have not gone into the Canada Student Loan Program this year, and Quebec, of course, deals with its Student Loan Program very differently. I understand from some students, certainly, that the Quebec one is viewed as one of the best in the country. What alternatives has the minister looked at?

Mr. Manness: Mr. Deputy Chairperson, ours I always thought was deemed to be one of the best in the country. As a matter of fact when we have been studying Manitoba's rate of support and indeed the monitoring that we have in place, and thirdly, how it is the scrutiny with which we try and screen only those in who have legitimate needs, I can indicate my experience is that nobody has had a program that has provided more or has a program which is probably less subject to abuse. So I do not know if we should point to any other jurisdiction other than ourselves with respect to leadership in this issue.

Ms. Friesen: Has this department considered in the last two years, in the changes that it is making to these programs, any move towards loan capping, budget planning, loan remission, over a certain amount?

The minister indicated earlier that he does not like the idea of enticing students into large loans. Has he looked at any incentives, such as British

Columbia, for example, has to reduce that enticement into large loans?

Mr. Manness: Last year, as the member knows, we made significant change in the Student Loan Program. Last year was the first year that we required or we provided for no offset, no forgiveness with respect to the second level, the Manitoba student portion.

Early indications or early monitoring of trends indicates no real significant change as to impact, so it is too soon to say with certainty the effects of last year's decision.

Ms. Friesen: Do I understand the minister to say then that that tool of loan remission upon completion of degree is something which the ministry has not as yet ruled out?

Mr. Manness: At this point, we changed from the policy. When you say remission, is the member indicating on behalf of the student to pay back the loan or is she talking about forgiving the second level, as was the old policy?

If she is asking whether or not we are contemplating reinstating that particular policy at this point, the answer is no. We will not grant remission.

Ms. Friesen: The term I was using was one that is used in other provinces. It is essentially a deferred bursary. It is upon completion of a degree within a short period of time, loan remission.

Mr. Manness: Mr. Deputy Chairperson, that is what we had in this province for years. It is called loan rebate. Here it was called rebate. In other words, they did not need to pay it back. We have changed that last year.

Ms. Friesen: In other provinces, it is tied to completion of degree within a certain period of time, and it was tied to a total debt load. As we have now moved to a different situation where there is an increased debt load on some students, and again, I am particularly thinking on the ACCESS line, so I am asking, has the minister again ruled that out as an element of policy?

Mr. Manness: Mr. Deputy Chairperson, we made significant policy change in this area a year ago. Right now we are trying to find ways of reducing

the call on administration in going after those who owe money on either levels. We are trying to make arrangements with financial institutions, and the member would be aware of this. This is happening in other provinces.

I would think that those represent the significant changes in the Canada Student Loan/Manitoba Student Loan portion. At this point, I do not contemplate significant changes from that over the next number of months into the next year.

* (1500)

Ms. Friesen: The minister has used as one of his arguments in the changes to the ACCESS Program the idea that the majority of students here receive employment. I do not know if the minister has numbers on the wages that are received afterwards, whether this is full-time or part-time employment, whether it is contract employment, whether it is secure employment.

My guess is that over the last five or six years, certainly, it probably has been, compared to the general population, relatively secure employment. I am not sure that one can make that assertion for the future, obviously, and if you look at the trends and the growth of part-time employment, the growth of contract employment, if these students are employed in ways similar to the general population, it is likely that that instability in employment will increase.

However, one could still argue, as the minister does, that they are more likely than other students, on immediate graduation, to gain some kind of employment, and given that that is the minister's argument, would he be prepared to consider income-contingent loan repayment?

Mr. Manness: Mr. Deputy Chairperson, the track record to this point, 79 are employed. The vast majority of that 79 percent are employed today in meaningful employment, the vast majority full time. Given that 96 percent today of students within the programs are in the professional areas, I do not think this is going to become a problem. If it does become a problem, I do not sense that the province can take the lead on this. I mean, Mr. Axworthy is talking about in the federal government because indeed right now that is going

to be the only outstanding debt, is on the federal portion, on the Canada Student Loan portion.

Obviously, as the member knows, there is a pilot being done in Ontario now to try and ascertain the feasibility of income-contingency paybacks with respect to all student loans. I dare say that that philosophy, which might appear as kind of interesting on the surface, has incredible difficulties associated within a practical sense.

So I would have to say that we really believe that once the changes are instituted and once some of the impacts move through the present program, this program will be well received. Maybe it will be able to maintain it at the present level for a longer period of time than otherwise would be the case if we maintained the exact program that used to be in place.

Ms. Friesen: Mr. Deputy Chairperson, I wanted to look at the funding for the Manitoba Association for Native Languages and the Churchill Northern Studies Centre, and I wonder if the minister could just give me some numbers on that, on what the funding was last year and what the funding is this year. It is on this line.

Mr. Manness: Seventy-five thousand dollars for Manitoba Association for Native Languages, which has not changed, and also \$100,000 for the Churchill Northern Studies Centre, which has not changed, although there has certainly been strong representation to the government and myself for increase over the course of the last number of months.

Ms. Friesen: Mr. Deputy Chairperson, on the Churchill Northern Studies Centre, does the departmental staff, does the minister have with him a longer time frame on that? What has been the funding over the last four or five years?

Mr. Manness: Mr. Deputy Chairperson, I am certain that the last three or four budgets, the funding has been at \$100,000. Previous to '91 it was, I believe, \$165,000.

Ms. Friesen: Could the minister give us a sense of how the department is evaluating the request for further funding? I am trying to get a sense of where the government thinks the Churchill Northern Studies program and institute should be going.

Where do you see it fitting into a longer-term program of further education?

Mr. Manness: Mr. Deputy Chairperson, I am sure the member is well aware that the longevity and the greater certainty around this training facility is all tied into the proposal by AKJUIT respecting the rocket-range program. Right now the federal government is saying that they will support the institution by way of standby costs to this fall, after which time support will no longer be there.

(Mr. Bob Rose, Acting Deputy Chairperson, in the Chair)

Of course, if indeed greater certainty develops with respect to the AKJUIT proposals, and they come about and they have a meaningful commitment to Churchill, as they want to have over the course of several years, then they will assume the responsibility for this training facility. That should be known by late this summer.

Ms. Friesen: I am just trying to get a sense of the timing of this. By late summer the department expects to know what the federal government's plans are.

Mr. Manness: We know what the federal government's plans are, with certainty. We do not know right now AKJUIT's plans, the private concern that wants to maintain this facility, indeed, the whole presence basically of many of the activities around Churchill.

Ms. Friesen: If those plans become available then by the end of the summer, if they can fit with the federal government plans, what is the provincial response?

Mr. Manness: Mr. Acting Deputy Chairperson, the AKJUIT program would want to take responsibility for the training facility because they would have it. They would require it for their needs, and therefore they would want to be responsible for the training facility.

Ms. Friesen: Does that mean that that envisages over the next fiscal year the elimination of the provincial grant?

Mr. Manness: It is just too soon to say, but obviously this whole—not only this training facility but the whole Churchill complex has all of

the uncertainty associated with it. That is why we have become such strong supporters of the AKJUIT proposal because it will lend some certainty to that location, not only this training facility, which, otherwise, would not be there. So we are working very diligently in all our departments in support of this proposal.

* (1510)

Ms. Friesen: Well, I could ask the minister about plan B, but I do not expect I would get any answers.

So, continuing along with plan A, could the minister as Minister of Education—he has given us a regional perspective; he has given us an economic development perspective on the Churchill training facility, but the initial question I asked was about the educational purpose. Where does the minister see that fitting with other educational institutions, other educational goals in the province of Manitoba?

Mr. Manness: Mr. Acting Deputy Chairperson, this is a study centre. We have not had a bunch of people rushing to our door who want to assume responsibility. When I say other people, I am talking about institutions, so some decisions, whether they are difficult or not, obviously are going to have to be made if the federal government is not going to support. We will do our evaluations and make our decisions accordingly for the next budget year at that time.

Ms. Friesen: I am really searching to see if the minister has an educational vision for this. Is there, for example—what is the international role to be played, what is the national role? The minister has sections within his department, and he is a part of a Council of Ministers of Education which looks at national positions in education. What is the educational purpose from the minister's perspective of the Churchill Northern Studies? Where does it fit with the goals and missions of our provincial universities, and where does it fit with the minister's vision of education in the province?

Mr. Manness: Mr. Acting Deputy Chairperson, it is a study system where three ecosystems come together, I mean, winter ecosystems. Igloo building, survival in winter environment, birding

workshop, photography workshop, archeological field techniques, printmaking and clay workshops, wild flowers of Churchill, monitoring and data acquisition workshop, edible berries and plants, polar bear course, northern lights and sky—that is a listing of the research and education program, noncredit courses and conferences.

If the member is saying, what is the priority for these area of study to the provincial government and to what extent are you committed, we have been committed to the tune of \$100,000 a year. But the member is saying, then will you be prepared to step in if the federal government walks away? Are you going to step in and assume all the costs? I am just saying that is going to require an awful lot of heady discussion and consideration, and at this point I cannot indicate where that might lead.

Ms. Friesen: Mr. Acting Deputy Chairperson, yes, the minister is right. This is another way of coming at plan B. The Churchill Northern Studies Centre has had a national role. It has had national support from the association of—I forget what the exact title is—of universities interested in the North. [interjection] No, not the provincial one, but the national organization of northern studies institutes. There is obviously an educational tourism aspect to it, which might be of use.

I am looking at where the government—does the government have any sense of a broader application for the Churchill Northern Studies unit? Is there a resource there, an educational resource, that can be developed in other ways, and does it fit with any of the mandates of the provincial government in any other department?

Mr. Manness: Mr. Acting Deputy Chairperson, I do not think it is the government's—today in the modern age, I did not realize it is the government's responsibility to take upon itself the primal responsibility of setting into place the future vision, particularly when we are trying to come to grips with the reality of our other post-secondary institutions that are having grave difficulties of their own. Particularly, the member says that, conceptually, this is supported by a national organization and has been in the past.

I would think, then, given that there is an executive director, a new executive director that has just been put into place, whose role is also to try and find a new vision and the people that support it—people meaning the wider context. Then I would have to think that there must be many, many minds out there who, if they see an opportunity for this particular location to grow and expand, will come forward with a high degree of level of support of their own. I mean, that is the nature of the times. If you believe in something, then surely it is more than just the government of Manitoba or the Government of Canada that should be responsible for supporting.

Ms. Friesen: We have hit one of those philosophical divides again. It does seem to me that a government which puts \$100,000 into an institution, and an institution which used to have national support, in a region where there are substantial historic and economic possibilities for Manitoba, that there might be some role for an educational institution to play in that regional development. If the minister is telling me that there is no role for educational institutions, and no role for government leadership in this area, generally, not just in the case of Churchill, then I think we probably hit one of those philosophical divides where he is going to stand aside.

Mr. Manness: Mr. Acting Deputy Chairperson, our commitment has been made to the centre. My staff remind me that not only did we provide \$100,000, we were prepared, across many departments, to find additional sums of money just to maintain the upkeep, if the federal government were prepared to match the total. I am led to believe that they were not. So our commitment to this northern training facility is obviously shown to be there, but it is more than that.

I mean, somebody has got to have a national vision, and I mean national; this is more than a province of Manitoba issue—and then have the ability to convince the federal government particularly to come forward by way of maintaining or increasing support. Failing that, then we put our hopes in the AKJUIT proposal, private sector, bringing economic wealth to the

region, and having a need, having a legitimate need for this facility.

Ms. Friesen: The issue in this case was not the level of support of the provincial government, I think, as I indicated. The question I was asking at this stage is given that support, given that there is a potential for national/international use and perhaps support in this area, where is the vision of the government? It is putting money into it, has been putting money into it for a long time. Where is the plan?

Mr. Manness: Mr. Acting Deputy Chairperson, it is not for the government to devise the plan. I mean, my God, the president of the University of Manitoba would never let us devise a plan for the University of Manitoba, a five-year plan. The challenge is to the new executive director and I believe the supporters of the institution.

We have challenged them over the last 18 months to come forward with a five-year business plan. It has not come forward. So I mean, the member can try and portray this issue as one that the government has the ultimate responsibility for developing the plan for funding and do it now, but in all honesty if the broader community does not really want to get behind the training facility then we have got a problem.

Ms. Friesen: If I thought that the government was the only one responsible, I would not have talked about national/international position, but the government does put money into it. It is a training facility. This is the Minister of Education. I did ask for what his plans or vision were for this institute. Where does it fit in his overall scheme or his overall sense of where training and planning has to go in Manitoba? What opportunities are there here for the government? If I can use the entrepreneurial language that perhaps he would understand, is there an opportunity here for the government of Manitoba, for the people of Manitoba?

Mr. Manness: Well, we believe there is, Mr. Acting Deputy Chairperson, and that is why we have supported this institution, but beyond saying that and providing that generic level of support, beyond that and making it exist on its own for the

most part, with a limited amount of funding from the province, it is going to have to obviously reach out to a larger cross section of people who meaningfully want to contribute to it also.

* (1520)

So, yes, of course we support it. We have proven our support. But making it function beyond obviously what it has to offer, and I have read the list of items, and also the opportunity, of course, of making it a meaningful tourism experience, we see that too, and that is the abstract, but taking the abstract into a workable plan I say is not the responsibility of the Department of Education and Training.

Ms. Friesen: The minister indicates that he has asked for a plan for the last 18 months from the new director. Do you want to change that?

Mr. Manness: From the program, Mr. Acting Deputy Chairperson. I do not even know if the new director has been there that long, but we have been pushing for months for somebody to come to grips with this and take the day-to-day leadership.

Ms. Friesen: The minister did earlier say 18 months. Do we agree on that?

Mr. Manness: Yes.

Ms. Friesen: Eighteen months is a long time to come forward with a plan. Why has not anything happened? What steps is the minister taking to ensure that a plan does come forward?

Mr. Manness: Well, Mr. Acting Deputy Chairperson, they have come forward with five or six plans, but not one of them give us any comfort as to the sources of revenue and the stability and the certainty around those. I mean, any person can throw together a plan, but then when it comes to the hard questions, well, how certain are you as to the revenue source. All of a sudden then the plan begins to ultimately begin to grasp for air and ultimately dies.

Ms. Friesen: Well, if I can extract from what the minister has said, his vision or goal for the Churchill Northern Studies Centre is a stand-alone institution with financial stability, which is not connected to other educational institutions in Manitoba, and which presumably has the same

range of programs that the minister read out earlier. Is that essentially the limits of the thinking of the department at this stage?

Mr. Manness: Mr. Acting Deputy Chairperson, people who live this experience day to day, I would think if there were to be an adding of a new study area to the list, they would present that to us, and maybe they have by way of their plans. The users determine how successful a program is going to be, ultimately the people who want to be part of the northern Manitoba experience by way of study.

Ms. Friesen: So, as far as the provincial government is concerned there, will be no further movement on the Churchill Northern Studies program institute until late summer.

Mr. Manness: I think that is a fair way of putting it, but I must tell you we are watching very carefully, and we are really hoping that the AKJUIT proposal moves forward and, indeed, that this training facility then obviously becomes one of the side benefactors and significant benefactors.

Ms. Friesen: Under the AKJUIT program what changes are proposed in the studies at the Northern Studies unit?

Mr. Manness: We do not have that detail in large measure. There may be a requirement for relocation, but ultimately they will take responsibility for the program.

Ms. Friesen: I am not sure that the list that the minister read out of—wildflowers photography, archeology, heritage activities—are actually the kinds of things that the private company is going to be interested in. That is what I am looking for. Are those programs going to continue, or does the acceptance of this particular proposal mean a shift in direction for this institute?

Mr. Manness: Mr. Acting Deputy Chairperson, I would fail if I would leave on the record the understanding that they would then take control of the programming. What AKJUIT is most interested in, of course, is the rocket range, and they cannot gain access to the rocket range unless, indeed, there is an accommodation done between them and the training facility. They understand the training facility would continue basically in charge of its programming. I mean, that is what the

agreement says. There may have to be some relocation of facilities, but they are not in charge then of the programming and dictate ultimately what will be courses of study.

Ms. Friesen: That is what I am trying to get at. Does the acceptance of the AKJUIT program—it means, presumably, shared facilities. The minister has indicated that it may not mean a continuance of provincial support, and so I am concerned about what the future is of the existing programs under the best-case scenario from the government's point of view.

Mr. Manness: I cannot say at this point. We will have to wait until some greater clarity exists with respect to some of the decisions that are outside of our hands come summer.

Ms. Friesen: So it is possible that as a result of this decision at the end of June that the Churchill Northern Studies unit, as it exists now as a northern studies program, short-term residential courses, will no longer exist?

Mr. Manness: Mr. Acting Deputy Chairperson, we have provided funding for this year, \$100,000. I would have to assume the vast majority of that will flow through '94-95 or whatever the school term is.

Ms. Friesen: The long-term prospect, that is next year, then the future of the programs then becomes an issue that has to be settled.

Mr. Manness: That may well be the case, but we will know an awful lot more come fall this year.

Ms. Friesen: That is why I started this line of questioning by asking where this fitted with university, college, national and international educational institutions.

My sense is that the minister's concern about the Churchill Northern Studies institute is as an issue of real estate, of property and that the programs are secondary.

Mr. Manness: Mr. Acting Deputy Chairperson, I do not know. The University of Manitoba does not want it. The University of Brandon has not even appointed a representative to the board. I do not know what to read into that; maybe the member can tell me.

I have not had, and I have been the Minister of Health for several months, one university from outside of the province indicate an interest in some level of association or some line of association. Nobody is beating my door saying they want to be directly related and they want to have a working relationship with this northern training facility. Maybe the member can tell me why. I do not know.

Ms. Friesen: I understood this was the Minister of Education for the Province of Manitoba. I am looking for what his vision is and where he sees the long-term prospects for this particular institution. It seems that perhaps we could sum it up by essentially saying it is a stand-aside policy, that if there is a market interest in this that somehow makes itself known to the minister by some magic, he might decide to do something about it.

Mr. Manness: Mr. Acting Deputy Chairperson, that is unfair. When some of our highest educational leaders in the province, through their institutions, say they do not want any part of it, I think it is unfair that the member then lay it on my shoulders; it is my responsibility to have the vision. That is totally unfair. Where is the community? Do they believe in it? Do they support it? Do they want it?

This is where the difference of philosophy comes in. The member says, make it a state plan, make a plan around it, give it a vision, give it money, make it into something. The reality is, government cannot make things work if indeed the community and society as a whole is lesser interested in this facility than it might be in others.

Ms. Friesen: Well, it seems to me that there is some leadership to be taken here. The government does put in \$100,000 and has done for a number of years, and it seems to me there has not been long-range vision for this facility.

Mr. Manness: Mr. Acting Deputy Chairperson, then why do we have a board? Let us get rid of the damn board. Is that what the member is advocating? That is what the board is in place to do. That is their responsibility, to come up with a vision. They live it from day to day. Tell us what meaningful impact this training facility is going to

have on our province and our nation into the future.

I guess the question is: For 18 months they have not been able to do it, so is the problem mine or is it theirs? Of course, the member would let the record show that it is my problem; it is my lack of initiative or ability. Believe me, we have been trying to stimulate and to provide. We are mere mortals. We do not have the solution for a training facility, that those who spend countless hours and days of their time—if they cannot find it, I mean, how is it that we in government are supposed to be able to find it?

* (1530)

Ms. Friesen: The minister leaps to such sudden conclusions. The issue is that there is public money going into this. There does not seem to be a long-term plan. My questions have been directed to finding out from the minister what he has been doing about that, what prospect there is for some long-term issues here and where it fits with the broader vision of education in Manitoba.

I think by his responses on the board, his responses on the perceived lack of interest he sees from other universities are quite interesting. I do not see why the minister has to get so excited about it. The issue is essentially what role and what steps the department has taken to try and find some long-term position for this institute which has been in a kind of limbo for quite a long time.

The Acting Deputy Chairperson (Mr. Rose):
4.(b) ACCESS Programs \$7,903,200—pass.

4.(c) Student Financial Assistance (1) Salaries and Employee Benefits, \$1,381,600.

Ms. Friesen: Mr. Acting Deputy Chairperson, some of the issues on this line we have already dealt with under ACCESS, and that is the changes to the Canada Student Loan Program. I have been concerned in the past about the—it seemed in the beginning when Manitoba moved to a student loan program as though it was only moving to one bank. I understand now that a number of banks are involved, and I have also been concerned to have the credit union movement involved in this. So I wonder if the minister could tell us what the

situation is in Manitoba now: How many banks are involved in student loans? Which ones? And are the credit unions involved?

Mr. Manness: Mr. Acting Deputy Chairperson, under the existing program, as the member is aware, the guarantee that we provide is available to all lending institutions. As a matter of fact, I sign one every two weeks with respect to a new credit union that is coming forward and wanting guarantee with respect to the present program. Is that the essence of the question, or is the member extending beyond that to possibly a premium for handling the accounts being provided to some financial institutions if indeed Manitoba enters into that type of policy?

Ms. Friesen: No, I was not, but that is very interesting.

Mr. Manness: Well, that is happening in some other provinces.

Ms. Friesen: I actually did not know that Manitoba was not in that system, but it is not something I have asked about before, so that is interesting. I will follow that up in a minute.

No, the question I was asking really is the minister said that all financial institutions are now eligible in Manitoba. Does that include trust companies?

Mr. Manness: The short answer is yes, any financial institution that expresses an interest.

Ms. Friesen: The minister says he signs every two weeks so that there are a number—there is a continuing interest in moving into the loan program. Has there been an analysis done? Is there a summary that the minister might provide on where the bulk of the loans are coming from? Are they particular banks? Is it a particular region? Is it spread more broadly throughout the province? What kind of analysis has the department done?

Mr. Manness: Mr. Acting Deputy Chairperson, I do not imagine the profile looks an awful lot different than it does with respect to an issue that I was much closer to and that was the financial institutions which helped sell our Manitoba HydroBonds in the past. I mean, there was always kind of a distribution and in keeping with the

number of clients they have. The new requests that I see every so often periodically are of course the result of a student wanting to deal at his local institution and finding out that his local institution at this point has never been approached by a student before and certainly does not have a signed-upon agreement. But I would have to think that the major financial institutions, the banks, probably have, I bet, to guess, three-quarters of the activity.

Ms. Friesen: Are all banks represented in the Manitoba Student Loan Program? I know they are all eligible. I am asking are they all represented.

Mr. Manness: Mr. Acting Deputy Chairperson, I am not absolutely sure, but certainly all the major banks are. I do not know whether that includes some of the smaller banks or not.

Ms. Friesen: Are there particular banks who are predominating in the Student Loan program, as I think is true in some provinces?

Mr. Manness: I would gather the Royal and the CIBC probably would have the lion's share, but, indeed, most of the population of our province belongs in one fashion or another to one or two of these institutions.

Ms. Friesen: I am interested in the banks which are moving into this area. Obviously, in spite of the fact that we see the federal government talking about its increases in the amount of money that is available to students, in fact, of course, this money is not coming from the federal government just as it is not coming from the provincial government. It is coming from the banks, and the banks anticipate all that the governments are doing, and it is in some cases considerable, but certainly what the governments are doing is guaranteeing the risk. They are not providing the money.

Mr. Manness: We are not going out on the street to get it. The banks are going out on the street to get the money. They are using their own deposits but you can bet that, if we did not guarantee it, it would not be there. So I would have to say that we are getting the money in a stretch of the word, but certainly we are getting the money in many cases.

Ms. Friesen: If the minister asserts then that we the government of Manitoba are getting the

money, are we the government of Manitoba getting the interest? Presumably the banks are into this for the interest. They assume that there is something in it for them.

Mr. Manness: Mr. Acting Deputy Chairperson, it is not the banks that are getting the interest, it is the depositors that are getting the interest. Just like we, it is not we the government who is getting it, it is the people. The people are putting it up. So we can get into semantics here, but, yes, we are—and of course the province, the taxpayers put up the interest on all of these loans until such a time as the individual is employed or working.

* (1540)

Ms. Friesen: But the taxpayers do not receive the interest on those loans which are still outstanding.

Mr. Manness: Mr. Acting Deputy Chairperson, I do not know who is being offloaded on here. I am saying government money. When we put up all of the interest, we, meaning the taxpayers, put up all of the interest while the student is in course of study. I do not know who is offloading on who.

Secondly, when we say the taxpayer is now prepared to guarantee the capital value of the loan, face value of the loan, I do not know who is offloading there either. So I do not know what point the member is trying to make.

Ms. Friesen: I think that is one of those circular arguments.

I wanted to ask about program abuse. One of the roles of this section is to minimize "program abuse." I wonder if the minister has a longitudinal study of that. How has that changed over the last few years? Is there increasing abuse or less abuse? How does it correlate with the number of students who have access to these programs?

Mr. Manness: If the member is asking about defaults, in '90-91, there were 1,207; in '91-92, 1,404; '92-93, 1,568; and '93-94, this reduced slightly to 1,653. Now, there are our rates, so those are the numbers.

Ms. Friesen: There does seem to be a steady pattern there. Does it correlate in any way to increase numbers of students in the program or having access to the program?

Mr. Manness: Well, I do not know whether we run regression analysis to determine whether or not it is more directly tied to the fact that there are more students than programs now, as the member indicates, or whether or not there is greater difficulty on achieving employment upon graduation. I imagine it would be a combination of both those factors. It would have to be, but which one is of greater weight or value, I do not know.

Ms. Friesen: Does the department do such investigations? This is a particular unit which does deal with that. It would seem to me that some sense of cause might be of interest to the minister on this one.

Mr. Manness: Well, certainly the entry point and the number of students who are in this program—there is increase there too, but not at the same rate as defaults. Again, I cannot quantify it, but our assumption would be that the greater impact would be as a result of being unable to find employment upon graduation.

Ms. Friesen: I used the term in my first question of program abuse, which is the term in the book. The minister uses the term "default." I assume we are talking about the same thing. Are there other elements which are investigated here?

Mr. Manness: No, there are several differences. Program abuse indicates that individuals have purposely misrepresented some of the facts upon application or failed to reveal changed circumstances which would obviously disqualify or certainly change the level of support in that area. We do audits, and where we find abuse in that area, as a course, we take action.

Ms. Friesen: So that broader area is not included in the numbers that the minister gave me. Those were simply the defaults.

Mr. Manness: Correct. The member wants now audit results dealing with—we have a four-year trend, '89-90 to '92-93.

Through our audit procedure in the first year, we found 361 clients where there had been some misrepresentation and/or some honest mistake. That fluctuated. It went to 390, back to 362, up to 378 in '92-93, and the recoveries, dollars that were brought back as a result of that, range anywhere

from three-quarters of a million up to \$1 million, down to \$600,000.

Ms. Friesen: I wanted to go back to the defaults to see what other trends there are there. The minister assumes that it is a combination of unemployment and larger numbers of students in the program.

Well, for example, maybe we should first start with, how does the department define default? What is the time limit on that? At what point do you say that a student has defaulted?

Mr. Manness: Mr. Acting Deputy Chairperson, the main process for allocating some to the default list is that after missed payments, two letters go out registered, indicating that they will be placed on default if they do not deal with their account.

Ms. Friesen: The minister says "deal with their account." What does that mean? Does that mean a payment? A payment of a particular size? A negotiated agreement to begin a series of payments? I am hearing, for example, of students who are finding themselves on a treadmill of only being able to pay the interest. Is that possible under the regulations that the department has?

Mr. Manness: Mr. Acting Deputy Chairperson, we are like most institutions. If you come in and talk about some greater flexibility or some of the difficulties, that and the flexibility are there; and, if indeed you do not have a strong case, we expect you to make a commitment and to live up to the commitment that was made several years previously.

Ms. Friesen: Is this negotiation done with the government on a regular basis, or is it done with the banks? I am not sure now who "we" is in this case.

Mr. Manness: This is why we are contemplating changes, because presently with the banks, two payments are missed, and they come after the government and say that they want to evoke the guarantee. Governments, then, both federal and provincial, do not know where to turn, so they put it in the hands of collection agencies which try for a period of time, and if are successful, of course, maintain a large fee for their success.

That is why we are contemplating changing the system and putting an upfront fee there immediately for the banks to take as their direct contribution in support of using their own processes to ensure a repayment.

Ms. Friesen: So this is the program in place in other provinces the minister was referring to earlier. Is that being contemplated for every student in the loan program, that is, the payment from the government to the bank, or is it contemplated for only students in default, or is it contemplated for high-risk students? How is the government looking at that?

Mr. Manness: Mr. Acting Deputy Chairperson, it represents the total portfolio, but that is why it is a risk premium, because the most, the vast majority will pay. Some will not, and there will be considerable expense associated with trying to make or have those debtors pay who are supposed to pay. Ultimately, you give up, and there is a loss then. That is part of the risk premium we are talking about, so the whole portfolio would go.

* (1550)

(Mr. Deputy Chairperson in the Chair)

Ms. Friesen: How is this to be negotiated? Is this going to be on an annual basis? Will the premium vary? Is the government entering into long-term agreements on this?

Mr. Manness: Mr. Deputy Chairperson, I cannot say very much more. This is a fluid situation right now, and obviously institutions are asked to determine whether or not they may be interested in being a part of this, so that is what is happening right now. A decision has not been made, and, certainly, the financial industry is well aware that the government is contemplating moving to this system.

Ms. Friesen: Would this require having a negotiation with every financial institution that is lending, or are there some centralized ways of doing this? I mean, if the minister is signing every two weeks a new agreement, will this involve that length of negotiation?

Mr. Manness: Mr. Deputy Chairperson, we have, since late January this year, called for proposals

from those in the financial industry that are interested. Maybe nobody is interested, and, ultimately, we will have to stay with the process we have; but, if we do come to an agreement with somebody and we move to the new regime, then, obviously, we will honour those loans which, under the old system, of course, were guaranteed at all of the financial institutions in our province for the most part.

Ms. Friesen: What is the time line for resolution of this?

Mr. Manness: Mr. Deputy Chairperson, we want to have a decision made on this for the summer so that, in essence, for the new school year, there would be in place a new system.

Ms. Friesen: The fee for that new system, where will that appear in the Estimates? Where will it appear on the books?

Mr. Manness: The fee for that schedule appears nowhere right now. It will not because it has not been negotiated yet. What the fee represents in terms of dollars ultimately will be built in to the Estimates and will be shown as a cost under this program.

Mr. Deputy Chairperson: Shall the item pass? The item is accordingly—

Mr. Kevin Lamoureux (Inkster): Mr. Deputy Chairperson, I was just wanting to ask the Minister of Education (Mr. Manness) with respect to post-secondary service fees that have been charged. Would this be an appropriate time to ask that question?

Mr. Manness: Institutions.

Mr. Lamoureux: Institutions.

Mr. Manness: I gather the member is talking about fees imposed by universities on students, and the time would be during consideration of post-secondary institutions.

Mr. Deputy Chairperson: Shall the item pass? The item is accordingly passed.

Item 4.(c)(2) Other Expenditures \$1,166,000—pass; (3) Assistance \$7,122,600—pass.

4.(d) Student Financial Assistance Appeal Board (1) Salaries and Employee Benefits \$152,100.

Ms. Friesen: I would like again to have a historical view of the number of appeals that have been processed by this section.

Mr. Manness: Reading this time from the right to the left side of the page: '90-91 actuals, in response to the question, 761 received; '91-92, 1,055; '92-93, 949; '93-94 estimated, and it would be 650; and '94-95 projected, 750.

Mr. Deputy Chairperson: Shall the item pass? The item is accordingly passed.

4.(d)(2) Other Expenditures \$24,200—pass.

4.(e) Labour Market Support Services (1) Salaries and Employee Benefits \$479,700.

Ms. Friesen: The obvious question in this section is, where is the strategic development plan that the government has been promising for, I think, every year that I have been in the Legislature? I understand that it has been completed, that it is sitting on somebody's desk or some group of people's desks for some time. Could the minister explain why Manitoba has no labour force development strategy?

Mr. Manness: Mr. Deputy Chairperson, a draft was completed and a lot of discussion has been held around that draft; but, given the reality of the social policy reform that is being led by the federal government this time, it would almost be fruitless, we think at least, to proceed.

The first meeting I had when I became the minister was a planning meeting with the labour market development board, when we were still trying to define ultimately who would be named to a steering board, steering panel, of course, an awful lot of strong views as to ultimately what the make-up of the steering committee could be, let alone the board.

This experience was not just happening in Manitoba, obviously, it was happening across the country. As a matter of fact, the turf protection and indeed the mistrust that obviously exists was of such high level that—no differently than in Manitoba. Across the country a little success was

achieved in working toward the putting into place of these boards. The federal government subsequently has not only indicated that they will set up, that they will do, I understand, bilaterals almost directly, that they will put into place their own model which will not allow for provincial involvement.

Secondly, Mr. Deputy Chairperson, the whole area of social reform, which is so closely associated with this issue, really at this point in time has us saving our resources and not proceeding on this in isolation.

You must remember, as the labour market minister for the province, I have been in meetings on three occasions with the federal minister. As the minister talks about his pilots within social reform, as he talks about leading toward the \$65 billion of social policy reform, this whole area is just kind of a vortex of uncertainty. It is caught in that draw, in that swirl of activity at this point.

Ms. Friesen: The minister has perhaps explained some uncertainties for the last few months. It does not explain the last few years of absence of activity on a labour force development strategy. I was not asking about the boards at this point. That is something obviously that we will come to, but the planning for a development strategy on the part of the province, I think, has come up at every Estimates that I have been to and it has not happened. It was not contingent on the creation of the labour force development boards.

It certainly would have been affected by them, but it was not contingent upon that. Other provinces, both those who have labour force development boards and those who do not, have policies on their labour force strategy. They know what—they have the skills inventory, they know where they are heading. There is at least some sense of a document, something they can share with the public about where they are going in both educational and training terms and labour adjustment strategies for the province, but Manitoba has nothing. It has spent considerable resources over the last three years in trying to do this.

* (1600)

So it is that long-term prospect. The absence of that kind of document. One would assume that it would have paralleled the so-called economic strategy that the government put out a year ago. Why has there been no parallel document on the labour side?

Mr. Manness: Mr. Deputy Chairperson, we have had strategic plans and we have developed them. They are in keeping with something the other provinces do not have. They do not have a framework for economic development like our province does, where we have targeted those areas that we deemed to be the areas of growth, but beyond that, my earlier point still stands.

We could put out a strategic initiative that we have done, but we think it is really not wise, given the changes that might impact on it almost immediately as we move through this pilot phase of study on training and, ultimately, how it leads to greater labour force numbers and, of course, so closely tied to that the whole reform within the social safety net area. I think it is foolhardy to proceed at this time in pure isolation from really what is happening everywhere.

I look at what is happening, and the member can talk about other provinces. So other provinces have a plan. I mean, where is it leading them? Maybe the member can enlighten me. I do not see—even though the process and hopefully the ideal of being able to lay before the public how it is we want to focus in this area, I tell you right now, there are greater forces at work that are going to have to show us the way and complement the efforts that we are providing at this point.

Ms. Friesen: Mr. Deputy Chairperson, the minister said he had a strategic plan. Is that available?

Mr. Manness: Mr. Deputy Chairperson, the department's plan? Yes, and that was released ages ago.

Ms. Friesen: Perhaps I did not recognize it as a plan. Could the minister give me the title of the document?

Mr. Manness: The report is called, Building a Solid Foundation for our Future. That is the department plan. We will try and provide a report.

It was tabled in the House last year, obviously, by my predecessor.

Ms. Friesen: Thank you, and I would be interested in seeing that. It was not something which had certainly struck me as a strategic plan for labour force development in the province. Perhaps the minister could tell us what the difference between that and the unpublished plan is, the one that requires further discussion and perhaps the one that he considers to be somewhat outdated by current circumstances. So this plan that has already been tabled, what does it consist of?

Mr. Manness: Mr. Deputy Chairperson, it is a public document which I do not have with me. I am sorry, I was not the minister here when it was tabled, and I am not intimate with it. I mean, I should be, but I am not.

Ms. Friesen: Is it in fact a labour force plan, or is it a departmental strategic plan, including all elements of the department?

Mr. Manness: It is a departmental strategic plan. As far as the divisional strategic plan, it was done two years ago, and we can make it available if the minister wishes.

Ms. Friesen: Could the minister then summarize what that plan has to say about labour force development?

Mr. Manness: Well, Mr. Deputy Chairperson, the goals that were set out in that document, from memory, were those in keeping with what we have said in many other documents put forward by the government. Certainly greater emphasis on community colleges, greater skill sets in support of entrepreneurial growth and wealth creation, partnership mechanisms such as the boards, which we obviously have not had much success in bringing into place. I mean, that was the focus and the plan three years ago, and I suppose none of those areas have changed significantly.

Ms. Friesen: Does the minister intend in this coming year to in fact produce a strategic document for labour force development? Is the one that has been done, the one that he refers to having fallen into a vortex of uncertainty, over and done with? Is the department working on one at all?

Mr. Manness: Well, Mr. Deputy Chairperson, my earlier statement stands. I mean, you cannot do very much until the discussions with the federal government with respect to social policy reform are really gone very far. I mean, that is setting the course for this nation for the next 25 years in the area of social support, skill areas that will be targeted, the acceptance of technology; fourthly, the whole consideration of labour market strategy.

I mean, how do we make a document like this when we have, for instance, the head of—Mr. White and the federal government talking about overtime policy, and who it is that should have the right to the jobs, the limited number of jobs, that are in place? I mean, there are massive issues that we never, when we started on this process two or three years ago, nobody contemplated. We are caught right within that sphere right now, and I think until we can see it with greater clarity where it is the nation wants to go in its future. It is a little bit counterproductive, even though as we have said before, the strategic plan, '91 to '96, under Planning and Policy Co-ordination, we talked about that before, even though we will try and address the broader scope of activity of the department, including this area. Still, when it comes right down to specifics, we are going to have to wait.

Ms. Friesen: It seems to me, Mr. Deputy Chairperson, that the government which has been in place since 1988 now faces, and certainly I agree that it is an area of uncertainty now, although I think perhaps the minister may be exaggerating some of it.

I mean, he raises the issue of overtime, for example, which I believe was on the front page of *The Globe and Mail* today, but that issue of overtime and the distribution of jobs is one that has been raised in Canadian Auto Workers contracts for a number of years now, particularly Ontario, so it is perhaps not quite as complex or as new to some people as it is to the minister. But certainly dealing with it on a national basis and a provincial basis is certainly broader than some of the autoworker contracts have dealt with it.

But I want to suggest that since 1988 this province has had no labour force development strategy. It was one of the last three to sign any agreement with the federal government over the labour force development boards. It has been slow, slow, slowest on moving in any kind of direction, putting anything on the record, having any discussions with Manitobans generally about its labour force development strategy. Now we come to a period of uncertainty—I agree with the minister—but we come to it unprepared. We come to it without having formulated the public discussion or the public policy, which would have given us some kind of sense of direction of where the province is going in this period of uncertainty.

So it is that absence of direction in view of the uncertainty, which I think has put Manitoba in a very difficult position.

Mr. Manness: That is nonsense, Mr. Deputy Chairperson. I sit with other ministers of labour market development across the land and I ask them, I say what are you doing that we are not, and they are saying, well, we are not near as far advanced as you, because at least you have done some college governance issues, you have done some literacy task force, you have done some areas of Roblin looking at commissions. At least you understand where the issues are, at least the reports are coming before you and giving you some focus and giving you some indication of the changes that need to be made.

We have done those. The members can talk about the additional time or indeed maybe even the lack of success we had in striking a board, and that is because, of course, we were going to have a model forced upon us by the federal government that was not accepting to this province. We were going to make sure that the model that we brought forward had a strong support from the private sector. The member did not want that. The member just wanted, indeed, funding to continue to flow and move off into all of these other areas, and who knew what the evaluations were or anything.

So, of course, this province dictated the model that was being pushed on us by the federal government would be a model in keeping with

what the province expected, and that took additional time, and I make no apology for that. So, Mr. Deputy Chairperson, I do not sit here and accept any of the criticism. I mean, when the member wants to talk, at least she recognizes we are drawn into this period of uncertainty.

* (1610)

I mean, when you talk about changes in Canada Student Loans, a \$7.6 billion program since over the last 30 years, and you talk about child tax benefit programs, employment and training programs, and you talk about basic provincial social assistance, and national literacy secretary, but, indeed, when you do not mention all of this in the vein of what is going to happen to established program funding, what is going to happen to the caps on equalization payments, this is all tied into one massive issue.

The member can be as critical as she wants, but, again, I talked to the ministers across the way who wear the same hat I do, and I say, okay, you may have a report out, what has it done, what greater certainty has it given your community? They said, well, none, because right now the federal government is taking the lead and considering all of this, we go right back to the drawing board. We did the right thing in Manitoba.

Ms. Friesen: Is the minister saying that we did the right thing by doing nothing since 1988 in the preparation of the labour force strategy and the creation of labour force development boards? I find that quite astounding.

The minister talks about every other province. It seems to me, Mr. Deputy Chairperson, that every province has reviewed its community colleges and its universities, whether it is Nova Scotia, Saskatchewan, Ontario, British Columbia or Alberta, so he cannot simply claim that that is the only thing that Manitoba has done.

Others have certainly dealt with literacy issues; others have dealt with university reviews, some of them, I think, far more successfully.

The Ontario Training and Adjustment Board has been up and running for a number of years. [interjection] Well, he has done what? I mean, they

have got Jobs Ontario, which is creating and tying jobs to productivity and to—

Mr. Manness: They lost more jobs than any other province in the country.

Ms. Friesen: Well, if the minister wants to get into that kind of—

Mr. Manness: That is what you are doing.

Ms. Friesen: No, I am coming from what the province has done, what the planning has been, what strategic directions of the province have been. Ontario has suffered incredibly under the Free Trade Agreement, and the minister knows that, and if he wants to get into that kind of ridiculous sort of argument, well, let him. I do not think it does him any credit. I think he is capable of much more than that.

We are talking now about what the province has done, where the province has planned, and how the province stands vis-à-vis other provinces in the kind of preparation that they might have made for this kind of situation, and I find that we are not in the same position as other provinces. We are all faced with the same uncertainty, but Manitoba, it seems to me, had the opportunity to have a strategic plan. In fact, it wanted one; it has said in every year that it was going to provide one. Now that it has not got one, the minister is now saying somehow that we are better off because we do not have one. Well, that is a very peculiar kind of argument.

It seems to me that, if we had a sense of where Manitoba was going, what our skills inventory was, we might have been able better to have a direction in facing this uncertainty.

In this sense, I would like to ask the minister in the discussions he is having with the federal government, what is the nature of the Manitoba position that he is putting forward? What is Manitoba looking for in this period of uncertainty? What case are we making? Where are we going?

Mr. Manness: Mr. Deputy Chairperson, the member, in the way she poses her question, senses that there is some magical solution to some of the ills that are confronting the nation right now.

Mr. Deputy Chairperson, we have those in our midst who believe that, by coming forward with a plan, and by changing around or basically reshuffling the limited number of resources that we have available for training, we can find a ready solution to the problem.

I guess the position I take when I go to these meetings is that, first of all, as political leaders, let us be honest and not build false expectations and hopes. Let us not try and tell all of our citizenry that just by retraining and changing around the support, for instance, unemployment insurance, towards greater training—and, indeed, as New Brunswick, in their New Brunswick works where they have allocated \$100,000 per job per training position, indeed, with an attrition rate, a dropout rate of 50 percent. [interjection] Attrition, yes. Let us be so honest with the people and say that it is a bigger problem than just training and retraining. Let us recognize it very quickly. We are right back into the basic philosophy that drives us, that we are into wealth creation. We are talking about taxes. We are talking about payroll taxes. We are talking about stopping consuming on services today so that we can build a better structure for tomorrow.

The member would say, well, no, we should spend on the services today so that we can build a better structure for tomorrow, and it all goes back ultimately to your ability to create wealth.

So a member says, what is your document, what is your strategy? The Premier laid the strategy before the province a year and a half ago, two years ago, the framework for economic growth, because without growth and wealth creation you have nothing. Yes, we can do a skills inventory. Yes, we are macroing; we are trying to match; we are trying to measure where the skill shortages are; and we are measuring where the surplus is.

The reality is, unless you let the marketplace ultimately decide how it is that those jobs match, take into account their knowledge of where the world is going to be in a few years from now or indeed a few months from now, or indeed next week, ergo Workforce 2000, and all of the other short-term training—unless you take that into account, the dollar that you put in today, unless it is

into some very basic building of skill sets, starting at the public school system, you do not know for sure whether it is going to have a payback with certainty.

With due respect to Mr. Axworthy, who, I think, has been given a tremendous responsibility, until you meaningfully address with certainty where we are going, we can talk about boards; we can talk about strategies; we can talk about how it is we retrain, train, how it is we set into place, refocus our institutions of training, post-secondary education. But, until it is guided by something strategic, which in this province it is in the terms of the framework brought forward by our province, I am afraid we can spend a lot of time in talking and not doing an awful lot.

Now, if the member wants to be critical of the revitalization of apprenticeship programs that we want to talk about next, that is fair comment. If the member wants to talk about how it is or how it is not that we are bringing the new wave of technology in quickly enough, that is fair comment, but to plan out quarterly as a society how it is that we are going to be able to have jobs for all of our citizens gives much more power to the state than the state can deliver.

* (1620)

Mr. Deputy Chairperson, the member can talk about Ontario, and she can talk about the initiatives there. I do not see the benefits or the macro benefits. Certainly, to people when you set up programs and individuals come into them and are somehow favoured and selected—and that was the whole discussion around ACCESS, or not the whole, but some of the discussion—certainly the individuals who get into the program get the benefits, no question, absolutely none, but nobody dares to do the input-output analysis and ultimately to determine how it pays back, and will it ultimately?

Yes, we can, we try and build the model in the context of the Keynesian model maybe built 50 or 60 years ago, but nobody dares to strive very far from the assumption that more knowledge and better knowledge is obviously better than less. Of course, it is. Who can argue with that? But, when

the money is borrowed in support of it, you had better make sure that you know it is being targeted in the right areas. Right today, as we are engaged in significant social reform in this country, leading, honestly I believe, ultimately to more jobs, or maybe not more jobs, more opportunities to create your own employment, I say that we have got some distance to go. The strategic plans that have been put in place by some provinces have not gone one millimetre along the process that needs to be followed or indeed ultimately set upon by our leaders.

Ms. Friesen: Mr. Deputy Chair, given the minister's aversion to strategic planning which he has just outlined, what has been the point of the last six years? What was the point of creating this document? If the minister believes that the market will do everything and that we do not build false expectations, what has been the point of it? Why have we had this line? Why do we have this section of the department?

Mr. Manness: Mr. Deputy Chairperson, to the extent that training is such an important initiative recognized by all, and to the extent that we today, in greater focus, understand that there has to be targeting, and yet to the extent that government and the old model of longer training versus the newer model of shorter training, I say that obviously there has been a shift.

I am not against a strategic plan, trying to develop mission statements. I am not against trying to set goals of 100 percent full employment. Naturally, give yourself a target to try and work toward.

The member, in the essence of her questions, at least what I read out of it, is you have been a dismal failure if you do not come down with a paper. I will not accept that. I will not accept that because the paper that we have brought forward as a province, within the framework for economic growth, is the guideline.

Ms. Friesen: The issue that I raised at the beginning of this is that every year in Estimates we have had the promise of a strategic plan. We are back again with no plan. Now we have a minister

who is defending the fact that we do not have a plan.

Do we expect a plan? Is the government still considering a plan?

Mr. Manness: Yes, but in keeping with a greater understanding of what is going to happen on the whole national level at this social safety reform stage.

An Honourable Member: Question?

Ms. Friesen: No, I am not ready for the question yet.

I earlier asked the minister what his position was when he went to meet with his federal counterpart. That was how he launched into a longer discussion of his free market ideology. I do think that Manitobans should know what the government is saying. We have no written documents. We do not have a Labour Force Development Board that we might discuss these elements publicly.

I am looking for the public discussion and the response of the minister to a Manitoba public that says, look, high unemployment rates, they do not seem to be dropping, in some cases they move quite high, particularly in youth unemployment. We do have problems, as do other provinces, on the issue of older workers and unemployed older workers. The answers I am getting from the minister are: We are in a period of uncertainty. We have no plan. When I go and talk to other ministers all I can say is, do not build false expectations.

Is there something more that the minister would like to say to Manitobans about his direction in labour force planning?

Mr. Manness: Mr. Deputy Chairperson, I do not need to be coaxed by the member for Wolseley. The statements that have been made on the record by the Premier (Mr. Filmon), by other ministers, the Minister of Industry, Trade and Tourism (Mr. Downey) and indeed by myself as the monthly employment and unemployment statistics come forward, I think indicate fully well that we are cognizant of the basic statistics.

We are also mindful of Manitoba's relative favourable position in all of the areas mentioned by the member, by the way, including now even

youth unemployment, even though an unacceptable high rate. Still, when we look at the participation rate of our youth as measured within our statistics, I mean, vis-à-vis virtually every other province, we are doing relatively well. I do not take that credit as a government, but the reality is, the province is doing well.

Do we wish to do better? Of course we do. All of the well-wishing in the world is not going to somehow deny the fact that other than British Columbia, where you have incredibly large amounts of foreign money coming into that province over the course of the last five years, leading to a massive real estate boom. Other than that, you cannot point to another province where the effects of technology, particularly in manufacturing and many other sectors, have had significant impact upon jobs. I do not want to belabour the numbers themselves. I could get into them. I would love to get into them. I mean, the member is playing to my strength if she wants to engage in that type of exercise.

The reality is that we have as a government, realizing that the finances were not there to buy jobs by way of government funds, short-term work—the legacy of that experiment I had to deal with on a daily basis as the Minister of Finance—realizing fully well that training in our institutions, in our formal institutions, had to be refocused to make them much more market sensitive than they were previously, and to realize that there was a whole new form of training wanted. That became available out of the STAC report that our businesses and our wealth creators, the people whom we tax, so that we can equalize benefits to society, indeed wanted different training models, again, resulting in Workforce 2000.

Mr. Deputy Chairperson, I say that the province has a strategy in place that has been more consistent than that of any other province in the country. It is based on low tax levels. It is based on reduction in expenditures of government, trying to remove overlap and duplication, in some cases changing programming around to try and set into place a stable environment, which will result in

greater opportunity and job opportunity for those of our citizens.

The member has not had the privilege of being on the Executive Council dealing with, as I have had to, day after day after day the fallout of trying to buy jobs, and building the false expectations once it became evident that the results and the successes were few. So the member can say, well, you do not have a labour job strategy. I mean, we have not talked about minimum wage. We have not talked about hours of work. We have not—I mean, it is just so large in its whole consideration, even though the member would have some believe that government can plan it all. I say they cannot. I say any province or any state today as you look around the world that attempts to do it through pure planning is not going to make it and is not making it and is failing badly.

* (1630)

So I do not have to lay an awful lot more on the record other than to say that the stance that I have taken is that, certainly, let us give better basic skills to our students as they come through the public school system. Let us challenge them at an earlier age to make decisions, for those who want to go to advanced education or those who want to go into skill areas, technical areas, and I dare say that will be coming up in greater demand. Let us try and provide, to the extent that we have resources, for retraining of those who need to make shifts because of no fault of their own, but through it all let us put greater study in those and matching into those areas where we know there will be jobs at the end of the day as compared to where there will just be hope.

We today are graduating a whole number of professions who do not have any guarantee of work, and yet I do not see where the public call comes from our teaching institutions, indeed, our post-secondary education institutions as to whether or not there will be a balance as demand versus supply.

I mean, people talk about it, but I do not really see it being talked at a very high level. Certainly, when I go to meetings and I broach the subject with ministers across the land, I see everybody sort

of just put their head down, no, I do not want to talk about it.

So how then do you, within that wide, incredibly wide scope—it is scopeless; it has no scope. That is the very essence of the society in which we live.

How do you come out and say, well, this is the strategy now to create more jobs? Well, I have laid the strategy for the record. It is consistent with what the government has done for the last six years. Beyond it and how it is the training will try and bridge the supply and demand apprenticeship training and the whole scope of it, yes, we will try and endeavour to give greater detail to that.

Before that there is going to have to be some semblance of understanding of where the nation wants to go collectively.

Ms. Friesen: That is exactly what I am trying to get at, is where is the sense of direction from this minister, and where is the public discussion around that? What the minister has told us so far, that over the last four to six years a department, a section of his department which has been charged and which has promised to create a labour force development strategy has consistently not done that. I think that is of concern to anybody looking at an Estimates process. That has been one of the expected results every year. It is still not here, and the minister is now trying to put some gloss upon that.

Well, now we are in a period of uncertainty, and it is not the time to bring one forward. That does not excuse the last four years of—I cannot say inactivity; I am sure there has been activity, but certainly there has not been the political will to move forward with this particular plan.

So the minister then rests his case upon educational reform, educational changes, and there may indeed, when we see that package, there may indeed be some interesting things in that area. I do not think that anybody who is concerned with education does not believe that there cannot be changes made at every level of education and improvements made continuously in education.

There are particular philosophical directions in which different interests and in different parties

will take that, but obviously the changes and some of the diagnoses, in fact, may be the same.

What the minister is essentially planning or has summarized is the creation in Manitoba of a low-wage, low-skill, low-pay environment, one that is essentially, I think, a situation that a number of states in the United States have headed into, and it may be the one that we are heading to. I do not know whether that is the government's direction. It is obviously not going to be what they say, but it is difficult to see where the high-skill, high-wage jobs are coming to Manitoba that should flow from the statements in the glossy brochure on economic development.

One would like to assume that they were, but without the companion strategic plan, it is difficult to see how they are coming, and so what we are left with is the low-tax environment, the increasing impact of technology whose drive essentially is to minimize the use of labour.

An Honourable Member: We embrace that. Society embraces that.

Ms. Friesen: The minister says society embraces that, the reduction of labour. It seems to me that there are other social purposes, and these are ones that the minister obviously does not see as part of his role. There is a philosophical distinction there between his party and our party, and the purposes of society as reflected in government, and I think perhaps we will just have to leave it at that. There really is not much point in furthering the discussion on that.

The minister has also talked about the planning for training in labour force development as something which is beyond his scope. The scope has changed enormously. He talks about a national scope. We need to know where the nation is going. Yes, when you start expanding the field and the range of planning in that way, of course, it becomes something beyond one's control, but we do have a provincial government, we have a provincial budget, we have a provincial minister, we have particular conditions in Manitoba, and it seems to me to get back to that microcosm of a small society that this is a society which ought to have a sense from its government of the direction

in which they are taking them in terms of training and retraining and the direction of the province over the next five to 10 years. One tool in that, not the only tool, but one tool in that was the labour force development plan, another was the partnership with both business and with labour in the labour force development boards, and neither of those have come about.

Other provinces who fell through the cracks on labour force development boards went ahead and created their own; both British Columbia and Saskatchewan have done that. I do not see any sense from this government of where it is proceeding with those partnerships with labour, with the educational sector, with the equity groups to create some kind of public discussion and public direction from Manitoba in labour force development.

Mr. Manness: Mr. Deputy Chairperson, the member can point to British Columbia and Saskatchewan, but we refuse to fund ours without federal government involvement.

Maybe I am looking at it in too simplistic terms, but I have never seen in my involvement, following governments now for 20, 25 years, I have never seen a more consistent approach to where it is we want to go as a government. It is not fast enough for the members opposite, it is not fast enough for some members of the public, and at times it is too slow for me, but the reality is, Mr. Deputy Chairperson, you go nowhere on the basis firstly of borrowed money. So we put into place a framework of fiscal responsibility. That is done.

Then we move over to the other areas, and we realize fully well that with respect to labour and training and all that, and the close relationships, that they have got to be built on a foundation too, they have to be built on some foundation, otherwise very quickly you get into a situation where the existing colleagues of the member for Wolseley (Ms. Friesen) were several years ago, you get desperate and you put into place government labour programs. You buy employment. You do not really do anything on the training side, you try and bring in a program to deal with older workers, in other words, you pay

them not to retrain, you just pay them basically to walk away from their work. That is what we inherited, and we have maintained in some cases.

There are some good youth programs we inherited, we have maintained them, but beyond that you better realize that unless somebody opens up the door, somebody opens an employment door on the street, either in Winnipeg or in rural town Manitoba, unless somebody is opening up the door to employ individuals then you have mass, major adjustments which you cannot in any way offset as a government, and that is what we have tried to do.

Again, Workforce 2000, changes at the colleges, the increased support going to the colleges, the challenge to universities to also work towards greater centres of excellence, revitalization of apprenticeship training, technology in its outreach to all players within this, Mr. Deputy Chairperson, are all elements in my view of labour market strategy. Those are the foundations, and without it you cannot build anything.

* (1640)

Ms. Friesen: The idea that apprenticeship is the basic part of this government's approach to labour force strategy is unbelievable, given the fact that they have done nothing, they have not called the curriculum boards together for the last few years. Finally, now, as we come up to an election, now they want to talk about apprenticeship after having done nothing for the last six years.

If the government wants to take credit for centres of excellence created at universities and colleges, I mean, either they are arm's length or they are not. I mean, the government wants to take it on both shoulders, in fact, and centres of excellence were created at universities long before this government came into power, some of them with national/international funding.

I mean, we could go through the minister's list. [interjection] Well, if this is the basis of the minister's labour force development strategy, it seems to me to not proceed very much from this particular section and this particular line, which has been charged with developing the process and the criteria, meeting the client's needs, preparing plans, and preparing the information. It seems to

me that the minister is now grasping at quite another section of events. I will not necessarily call them government policy, but events, and, again, putting on record his opposition to any kind of intervention in any market whatsoever.

But as we come up to an election year, of course, we do see the government involving itself in job creation strategies. I wonder if the minister could tell us where it fits with his strategic development plan or absence of a strategic development plan to have the Home Renovation Program. That is a very direct job creation mechanism with no training involved, all of the criteria which the minister would like to apply, and yet here we are, \$10 million, and it is the only job creation program we have seen from this government.

I wonder if the minister could tell us where exactly that fits with the overall process. Are we to see that next year? Will that be developed into other kinds of job creation programs? Where is this particular element of the government's philosophy going to take us in the next couple of years?

Mr. Manness: Well, Deputy Chairperson, I guess that could be placed in the same category as infrastructure renewal programs. I mean, although this is purely a provincial government program, it is—I look across the landscape and I see governments of all political stripes from time to time over every 10 years or so, again, trying to stimulate the housing industry on the hope, on the expectation that it will catch the right wave coming out of a recession.

The worst thing you can do is do it when you are going into recession or not coming out, we are certainly out of recession, and then it calls into question the benefit, but if you are coming out of recession then the argument could be made that it is time to follow such a program.

I would think the member would better direct her question with respect to the infrastructural program, and indeed what long-lasting job benefits are there. I notice that she deliberately has chosen not to, but to want to scrutinize that government program.

Ms. Friesen: I deliberately chose to scrutinize the Manitoba program. I am examining the Manitoba

Estimates. I am looking for Manitoban policies, and in the absence of the documents which the government has promised for many years, I am trying to infer from the government programs—

Mr. Manness: It is not in our Estimates.

Ms. Friesen: Well, nor is the infrastructure program. What are you talking about?

Mr. Manness: You just wanted what was on the \$10 million. It is not here.

Ms. Friesen: I am not sure if Hansard is collecting all of this, but we are having a submicrophone conversation about what is included in these Estimates, and the minister is prepared to discuss one set of numbers, but not another.

The reason I brought up the job creation program is to indicate to the minister that there are ways in which governments can create jobs. This particular program is, I know, a program which is very similar to ones that were in place before this government came in.

As the minister acknowledged in his criticism of earlier programs, it does not have a job training component, is valid criticism, and it is an equally valid criticism of exactly the same program which they have put into place, and it is the only job creation program that comes from this government.

The infrastructure program is one that has been initiated by the federal government.

Mr. Manness: Mr. Deputy Chairperson, that is a crock. I mean, I can say to the member opposite we have got PAMWI that we were involved in, the Southern Development Initiative, which was pure infrastructure, and it was shared.

I mean, the member tries to say that the initiative for these programs has come from the federal government. I could indicate that the initiative for the municipal infrastructure program came from the municipalities more so than they even came from the province, but certainly much more than they ever came from the federal government.

Ms. Friesen: Thank you, Mr. Deputy Chairperson. I think perhaps what brought the fruition of every one of those programs was, in fact, the existence of a shared-cost possibility with

the federal government, whether it was the last federal government or the present federal government.

I think the minister, just as he is saying with the labour force development boards, Manitoba is not prepared to do it on its own. Would Manitoba have been prepared to do those other programs on their own? I do not think, given our experience of this government, that that would have been the case, but in both cases, they were dealing with hypotheticals.

But I am asking, if the minister is concerned about training, he is concerned about job creation programs or, shall we say, at least job creation, why was there not a training component in that Manitoba initiative job creation?

Mr. Manness: Mr. Deputy Chairperson, why would you train a significant number of people when right now the surplus within the industry of individuals who are trained, I think, was as high as 40 percent? Well, why would you have a training component when you have so much surplus within the industry?

Ms. Friesen: Thank you, Mr. Deputy Chairperson. I do not have the right year in front of me, but I think that carpenters were a skill in demand. Perhaps they were under the recruitment stage, but in any case, if you have a lot of work that is going to be initiated, why would you not take that opportunity to train young people as well? Why would you not build for that future?

Mr. Manness: Mr. Deputy Chairperson, we have the training facilities in place right now to do that. We have apprenticeship programs in place that take into account young people also. I mean, if the member wants to say, well, why do you not change the public school system so that there is greater opportunity to access apprenticeship training at an earlier age and with accreditation, that is a fair statement, but that has nothing to do with this home building program of \$10 million.

Ms. Friesen: Well, the minister then was prepared to criticize earlier job creation programs for the absence of training but is not prepared to accept the same criticism of his.

Mr. Manness: Mr. Deputy Chairperson, my earlier criticism of job creation programs had nothing to do with the lack of training. What they had was purely with absolutely no longevity associated with the type of work employed, and at the end of the day, in almost all instances, there was nothing left to show.

I mean, I can think of many programs where what was done was the grass was cut and the trees were trimmed, and I did not see where the long-lasting benefits under those types of programs were provided, let alone training.

Ms. Friesen: Thank you, Mr. Deputy Chairperson, we will check Hansard, but I do believe the minister indicated lapses of training was one of his criticisms of those programs, and I think that is a legitimate criticism. If you do have a major program like that, building in training and apprenticeship opportunities, I think, is a good idea, and it did seem to me it was something the government, if that was one of its criticisms, might have looked at this.

* (1650)

The minister then goes on to criticize job creation programs for the absence of long-term benefits, but long-term benefits, I think, are to be found in a head of a family with work, with—even if we were to use the minister's terminology of labour discipline, of work discipline, one might argue that there was some element there for people who had not had the opportunity to be exposed to that before, to use a very conservative type of analysis of these types of programs.

The arguments are broader than the idea that some grass got cut and that some trees got trimmed. There is a sense that people were not then unemployed, that they were not at home, that they were not in situations of long-term despair, and that there is a social benefit, difficult to measure, but a social benefit which must be recognized in those kinds of job creation programs. Even perhaps in some conservative ideology I think there would be some recognition of that benefit.

Mr. Manness: Mr. Deputy Chairperson, I can agree in part with what the member says, as long as the money to support that is not borrowed, which it

was. Had it been paid for, I would not even use it as an example if those programs had been paid for at the time. But governments tend not to pay for those programs at the time by taxing its citizens and being honest with its citizens and transferring wealth at that point in time to that greater good, yes, employing the head of the household; no, it tends to borrow money to do that, and the legacy of that is what we are grappling with today. The Keynesian model, if it had ever been practised, was probably a very good model; never been practised.

I remember asking Howard Pawley in 1985, when we had surplus, virtually surplus, when the revenue growth to government was 19 percent, last year it was 1; 19 percent, I said, do you ever see the time when we can begin to pay for these programs now and/or reduce the program, pay back some of the debt so that we will be in a position to once again offer them for the needs of the day when times are tougher? The response was on record, in Hansard, he said, well, you know, the needs are still pretty great today. I do not think we can do it, even though our revenue increase is 19 percent.

So I do not disagree with the member, but when you are borrowing money, for all of the good reasons today, and saying, well, look after it, tomorrow we will worry about it, then you have got a problem. We have got a problem collectively in this nation, we have got a problem in the Province of Manitoba, but all of a sudden it is not as bad as many other provinces, but it is still a problem.

Ms. Friesen: And the response to that, of course, is that we pay for unemployment now and we pay for it in the future.

Mr. Manness: When?

Ms. Friesen: Forever. We pay for it.

Mr. Manness: When do you pay for it?

Ms. Friesen: We pay for it in the impact upon our health services, the impact upon our schools, the impact upon the family, long, long term.

Mr. Manness: It was never paid.

Ms. Friesen: Well, this is the basis obviously of the difference between us. The minister believes

that social needs are secondary, and that the long-term health and viability of Manitobans comes secondary, and it seems to me that that is not the only way of approaching this. This may not be the forum for discussion of that obviously, but the impact of unemployment upon Manitoba families simply cannot be underestimated. The impact upon the health care services, the impact upon our social services, the amount of money that we are spending in fact to care for those people who have been broken by unemployment, and who now have no hope, is extensive. The minister must recognize that as a Minister of Finance.

Mr. Manness: I realize that, but we vote on every health dollar, we vote on every education dollar. We do not vote on the \$550 million that goes into interest payments. We do not have one moment's say because the teachers of Texas who have lent us the money will not allow us to have a discretionary vote on it. We do not vote on it, and so as the interest bill continues to mount, it tears away at the discretion with respect to every one of these lines.

So the member can talk about what we want to do for society and the unemployed, and all that, fine. Arithmetic, I am sorry, will destroy that. It has in every other country, and I do not care what the philosophy is at work. I have seen communist countries do well and I have seen communist countries go broke. I have seen socialist countries do well and I have seen socialist countries go broke. I have seen capitalist countries do well and I have seen capitalist countries go broke because the theory of arithmetic and compounding interest knows no philosophical boundary, and none, absolutely none.

Russia today cannot feed itself and they cannot get on their knees far enough to borrow to buy wheat off of us. China today comes in, a communist country, and they put cash on the barrel head to buy our wheat. Is it philosophy? It has got nothing to do with philosophy. You either pay your debts or you do not.

So when Howard Pawley's government 10 years ago brought in the Jobs Fund, good for him, good for him, but why did he not pay for it at the time, instead of pushing it off so that today the students

that the member teaches, and, indeed, the students under ACCESS that we talk about would not be impacted in the same way that they have to be because of the fact that the interest is chewing up all of the money. Where was he then, and where was his government? That is all we are talking about. Indeed, I could say the same thing about Grant Devine in Saskatchewan. This is not philosophical; this is not Conservative versus New Democratic Party. This is leadership, nothing more.

Mr. Deputy Chairperson: I would like to remind the honourable members that we are dealing with item 4.(e) Labour Market Support Services (1) Salaries and Employee Benefits.

Ms. Friesen: Absolutely. Mr. Deputy Chairperson, well, the minister can say that interest rates are not political and not philosophical, and the 10 years of the Tory rule in Ottawa drove up those interest rates. They are one of the major—they are not the only—but they are one of the major factors in the debt of every province, and the minister knows that.

Those Tory interest rates benefited one part of society, and that was a political and philosophical decision. It is one that he has to live with, and he cannot say that that is nonpartisan or that it is nonpolitical. It was a political decision of that government and that Bank of Canada.

Mr. Manness: Mr. Deputy Chairperson, I did not borrow \$1 from the Bank of Canada. In my tenure as a Minister of Finance, I borrowed about \$3 billion; I did not borrow \$1 from John Crow. I went to the market where I could get it the cheapest, and the investors in this country, the savers, said, we are not giving it to you unless you pay us 11 or 12 percent.

John Crow dealt with 60-day money, 50-day money. I needed 10-year money; it had absolutely nothing to do with John Crow. I needed 10-year money. The Bank of Canada has nothing to do with long-term money, but treasury bills. I did not borrow a dollar from John Crow, but the investors who saw opportunities, the pension fund, the pension fund of the teachers who saw an opportunity to lend money to governments at 12

percent, said, I would rather lend it to the government at 12 percent because that is what they are going to bid up as compared to a private-sector, job-creating person who was prepared to pay 8 percent.

Where are your jobs today? Ask the institutions who have money, and you and I are to blame. We are to blame indirectly through the superannuation fund, the Civil Service Superannuation Fund, the teacher pension fund, or any pension fund there is in the nation. What we have said to the people that are managing those portfolios, you go out and, if you can get 12 percent guaranteed from the Province of Manitoba for 10 years, take that rather than giving it to some new entrepreneur at 8 percent who is going to employ 500 people. That is what we have said.

You wonder why there are no jobs out there. Yet there are amongst us people who say if that person is successful you make sure that you hit him with a corporate tax and an individual income tax that just about takes everything he has earned. That is right; there are people that are saying that. We have got the highest corporate taxes in the world. We have got almost the highest individual income taxes in the world as a country. So, if we want to look to people to blame, it is so easy to blame John Crow.

Mr. Deputy Chairperson: Order, please. The hour being 5 p.m., I am interrupting the committee. It is time for private members' hour. The committee will resume at 7 p.m.

HEALTH

Madam Chairperson (Louise Dacquay): Order, please. Will the Committee of Supply please come to order.

This section of the Committee of Supply is dealing with the Estimates of the Department of Health. We are on item 4.(a)(1) on page 84 of the Estimates manual.

Will the minister's staff please enter the Chamber.

* (1430)

Mr. Dave Chomiak (Kildonan): Madam Chairperson, at the onset I just want to indicate I

appreciate the fact that the minister and the member for Crescentwood (Ms. Gray) left this portion of the Estimates still open to allow me to ask some questions, given my absence yesterday because of illness. I appreciate that very much.

I also note from discussions with the member for Crescentwood that much of what I would have asked she has covered, and I will attempt in my questions—I will confine my questions because of that and will limit them because of that, in order to expedite the proceedings and because I will have an opportunity to review Hansard, once Hansard has been produced, in order to review the material. So I thank the committee for its indulgence in that regard.

My first question—I apologize, my voice is not carrying. Can you hear me now? I see some of the minister's old skills from his court reporter days have come back to him, as he assisted in making sure that staff could hear my questions.

My first question is just a general one. On March 17 of last year when the government announced basically its expansion of community-based mental health services, there was a major press release out and a major announcement. I noticed that the government announced \$4 million in funding for new and expanded programs. That was the title of the press release. Just roughly calculating I noticed that the increase in expenditures between last year's Estimates and this year's Estimates approximate that amount.

My question is twofold. Firstly, that \$4 million announced last year, I assume, has shown up as the expansion in programs this year. My second question: Are there any additional programs or program enhancements that have been made in mental health community-based programming since this major announcement on March 17 of last year?

Hon. James McCrae (Minister of Health): Madam Chairperson, I am glad to see the honourable member back because I was beginning to feel guilty that it might have been me who had made him sick. I am glad to see him back and that whatever I did to him, he is recovering from.

In addition to what the honourable member has referred to, the press release that he referred to, there has been \$1 million additional announced in Winnipeg when I attended the Mental Health Consumer Fair.

We announced the Salvation Army telephone line, the Employment Dimensions project, which is a CMHA Winnipeg program that will allow the Employment Dimensions project to operate until early 1995. That \$1 million was also for the Safe Home, that is a CMHA Winnipeg program. The Sara Riel Incorporated, support to new In-Home Support services, that is ongoing funding.

There was also, as part of that announcement, training for direct service providers, an amount for the Manitoba Network for Mental Health, an amount for board development for new programs, and also a smaller amount for the Popular Theatre Alliance. Those were the things announced in Winnipeg and are additional to what the honourable member referred to.

Mr. Chomiak: Madam Chairperson, the minister can simply advise me if I am asking a question that has already been answered yesterday. There is no need to repeat, just advise that it was dealt with and I will review it in Hansard.

Does the minister have any statistics on the occupancy and rate of utilization of the Salvation Army Crisis Stabilization service and the Sara Riel Crisis Stabilization service?

Mr. McCrae: I cannot recall precisely if I finished answering this question, because it did get raised. I will be as brief as I can.

During the calendar year 1993, the Salvation Army Crisis Stabilization Unit, which has been expanded by six beds to a total of 22, during the calendar year 1993, the facility handled 767 admissions. That was 401 men and 366 women.

During the month of December 1993, the facility handled a total of 71 admissions, 33 women and 38 men. Average daily patient population during December of 1994 was 13 and average length of stay was 5.1 days. To the present, the facility has operated at or near capacity. I cannot help but observe that it is a good thing that we have this

crisis stabilization unit and this capacity, because, if not, that would be further pressure on the emergency rooms that we have talked about before.

* (1440)

Sara Riel Incorporated has a new eight-bed crisis stabilization unit. Between its opening date in July of 1993 and the end of March of '94, the Sara Riel unit handled 354 admissions. That was 138 men and 216 women. The average length of stay in that period was five days. To the present, the facility has operated at or near capacity.

With respect to Mobile Crisis services, the Salvation Army has 11 staff, and this team provides crisis intervention and short-term follow-up 24 hours a day, seven days week. Between May 19, '93, which was the month of inception, and March of 1994, the service had 9,002 contacts with a total of 2,181 individuals in crisis situations. I think those are the ones the honourable member asked about.

Mr. Chomiak: The program also called for an expansion of supported housing to accommodate 110 individuals, as well as adding 20 subsidized rental units. Are those in place and are there any, because housing is so fundamental, plans to expand the housing assistance?

Mr. McCrae: Our initial objective was to provide additional funding to the CMHA, Winnipeg supportive housing program, which we have done. There has been a significant increase in funding which allowed the program to increase the number of persons served from 25 to 110. The program is now full and has a waiting list of prospective participants. As I say, initially it had been our intention to expand that, and that has been done. We will, of course, monitor the situation to see what further needs might make themselves known.

Mr. Chomiak: I am certain the minister is aware, by virtue of the fact that there is a waiting list, and I am sure the minister is aware of the significance of housing as an issue—if there is any prodding I could make, and I probably do not have to, it is well known in the department how this issue dramatically affects the well-being of individuals who are having some difficulty, or even potentially

could have difficulty, this certainly would be one area of needed expansion all the time.

I mean, this is probably an area that never can have enough assistance but any additional assistance, obviously, would be one which I am sure the department would want to look at.

Mr. McCrae: The department has looked at that and will indeed continue to do so. The honourable member for Crescentwood (Ms. Gray) raised the issue of homelessness, which for people with mental disabilities or illness can be a crucially important matter, as the member for Kildonan has said, so we will keep an eye on that situation.

Mr. Chomiak: The next issue is one that I touched on last year in the Estimates, and we had a fair amount of discussion on it. It is the little question of changing the orientation of individuals away from necessarily going to the acute care facility in the hospital and using alternative services. Again, if it has been touched on, I will read the Hansard, but if it has not, can the minister sort of outline what initiatives are being taken in order to illustrate—let me just give an example of a situation where I attended at a housing unit in my constituency where there was obviously a woman in some distress. She had been there because she had nowhere to stay. She had been there for three days, and they had taken her into this housing unit. At no time were any of the mental health agencies, or anyone involved in the field at all, contacted until ultimately she reached crisis state. She ended up going to the emergency ward and being admitted to the hospital.

It just seems to me that we need more work in terms of alerting the public at large, and in general, as to the kinds of services that are available to individuals and to people, and I just wonder if that might be looked at.

Mr. McCrae: Madam Chairperson, I believe that is the subject we touched on yesterday with the honourable member for Crescentwood (Ms. Gray). When the honourable member reviews Hansard, I think he will find it was adequately canvassed. If not, he can raise it on a subsequent occasion.

Mr. Chomiak: Madam Chairperson, I also presume that another issue was probably raised,

and the minister can advise the whole question of preventative—the whole question. The member for Crescentwood (Ms. Gray) is nodding in the affirmative that the whole issue of preventative nature and preventative mental health has been canvassed and dealt with. I can tell from the looks on the faces of individuals that that has probably been canvassed, but from information provided to me, and also for my own and our own particular philosophy and beliefs, I think that this is an area that there can never be enough of, frankly. If the minister has already canvassed what the department is doing in that area, fine. If not, if he wants to give me highlights, that is fine, too.

Mr. McCrae: Well, just quickly in addition to what we did talk about yesterday, the honourable member for Crescentwood quite rightly pointed to the value of early intervention. Early intervention, I suggest with most people, will not, cannot happen because if most people are as I believe them to be, they do tend to leave things until it gets a little worse or a lot worse before they seek help.

However, we want to encourage them not to wait, because the longer they wait, the worse the problem can become. I want to share with honourable members a listing that will be going into the next issue of the Yellow Pages under the heading of Mental Health Services, which sets out crisis services, housing, employment services, community, social and recreational resources, self-help and consumer groups and community mental health services, which we think will be another tool. It will make, hopefully, some difference for some people who—very often we head to the Yellow Pages when we do not know where else to head. So this will be in there. I will ask that the staff who are with us today make copies for my friends, and maybe we could table it if he wants.

Mr. Chomiak: Madam Chairperson, that strikes me as an excellent idea and as an excellent initiative. I would encourage as much of that as possible.

I will not recanvass information of material that has been dealt with obviously yesterday except to ask, when one talks of prevention and one talks

about Healthy Child Development—I know that there is a component of mental health input in terms of the group, the work that Postl and company are working on—I would hope that well integrated into this process would be the whole question of early intervention and the whole issue of mental and emotional and physical health, because of its significance.

I assume from the nodding of staff that that is being taken care of.

Mr. McCrae: Well, I think it is being worked on, and in terms of whether it is taken care of, we will probably discuss that in next year's Estimates, and we will see how we are doing.

But I think we need to make efforts in the direction the honourable member is suggesting, and everybody involved—and that is the beauty of consulting widely—is to learn more about these issues from the points of view of the people who really are in a good position to give advice. So that is what we are doing and we will continue to do.

* (1450)

Mr. Chomiak: Madam Chairperson, has the Brandon Mental Health Centre been dealt with, because we are on 4.(a)? I will hold my question until we get down to that particular item.

One of the concerns that has been brought to my attention has been the fact that many community health centres get referrals now from emergency rooms and from other agencies. The question that has been brought to me is, their already stretched resources are feeling a strain as a result, and I think it is a very good move that we see more initiative and more work taken on by the community health centres, and I am wondering what recognition of this increased activity at the community health centres has been taken into account with regard to the whole area of mental health and well-being. Because there is no doubt that they have seen an increase in volume, and quite rightly so, as a result of some of the changes and some of the different initiatives that have been taken.

Mr. McCrae: We have had and continue to have talks and discussions with the community health centres with respect to their caseloads and different

projects and services they can undertake, and we have discussed that earlier in these Estimates discussions. But, for example, the Health Action Centre has received 10,000 patients from the Health Sciences Centre, including psych health—10,000 cases—and that includes people with mental health issues as well.

So that is happening, and it is a question again of how quickly it is happening, how much the community health centres are able to take on and how quickly. We are working as closely with them as we can to make sure that there is an orderly transition.

Mr. Chomiak: Madam Chairperson, I noted from some notes the whole question of the sexual abuse has been dealt with previously, the question of prevention has been dealt with and promotion has been dealt with. Also, I understand from some discussions I have had with the member from Crescentwood (Ms. Gray) that you sort of dealt with the issue of information and the whole question of allocation of funds from institutions to community-based service.

The minister may be familiar, I did forward a letter to him approximately a week ago asking for some statistical breakdown of information. It has been asked for for some time, and in fact we asked for it in Estimates last year, and I understand it was going to be provided. I did give notice to the minister, and I know it is sort of a luminous request, but certainly it would be useful for all parties concerned to see if we could obtain this information in order to chart where we are coming from and where we are going. So I wonder if the minister has had an opportunity to review that.

Mr. McCrae: Madam Chairperson, yes, by letter dated May 6 received by me on 11th of May the honourable member for Kildonan wrote and said: Last year in the Estimates process I requested of the minister information concerning budgetary allocation of funds as a result of the Mental Health Reform process. This information was promised to me. It has not yet been forwarded. In addition, I understand the Regional Mental Health Councils as well as the advisory committee have asked this information be provided. I am requesting if you

could ensure that this information is accessible for the budgetary process. Attached for your information is a copy of the data that I will be requesting. The information need only be filled in, in order to determine how funds and costs have been allocated. Then he says, Yours truly, Dave Chomiak.

Madam Chairperson, I put a bunch of information on the record yesterday dealing with dollars made available by way of redirection from closed hospital beds, savings achieved that way and how they have been spent in the community, and there is quite a lot of information there. I am not sure if that responds to the member in the form that he wants his information, but I put the information on the record yesterday. If on review he wants something else or something more, he could be in touch with me about that.

Ms. Avis Gray (Crescentwood): Madam Chairperson, we did get into discussion the other day of redirected dollars, but we do not have a total figure of what the institutional costs are for this year for the department. Does the minister have that figure? [interjection] Yes—[interjection] Yes, including acute care.

Mr. McCrae: I do not yet have that, Madam Chairperson, but we do undertake to pull that information together and make it available. I just want to be clear. The honourable member wants to know about institutional mental health services delivered at the MHC at Selkirk and in other acute care centres in Manitoba. Is that what the honourable member is looking for?

Ms. Gray: Madam Chairperson, yes, it is the same list that I handed out yesterday. That is what I have asked for. I guess I am a little concerned. What is the difficulty in providing this information? There almost seems to be a hesitancy to do that, and I do not understand why. Even if the figures are not as good as what we might want, I would think we would be better off in having everyone know what they are and working towards achieving better figures than to keep the information away from community groups or whomever, because then one thinks there is a hidden agenda or there is something more there than what is. I would think

the worst scenario is that institutional costs have possibly gone up and not down, or that we have not moved as far ahead as perhaps we would like to have, but I would think, given this list, it would not be that hard to compile that information. I am sure someone could do it in fairly quick order.

* (1500)

Mr. McCrae: It is not a question of any unwillingness or hesitation. It is not as simple, I do not think, as the honourable member suggests to extract the information. What you do is, you go to the hospital budgets; you have to extract from those hospital budgets the costs for institutional psychiatric care; you have to add up the physician billings for psychiatric care; you have to go over to the Manitoba Adolescent Treatment Centre and get information there as well.

If I had the information readily available, I would readily make it available for the honourable member. It is simply a question of pulling that information together. I have undertaken to make that information available to the honourable member, so it is not that there is any hesitation.

With respect, very briefly, Madam Chairperson, I will table so I can get it photocopied for my friends. The honourable member for Kildonan (Mr. Chomiak) asked for a copy of the application form for the Support Services to Seniors. I guess this is to get the government on side in providing grant monies, with a grant application. I will make a copy of that available so it can be copied for both colleagues.

Ms. Gray: Madam Chairperson, I hope we do have an opportunity to see this information at some point. I guess the other question I would have is when we look at the figures that have been presented on this chart up to 1990-91, are they accurate?

Mr. McCrae: To the extent that an estimate forms part of this, because residents in personal care homes, I am told as many as 30 percent in some places, are people who require mental health services, that part being an estimate, we are not claiming exactitude in that respect.

Ms. Gray: Madam Chairperson, I hope that we will probably be out of the Estimates by the time

that information is compiled, but I hope we see that before the end of the session.

I know the minister is aware of the proposal that is being put forth by a number of organizations looking at a farm and rural stress line, and I think when one looks at the work that is being done, there are a couple of positives of that initiative. Obviously there is a need for that kind of service in rural Manitoba, but I think it is interesting to note that there are a number of organizations who have got together who feel strongly about this project. As well, they are looking at raising dollars through other sources other than government, although they have requested government funding. I believe it is \$98,000. I am going by memory.

Can the minister today tell us if, in fact, he has had a chance to review this proposal? Is there an opportunity for some funding to be put in place for this type of service?

Mr. McCrae: Madam Chairperson, I indeed am aware of the support. I indeed am aware that our government—I will be making my final views or the government's final position known in very short order on this point.

I know that the organizations that I have spoken to, the representatives of the Pool, the KAP, Keystone Agricultural Producers and the Canadian Mental Health Association, we have worked for some period of time and discussed these matters. I will be, as I say, making an announcement in due course, in short order. However, I think the main point in the later stages of the discussions, knowing the difficulties governments have these days, and certainly ours is no exception, knowing that our discussions pointed toward some kind of an expression of support from the government—if it could not be \$98,000, then maybe some other amount could be helpful in their fund-raising efforts as well as to get them started.

I have made it clear that whatever I announced, though, it will be for start-up funding because we expect that there will indeed be the kind of support that has been indicated for the ongoing operation of a farm and rural stress line.

So we will be making our position known very shortly, and whatever that position is, we hope it

will be very helpful to those who are trying to raise funds to keep the line operational.

Ms. Gray: I think the minister has confirmed what we have heard on the grapevine; that is, there will be some funding for this service, albeit not the full \$98,000 that was requested. But certainly some dollars will assist them and, hopefully, will also assist them in garnering other dollars from other sources of funding. So I am pleased to hear that from the minister.

The minister is also aware, I know, of the report that was done on the sexual abuse of women by mental health service providers. I understand that the Canadian Mental Health Association has had meetings with the Minister of Health as well as his colleagues in Justice and Family Services.

Can the minister indicate, is the department going to be—do they have any process in place, or is there anything they are going to be doing about the findings from this particular report?

Mr. McCrae: I am wondering if I heard the totality of the honourable member's question. Is she talking about the federal-provincial-territorial working group on women's health or is she talking about the abuse issue? [interjection]

The abuse issue, the honourable member has responded. That is a subject that has been a matter for discussion between myself and the Canadian Mental Health Association. I assured them that my experience is now such that any allegations of abuse ought to be taken very seriously indeed, reported to authorities. I expressed my interest in ensuring that people in institutions or elsewhere who are the victims of abuse have appropriate mechanisms to make their complaints known.

In the meantime, as we explore new ways to address issues of abuse in care situations, in the institutions that are operated by government, we do have protocols for measures that should be taken should there be any allegation of abuse.

* (1510)

It is all very nice to have these protocols, but one of the problems is the very, very clear power imbalance that exists certainly in an institutional setting and perhaps other settings too, a power

imbalance when you are dealing with someone who has mental illness. That is something that I suggest needs further exploration. I think people who work with people with mental illness ought to be given the latitude that they need to do their job and to be respected for the work they do. On the other hand, there is clearly a power imbalance that may not yet be also fully addressed.

I think the department is aware of my concern about violence issues and abuse issues. We will continue to work with the Canadian Mental Health Association on this and other issues.

Ms. Gray: Madam Chairperson, the member for Kildonan (Mr. Chomiak) and myself were looking at the budgets of the Brandon and Selkirk Mental Health Centres, and we noticed an increase in their budgets for this year over last, albeit a small increase. Could the minister summarize for us why we are seeing an increase in their budgets?

Could the minister summarize for us why we are seeing an increase in their budgets?

Mr. McCrae: Madam Chairperson, with respect to the Selkirk Mental Health Centre, that is not the subject of a downsizing or a phasing out at Selkirk. So the numbers the honourable member would be looking at would reflect basically salary increases. Now, the Brandon one, that is being phased down, but there is not a very large impact on numbers of staff people, certainly to this point.

So whether they are working out of the centre itself or out in the community, until the sunset of the phase-down of the Brandon Mental Health Centre, until that happens you will continue to see in these Estimates appropriations for Brandon Mental Health Centre even though the dollars are being spent elsewhere. Yes, there is a small increase in expenditures at the Brandon Mental Health Centre as well, and that has to do with salary increases, I think maybe the same kind that the deputy minister got.

Ms. Gray: Madam Chairperson, what is the time frame for the changes to the Brandon Mental Health Centre in terms of years?

Mr. McCrae: Madam Chairperson, we have completed one year now of a four-year plan. So

there is this year and then two more after that before we should have phased down Brandon Mental Health Centre.

Ms. Gray: Madam Chairperson, just to remind me, what are we expecting at the end of year four?

Mr. McCrae: At the end of year four, we expect to see a complete replacement of services, in other words, psychogeriatric centres, people placed in personal care, people placed in group homes, people placed in housing projects. There is the acute situation for some patients at Dauphin and Thompson, The Pas, Brandon and Portage. The whole spectrum, the whole continuum of mental health services, we expect to be in place at the end of three more years so that we will not need to use the Brandon Mental Health Centre as an inpatient, long-term or any other kind of term, acute mental health institution.

Mr. Chomiak: Madam Chairperson, just to follow up on the member for Crescentwood's (Ms. Gray) question, an eight-bed Crisis Stabilization Unit was to be established in Brandon and a four-bed Crisis Stabilization Unit in Swan River; Mobile Crisis Teams in Brandon, Dauphin, Swan River and Portage la Prairie; adult community services, Brandon and Dauphin; and community residence in Brandon. That was to be an intensive care and—are we on target for Year 1, including an outreach consultation team to aid? Can maybe the minister go through a check list for Year 1 that corresponds with the program, just so we know where we are?

Mr. McCrae: We are working, as I say, to a four-year plan. Some of the items the honourable member refers to may not have come to full fruition. However, within the time frame of the four years, we will have all of these things done. There will be various levels of speed with which we will achieve things. Some things will take a little longer than we expected or planned for within the four-year time, but during that time, we know that we will indeed achieve our goals.

For '93-94, there has been extensive work done on workforce adjustment planning. That has had intensive input from the Manitoba Government Employees' Union. Then there have been

negotiations with the Brandon, Dauphin and Portage general hospitals, and those negotiations have been underway. Hospitals are to take on that acute care function that has been delivered by the Brandon Mental Health Centre for many years.

Negotiations are also underway with nongovernmental agencies to take on staff and service responsibilities. There are 15 long-term elderly inpatients. They have been relocated to personal care homes in Central Region. That is in Notre Dame and in Parkland. That is in Crocus Court, Roblin, and that has been done with staff supports.

One geriatric ward at the Brandon Mental Health Centre has been closed.

Grant funding has been made available to the Society for Depression and Manic Depression, the Manitoba Schizophrenia Society and the Anxiety Disorders Association of Manitoba. Three staff have been hired for community positions in the Parkland region. That has absolutely never been there before, and it is now. Five supervisory staff were hired for community positions in Westman. There were 12 job bulletins posted during 1993-94.

That is what we planned, and some of the things that were planned for the first year have not yet been completed but we expect will be completed during the course of this second year. In any event, I say that at the end of the four years all of these things should be completed.

For '94-95 we expect to see crisis stabilization services in Brandon, Swan River and Portage. We expect to see mobile crisis teams in Brandon, Dauphin, Swan River and Portage. We expect to see intensive case management staff being recruited. We expect additional long-term, elderly inpatients to be transferred to personal care homes and with staff supports.

We expect to see psychogeriatric assessment teams in Brandon and the Parkland being recruited. We expect enhanced adult day services. We expect community residences in Brandon. We expect extensive development of community-based case management and employment

programming in Westman, Parkland and the central regions. We expect outpatient services in Westman. We expect to see the 25-bed adult psychiatric unit at the Brandon General Hospital. We expect the 10-bed adult psychiatric unit at Dauphin General Hospital; the 10-bed adult psychiatric unit at Portage General Hospital; and the child and adolescent mental health centre in Brandon.

* (1520)

That will take us to the end of the present fiscal year, and then there will be two more years after that to complete the remaining initiatives, and that is more community residence spaces in Brandon; community residence spaces and adult day care in the Parkland area; a long-term rehabilitation centre developed in Brandon; adult day care and a community residence and alternatives completed and the Brandon Mental Health Centre closed by the end of those four years.

Mr. Chomiak: So basically what I gather from the minister's comments is that most of the activities that were scheduled in year one and in year two of this plan are going to be in place at the end of this fiscal year? That is what seems to be the case.

Mr. McCrae: The ones that have not already been completed and are left over and had been expected to be completed by the end of this past fiscal year we expect to see done certainly by the end of the one we are in, of this fiscal year.

Mr. Chomiak: Madam Chairperson, the only other question I have is with respect to the regional services.

Where are they physically going to be provided out of, and are they an integration of other services that are provided to people in the community? The minister indicated, for example, five community mental health workers were going to be placed. Where are they being placed, and are they being integrated with other community-based services?

Mr. McCrae: Madam Chairperson, it is a combination of things that will be happening. For example, I referred to 15 long-term elderly inpatients being relocated to personal care homes in Notre Dame, Roblin. Either staff goes from BMHC to Notre Dame and Roblin, or if that is not

workable or feasible, the dollars go to the personal care homes to make sure that they have appropriate staff to assist with their new residents.

In the case of the Parkland Region, where we are talking about three staff hired, those are Department of Health staff, or other staff in the region, they would be employed either as I have pointed out, in other sectors, or by the government itself in places like Dauphin, Swan River, Roblin or Ste. Rose.

Some work is going to be undertaken. For example, CMHA will be involved in such things as the housing issues that will come forward. Some of the self-help organizations will also have staff. I remember being at the opening of the self-help store or building or office in Brandon, where there were three organizations represented there. I think we will hear more about such a thing happening somewhere in the Parkland Region within the next little while as well. So it is a real branching out into the community in various ways.

It will be done in ways that are appropriate to the patients, many of whom the Brandon Mental Health Centre has been home for perhaps the majority of their lives. This is a very fundamental time for them. Some of them, I am sure, will welcome these kinds of changes. Others initially may not, and it may take a little time for adjustment. Those kinds of considerations have to be taken into account. Again, I think it points to the value of a phased approach to the change.

Mr. Chomiak: Madam Chairperson, this is a little bit off topic, but insofar as I have been in receipt of this, and I thank the minister for the grant application to the Support to Seniors, I noted when the minister was answering questions from the member for Crescentwood (Ms. Gray) about Kali Shiva, the minister kind of alluded to the fact that maybe there is a solution in perhaps providing Kali Shiva with a grant similar to Support to Seniors, sort of in that area.

I think having read through the application form, the minister has a germ of an idea in there, and perhaps it might be an angle or a way to try to provide some support to that very worthwhile organization. I do not know precisely what the

program mandate is for Support to Seniors, but insofar as the kind of supports provided by Kali Shiva are very, very similar, similarly provided to people who are suffering from AIDS, it might be something worthwhile to consider looking at.

It was the minister's suggestion, or at least he had alluded to it, and I think it is a good suggestion.

Mr. McCrae: Madam Chairperson, I will indeed be looking at all the different dimensions of this particular issue. I do not want my thinking, of course, to take something away from the seniors that we are wanting to serve either, but I always feel badly when government is not able to provide support in its budget. So I tend to try to be creative sometimes, too. I will have a look at this.

Ms. Gray: Madam Chairperson, I have a couple of other questions in this section. One was related to the Intensive Case Management program that this department has instituted, and the other one was the Mobile Crisis Team. In regard to the latter, the Mobile Crisis Team, I believe there was an evaluation of this program. I know that with the announcements that the minister has made we are going to see an expansion. I think the minister will agree on what expansion means in this case of the Mobile Crisis Team to other areas of the province.

Can the minister indicate, was there an evaluation done of the initial Mobile Crisis service that started out in Winnipeg region? Is he prepared to share that evaluation?

* (1530)

Mr. McCrae: There was an evaluation of the Mobile Crisis Team approach in the Winnipeg region. It was not an evaluation that—I do not know that there is much by way of precedent for the kind of evaluation that we wanted to get done. Therefore, it may not have been the most sophisticated kind of evaluation, so we do not have an evaluation report, but we do have a summary of that evaluation which we can make available to the honourable member and will do.

Ms. Gray: Madam Chairperson, does the Mobile Crisis Team—I would see the potential for phone calls and requests for service could be endless with a service such as this, particularly since they are

providing service after what are considered normal business hours. What are the criteria—well, maybe rather than asking what the criteria is because I know the former minister I think provided that for us in last year's Estimates, but I think of some of the situations again on Main Street, where we have a number of individuals in that area, some homeless, some not, who may find themselves in crisis situations.

Does the Mobile Crisis Team get a lot of referrals from the Main Street Project or from individuals who are in that kind of a situation, and do they deal with them?

Mr. McCrae: Madam Chairperson, the mobile stabilization service that we have, there are people referred to it. We are going to ask for some better records so that we will have a better read on this ourselves, but they get referrals from hospitals, and people who went to hospitals now use the services of the mobile crisis stabilization and, of course, the stationary crisis stabilization service as well. Emergency rooms will refer to the crisis stabilization.

It is probably correct that we should be looking to organizations like the Main Street Project, with whom we expect to be working more closely, for their input and views on how we might best use this type of service.

I know what the member is getting at because it is tragic to see some of the things that do go on in our society. It appears that there is no help. There is help and some people do not know it exists, or if they do know it exists are not willing to ask for it. So there is room in some cases for a little bit more of an outreach approach to things, a little bit more of a proactive approach to things.

Just as a matter of interest, I asked Mr. Toews about abuse of such services. He has told me that he has not heard reports of abuse of the kinds of services we are making available. I have heard reports of abuse of the ambulance service by people who can find their own way to a hospital, for example, in an emergency situation and use the ambulance, or something less than an emergency situation. I have heard those stories, but as a matter of interest I asked Mr. Toews about abuse of crisis

stabilization services and there appears not to be that going on.

In any event though, we are not screening calls that come in. If someone phones in to express a wish for some help, help is made available.

Ms. Gray: Madam Chairperson, the other project, the Intensive Case Management project, I understand that it is a very small number of individuals that are on the caseloads, these case managers—I am not sure of the numbers. I had heard five. I do not know if it is more than that or not.

Can the minister indicate what is the nature of the type of individual who is being assisted by these case managers, and can he give us an update onto the success of that particular project?

Mr. McCrae: Madam Chairperson, just to be very clear, I did not want to mislead anybody a few minutes ago when I talked about the Main Street Project. They do in fact refer people for assistance. I think I maybe left the impression that they do not or that I will be discussing it with them or something. I am told that they do make referrals to us.

With respect to the Intensive Case Management program, which is a government project, we have eight staff attached to that particular project, each with a caseload of about 20. Five of them are what are known as maintenance cases, not as acute or high-risk or difficult cases, and the other 15, on average, for these eight people each, are high-need people, chronic people, who maybe have need of assistance with housing and need of assistance making sure their medications are properly taken care of. That is the kind of individual—[interjection] Fifteen out of 20 in the program are. We think the program is successful.

The final evaluation has not been completed, but we think that it is because of what I have already told the honourable member that we are able to help those people who need it. When three out of four of the caseload of any particular staff are high-risk, high-need people, then we think the Intensive Case Management program is important, and we also think it is working and will be successful.

* (1540)

Mr. Chomiak: Madam Chairperson, I just wanted to ask the minister a quick question. In my visit to Sara Riel, which I found to be very impressive, one of the issues talked about—and I recognize this is a long-standing issue, and this is not a political issue—was the discussion of a need for a place for adults, perhaps a residence for adults of some sort with long-standing mental health problems, similar to the project that Sara Riel undertakes for younger individuals. I know that there had been a project on the books at one time for the creation of such a kind of facility. I am wondering if the minister is familiar with it and has any comment to make on it.

Mr. McCrae: I believe the staff of the Department of Health have in the past engaged in some discussion about some kind of a residence for young people with problems. At the present time, that is not the situation. The discussions are not going forward at this time in respect to that particular proposal.

Madam Chairperson: 4.(a) Administration (1) Salaries and Employee Benefits \$390,500—pass; (2) Other Expenditures \$182,500—pass.

4.(b) Chief Provincial Psychiatrist (1) Salaries and Employee Benefits \$196,700—pass; (2) Other Expenditures \$37,400—pass.

4.(c) Adult Mental Health Services (1) Salaries and Employee Benefits \$1,249,800—pass; (2) Other Expenditures \$2,256,600—pass; (3) External Agencies \$6,553,200—pass; (4) Less: Recoverable from Other Appropriations \$684,000—pass.

4.(d) Child and Adolescent Mental Health Services (1) Salaries and Employee Benefits \$1,110,500—pass; (2) Other Expenditures \$153,300—pass.

4.(e) Brandon Mental Health Centre (1) Salaries and Employee Benefits \$22,126,500—pass; (2) Other Expenditures \$2,811,700—pass; (3) Less: Recoverable from Other Appropriations \$2,961,000—pass.

4.(f) Selkirk Mental Health Centre (1) Salaries and Employee Benefits \$17,151,500—pass; (2) Other Expenditures \$2,559,900—pass.

Resolution 21.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$53,135,100 for Health, Provincial Mental Health Services, for the fiscal year ending the 31st day of March, 1995.

Item 5. Health Services (a) Administration—

Ms. Gray: Madam Chairperson, I just wanted to ask the minister a question which does not necessarily relate to this section, but this section talks about physician fee schedule reform. But the announcement he made today with the medical services committee, first of all, if he could tell me, this Ms. Edith Parker, who is a nurse, where does she practise, or what is her work right now?

Mr. McCrae: Madam Chairperson, yes, indeed, earlier today, I announced most of the membership of the Medical Services Council and, well, all of the membership of the Medical Services Council, and most of the membership of the physician resource structure that has been part of the agreement between the government and the Manitoba Medical Association.

With respect to the specific question about Ms. Edith Parker, Edith Parker is a retired nurse who worked in obstetrics at the St. Boniface Hospital. Obstetrics, of course, this year is going to be a very topical issue, too, as we develop an obstetrics program for the city of Winnipeg and as we continue to develop obstetrics programming for all of Manitoba. So we look forward to the input that Edith Parker will have to the deliberations of the Manitoba Medical Services Council.

Ms. Gray: Madam Chairperson, I guess I was under the illusion, when we were discussing this council and the role of the nursing profession, that in fact with the six individuals, the minister would have an opportunity to appoint three from the province and three representing public interests, that we might have seen better representation from the nursing profession. I am wondering if the minister can indicate why he decided not to go with more representation from the nursing profession on this group of 12.

Mr. McCrae: I know I am supposed to be the one who answers the questions, and the honourable member asks them, but I have to wonder what it is that we want to achieve. I looked at that question and I said, what do we want to achieve? What I want to achieve is what all Manitobans want to achieve, and that is a balanced perspective when the work of an important council like this is being done. So is this a power struggle? No, this is not a power struggle. This is, how best do we administer the resources that we make available to the doctors of Manitoba through the medical services line in the budget? That is what this is about.

Is it appropriate that there be the perspective of a nurse sitting on this council? Yes, it is appropriate. Do we want to have more nurses than doctors? That is an irrelevant question. This is not a power struggle. This is a function, and that is to make medical services more efficient in Manitoba, and who better to provide advice about that than Ms. Edith Parker, or Ms. Lynn Raskin-Levine, or Dr. Barb Gfellner who is an expert and a teacher at Brandon University in the area of the psychology of aging and adolescence and gerontology, those kinds of issues. I think they are very important when you consider the nature of our population. Somebody like Lynn Raskin-Levine, who is well versed on the economics of various things but certainly the delivery of health services in Manitoba—one cannot look at perfection, perfection eludes all of us. One cannot look at excellence without having people of that kind of calibre available.

* (1550)

Then for the province, it should be very clearly stated that we have to have people like Julian Benson, who is the secretary to our Treasury Board, one of the people who carefully looks after the purse strings of Manitoba; and Frank Maynard, of course, is the Deputy Minister of Health; and Bobby Cram, probably known to the honourable member and her colleagues for the quality of his work as a public servant working with the Civil Service Commission and now with the Department of Health.

There is certainly no question of—some people suggest that the profession is running the show here. There is no suggestion of that in the membership. Out of 14 members we have four people representing the Manitoba Medical Association. So when I hear the honourable member's Leader today say that this is a sellout to the doctors and a repudiation of the agreement, he is going to have some explaining to do when the doctors who support this particular agreement want to know why the member for St. James (Mr. Edwards), the Leader of the Liberal Party in Manitoba, would repudiate this agreement.

It reminded me of Brian Mulroney, when he talked about how he felt about the constitutional accord, ripping the agreement in half, or was it not John Turner who was going to take the Free Trade Agreement and rip that in half? Certainly that has not happened anymore than the NAFTA agreement has been ripped in half.

I am not sure where the honourable member's Leader is coming from, but I see in this list of people a balance that I think will be useful to us as we address the very important issues.

I have to ask, what is it that we wish to achieve by saying, not enough nurses? I mean, you could say there is not enough of some other group too.

I happen to have a very high regard for the experience that members of the nursing profession bring to various things. That is why we have so many nurses involved in so many different committees and task forces and implementation groups that have assisted the government. For example, two nurses have been involved on the Advisory Committee on Mental Health Reform, one nurse is involved with the Manitoba Emergency Services Task Force, 11 nurses involved with the Working Group to Develop Criteria for the Application of Triage Definitions, five nurses involved in the Medication Management Committee respecting Home Care.

We have four nurses involved in the Anesthetist Working Group. We have eight nurses involved with the Nurse Managed Care Working Group. We have two nurses involved with the Primary Care Medical Transfer Group. We have one nurse

involved with the Provincial Cancer Control Committee. We have six nurses involved with the Provincial Obstetrical Services Committee, one nurse involved with the Provincial Surgical Services Committee, one nurse involved with the Rural Health Advisory Council. Nobody has raised this question with respect to the Northern/ Rural Health Advisory Council, which is a very important advisory council too.

Why is it that the question about nursing representation only happens today? Because there are those in this House who seem to work better with an adversarial approach to things. In other words, if you do not have more nurses than doctors on a committee, then you have your losers and those losers are going to be nurses and you have your winners who are going to be the doctors.

What about the people? What about the clients? What about the patients, the people we are all supposed to be here working for? There are nine nurses involved on the Steering Committee for Critical Care Nursing Education Core Curriculum Program. There are four nurses involved with the Short Term Emergency Program evaluation committee. There is a nurse involved with the Terminal Care Committee.

I would venture to say, we have hundreds of nurses involved on the project improvement teams that went to work at Health Sciences Centre and at St. Boniface Hospital, hundreds of nurses working with us to suggest changes that improve the efficiency and the quality of the care delivered to Manitobans.

So I am glad that we have Ms. Edith Parker, who has agreed to represent the public interest in this. Nurses can represent the public interest very well indeed and they do. I have met with hundreds and hundreds of nurses in the past eight months to hear their points of view. To set this up as some kind of power struggle does a disservice, I am sorry, to the process which—there is even a likelihood here of a successful stewardship of our health care system for a long time to come.

I know that the day will come, I will look back on the results of the next few years work by this council, and I will say to the member for

Crescentwood (Ms. Gray), I told you so. I told you that that question was adequately answered back in the spring of 1994, and the member for Kildonan (Mr. Choniak), who will not be in politics then, but I will say to him, I told you so, too.

Ms. Gray: Madam Chairperson, it is fairly obvious where the power struggle will be on this committee, and it is not going to be from the three people in the public interest. The concern about this particular committee, the concern that the member for St. James (Mr. Edwards) has and the same concern that I have is that this committee is also going to be looking at services which are part of our medicare system, and down the road in the next two or three years when there are only so many dollars there may have to be some decisions made in terms of what are core services and what services should be insured and what should not be.

I have a lot of concerns if this committee is going to be addressing that. Is that the case?

Mr. McCrae: Manitoba Medical Services Council will provide advice to government with respect to various issues that the council itself will bring to its own attention to address as we try to work to live within the caps that are laid out in the MMA agreement.

I return to the expression "power struggle" which the honourable member has adopted, and I do not accept that. I know from talking—[interjection] No, no, I did not say it. I accused the honourable member of setting this up as a power struggle, and the honourable member confirmed that that is how she sees this. I do not see this as a power struggle as the honourable member for Crescentwood does. I see this as a group of people sitting down to address issues, and that is what they are going to have to do, and if we do not address issues in this way, with people who care about systems sitting together and making recommendations to government, the alternative the honourable member is suggesting is that we do it the way we have always done it, that the heavy hand of government be used to make decisions about our medical services line in the budget.

I do not think that has been seen to be appropriate in the past. The medical profession

certainly has not. They have even gone on strike over the government's view of how things should be done. I do not see this as a power struggle. I will not accept that characterization of it. It is what the honourable member has just confirmed she sees it as that I find problematic, and I wish she would not. I expect it from the member for Kildonan (Mr. Chomiak), that approach, that if the doctors are not the losers in all of this then we are all going to be the losers. [interjection]

That is not correct. I cannot see this as being any kind of a sellout, certainly not on our part, when the doctors have given up \$12 million in the first couple of years of this deal.

That is a sellout? Give me a break, is what I say. The Liberal leader has got himself into a sticky wicket once again with his repudiation of this arrangement, because this arrangement is the best chance we have had for many, many years to address some long-standing problems, and who better to have at the table than obviously the players, that being the MMA and the government?

You want to have some kind of a council that does not have the government represented at it and that does not have some kind of equal representation to the vested interests of the physicians? You may suggest that the government has a vested interest, if you like, but the government, the deputy minister, the representatives of the government here are sworn to reflect the same kinds of interests as the public interest representatives. That is what we are here to do on these benches on this side of the House as well as the honourable members opposite, to represent the public interest.

* (1600)

So when you include the government representatives plus the three public interest people, that is six. The College of Physicians and Surgeons, is the honourable member suggesting they represent some interest other than the public interest?

An Honourable Member: No.

Mr. McCrae: Well, I will leave that question hanging there for the honourable member to

answer. The Faculty of Medicine, well, I will leave that one too, but the Manitoba Centre for Health Policy and Evaluation is represented by Dr. Charlyn Black. That centre is there to measure population health needs, and they are asked to sit on this council for the purpose of bringing forward that particular dimension and aspect of our health needs in Manitoba.

I think it is entirely appropriate that that point of view be brought to the table. The Centre for Health Policy and Evaluation, anybody who wants to suggest they are working for the doctors or for that matter for the nurses, is out to lunch. I do not think we could have devised a better mix of people. The honourable member for Kildonan seems to say there should have been a place there for the MNU. Well, I do not agree.

Ms. Gray: Madam Chairperson, the minister has indicated that this committee will be making recommendations to the government. Can the minister give us some specifics as to what kind of recommendations, within what area, what scope of recommendations are they going to be making representation to the government on?

Mr. McCrae: I am going to be a little bit careful in how I answer this question because if I had my mind all made up about what areas and what recommendations I am going to get, why would I need a council? I do not have my mind made up. I do not have that kind of agenda.

I do know what the agreement reads. It has numbers there and says to me, these are the kinds of dollars that are going to be available. Then I say to the Medical Services Council, what suggestions will you make so that we can live within those dollar numbers. In other words, we are setting up a system whereby we are compelling ourselves to reach conclusions which, if we did not reach them, we would see our health care system continue to decline in quality, and that is not something we want to do.

So I have speculated some as others have as well, but what are the things in the health system that need to be addressed? In the press release that we put out today, I made it clear, Dr. Goldstine, past president of the MMA made it clear, by saying

all recommendations by the council must be made in the public interest. They must also be consistent with good medical practice and be in compliance with the Canada Health Act.

Well, those are pretty good goals, but what does all that mean? It goes on: "The council may recommend changes such as the development of clinical practice guidelines and protocols consistent with good medical practice or establish working groups to review other aspects of the health care system."

In other words, I think there is a respect being paid here to the role of the College of Physicians and Surgeons, for example, whose job it is to develop—or if it was anybody's job to develop clinical practice guidelines, it would be the College of Physicians and Surgeons. So the Medical Services Council may want to recommend to the college that certain clinical practice guidelines and protocols be developed. That, I suggest, is an area they might look at.

And those practice guidelines and protocols might have to do with things like discharge policy followed by the physicians of Manitoba. It might have to do with things like their policy respecting laboratory testing procedures and practices. It might have to do with the use that is made of walk-in clinics or some such thing as that.

It might also help us answer questions like, how come people in Brandon, who are diagnosed with cardiac problems, how come a far larger number of people with the same diagnosis in Winnipeg have an operation on their heart than the people in Brandon, as set out in the W5 program that I made available to the honourable member. That question might be a good subject for discussion by the Medical Services Council.

In other words, our standards of—not our standards, but our practices in the province are not necessarily uniform, as that example indicates. It is my expectation or hope that the council will look at those issues to decide which is right, the Winnipeg practice or the Brandon practice. I am not going to say which one is right, but surely there cannot be that much difference in the practice patterns between two communities and by a

profession regulated by the same regulatory body—and there is that much difference? Maybe that is an area that might be recommended by the council that the college have a look at.

In addition, we have not got into much discussion about the Physician Resource Committee, which is going to be very important, and of the province's three appointments to that committee. Both appointments, other than the co-chair, are nurses, if that makes any difference to anybody.

An Honourable Member: Representing the province.

Mr. McCrae: I hear the honourable member saying, representing the province. Somehow these nurses are tainted, and whatever they ever learned about nursing is tainted because they happen to work for the government. I do not buy that sort of thing, because, you see, I am not as cynical—never have been. Even when I was in opposition, I might have been a nasty sort of a person, but I was not—

An Honourable Member: No, no.

Mr. McCrae: And my colleague from Ste. Rose is here to—

An Honourable Member: Powder puff, actually.

Mr. McCrae: Powder puff is what he calls me in those days, and he is a very, very kind sort of individual when he says that, I know. But I was not so cynical that every time you turned around there was some communist somewhere, that we had problems with certain selected ones.

But I say, what is it about Barbara Millar that the honourable member for Crescentwood or the member for Kildonan would single that person out for a vicious attack like this? Why is that—or Ms. Carolyn Park who recently joined our government as a nursing adviser? Why do honourable members opposite want to say that these nursing professionals have something wrong with them?

Point of Order

Mr. Chomiak: Madam Chairperson, I think it is entirely inappropriate for the minister to impute motives to members by saying certain individuals have been singled out for a vicious attack. That is

wrong. That is inaccurate, and the minister ought not to put that kind of—I will tolerate almost everything else the minister says, but that is totally inappropriate.

Madam Chairperson: Order, please. The honourable member for Kildonan does not have a point of order. It is a dispute over the facts.

* * *

Mr. McCrae: Well, I will withdraw those words anyway, Madam Chairperson, because they probably were not just the most appropriate thing for me to say, and I am sorry for saying that.

I do say that you cannot go after this particular group and complain about lack of nursing input when there are two nurses on that part of it. Now, whether they work for the government or whomever they happen to work for, the point is we could be doing without a Medical Services Council, we could be doing without a Physician Resource Committee, which we only have achieved through this mechanism of the agreement with the MMA.

I am asking honourable members to consider the alternative, the alternative being that we have no mechanism other than one we might set up all by ourselves, and then joining the honourable members would then maybe be the Manitoba Medical Association in their criticism. Then joining the honourable members would perhaps be the College of Physicians and Surgeons in criticizing the government and the Faculty of Medicine and the Manitoba Centre for Health Policy and Evaluation and the Manitoba Health Organizations and the Professional Association of Residents and Internes of Manitoba, the Faculty of Medicine, the northern Rural Health Advisory Council and the Urban Health Advisory Council. All of those people could very well be critical of the government in saying, you are setting up a committee to deal with physician resources, and it is all your own people so we do not have any confidence.

Madam Chairperson, this time we have everybody around the table. Now, I think that is better by far than what we have had in the past,

which was governments—not only my government but the previous government and other governments as well in this country—sort of wandering about, trying to manage these huge lines in their budgets dealing with the medical services and trying to manage them in extremely confrontational sorts of circumstances. Here we have a chance to make a difference for Manitobans, and rather than pick away at each and every aspect of it, I actually was hoping for a little more support than what we seem to have. Even so, I am prepared to say, go ahead and say those things today, but I hope to have the chance someday to say, I told you this would work, and there are very strong signals that it is. That is my hope. That is my expectation. We have not gone to all this work and effort and consultative work and sitting together and talking and consulting and listening for nothing. We have done this with a specific goal in mind and that is to make improvements. I am even hoping there will be major, major improvements in the days and years ahead.

* (1610)

Ms. Gray: Madam Chairperson, I am quite happy to be proven wrong over the years. I hope I am by the minister, and I will agree to disagree on this. I do not see this group of 12 individuals, frankly, as very representative of the average person in Manitoba who will be most affected by decisions made by this council in regard to what kinds of health services are available to them, and the minister and I can agree to disagree on that particular issue.

Now, the comments about the power struggle, is there any opportunity when this council begins to meet, or maybe they already have, for minutes to be available?

Mr. McCrae: I will take that question under advisement. As I said earlier, I will raise this with the co-chairs and see what they think about the idea and so on rather than blurt out no or blurt out yes. I would like to know exactly where I am coming from before I do.

I just wonder, Madam Chairperson, as I heard these criticisms today you can expect I will be a little bit sensitive about them because I worked

very hard to try to bring about this result, so forgive me if I am a little bit like that, but I just wonder what specific recommendations the honourable member for Crescentwood would have as to what other approach there should be. If the approach is okay, which I know she thinks it is not because of what her Leader said today, what better make-up would she be suggesting so that we could measure what we are doing by what she might be suggesting.

It is sometimes helpful in a debate to have another view, and you know we worked hard with the MMA and we worked hard not to be narrow in our thinking and to try to consider all of the people in the province who might somehow be impacted by the work of the Medical Services Council. So what you see today is a genuine effort and a genuine reaching out among the parties to try to reach some better understanding. So if the honourable member or the member for Kildonan (Mr. Chomiak) has some ideas that they think might have worked better at this point it would be interesting to know them, but it might be good to have that at the expiration of this contract when it is time to either renew what we have or take account of what the honourable member is suggesting specifically.

Ms. Gray: Madam Chairperson, as much as physicians provide a valuable service in Manitoba I do not believe that physicians as a sole group in the health profession have the overall perspective on health care in Manitoba and all of the needs. They come from a particular perspective, the nursing profession comes from a particular perspective, other groups and consumers come from a different perspective, people who are in the lower socioeconomic status come from different perspectives, and I am sure none of these individuals would fall into that category that are on this particular committee. So people from a variety of backgrounds come from different perspectives.

The minister asks about suggestions. Now maybe this is already being done. I would ask the minister—one of the programs or activities that goes on in this province that certainly has an impact on costs here in Manitoba and affects physicians and other professionals is the

immunization program which we brought up in Estimates earlier on where, in fact, in other provinces it is nurses who provide that kind of service. In Manitoba it is nurses and physicians.

There has been a case made that we could save millions of dollars if, in fact, nurses provided that service. We need doctors for a lot of medical services. We do not need them to give immunization. We need them for other things certainly. Is this perhaps an agenda item that this council could take on or have some subcommittee look at in terms of the possibility of not having physicians give immunization? This is just one small example, but could be a matter of millions of dollars saved and maybe even a better, more consistent service throughout the province.

Mr. McCrae: Madam Chair, even though I might be able to, I am not going to get involved in a discussion about one specific service like immunization. I know that nurses have qualifications in the area of immunization.

I do not know if the Medical Services Council one day might indeed deal with and make recommendations about such a proposal. The Medical Services Council, however, will not deal with every aspect of the health care system. The Medical Services Council will deal with the kinds of issues that are taken up with that line in these Estimates, dealing with medical services which have to do with the physicians and the services they render for the dollars that they receive under this budget.

I do not know today, if the honourable member or somebody wants that to happen, there is nothing stopping her from letting the Medical Services Council know that she would like the Medical Services Council to review that matter. There is nothing stopping her from doing that.

The other thing needs to be said, the three people representing the public interest on the Manitoba Medical Services Council are three women who have some significant background and learning and experience to draw from in making their contributions to the Manitoba Medical Services Council. I have dealt briefly with Edith Parker and Barb Gfellner, but Lynn Raskin-Levine is another

individual who is a very capable person and who has a broad experience, certainly including health care issues.

Ms. Gray: Madam Chairperson, will the Medical Services Council—the minister himself referred to walk-in clinics—is this one of the issues that this council will begin tackling?

Mr. McCrae: Madam Chairperson, it is an issue it can begin tackling. At this point, they are going to have their first meeting on the 27th of June. So we should let them have their meeting, but you have here myself and the Deputy Minister of Health have both heard the question and both heard my previous comments. I think that you might have heard Dr. Ian Goldstine make a reference to this at some point or other along the road as well.

So there is a possibility of that, but I am not going to presume today to tell the council what to do when you understand that it knows what its challenge is. Its challenge is what is set out in the agreement in terms of the financial resources that will be available to the profession for the next four years. The council knows the parameters within which it is working. If this area is an area where it is felt that they can make some improvement, that will no doubt be an area to which they will turn their attention. I believe your question is not an unheard question in many conversations in this province.

* (1620)

Ms. Gray: Madam Chairperson, I just want to comment on the Physician Resource Committee and the two provincial representatives. I do not know Barbara Millar. I know of Carolyn Park in the sense that she occupies the nursing adviser position and I have heard good things about her through staff in the department. But I do believe when people sit on a committee and are civil servants and represent a government, similarly with Mr. Cram and Mr. Maynard and Mr. Benson, there is no question that they are there as representatives of the province.

Having been a civil servant myself, when you sit on these committees you do come from a particular perspective and sometimes it is difficult to wear two hats. That is the comment that I would have,

not that any of these individuals are not capable in their own right, but when you do represent the province you oftentimes come from a certain perspective. I think people who have been in the civil service and then out of the civil service and have left to do other things, that is one of the first things they will comment on is sometimes we become insulated when we are in the civil service and come from a certain perspective, and sometimes we need to go out of that to bring a different perspective. So that is the only comment I would make, notwithstanding the many qualifications of the individuals who may be on these committees.

I listened with interest to your comments because I am sure in terms of suggestions or proposals or ideas to these committees that organizations such as MARN and the MNU may have written suggestions or ideas to this council on some of the issues that they perhaps might want to deal with.

Mr. McCrae: Madam Chair, I certainly hear the honourable member. I have often had reason to make similar observations myself. The honourable member has some significant personal experience herself, as I understand it, and knows a little bit about government and knows a little bit about the Department of Health. The honourable member's personal suggestions and observations will always be taken seriously by our representatives on the Manitoba Medical Services Council, so I make that statement as an invitation to the honourable member to make her concerns known.

I agree with what the honourable member says about, you know, having two minds, I think, is what she is getting at, where your loyalty has to be with a government or with a department; yet, you are an individual professional and you have personal views of your own. Those are the things that people have to resolve and use their skills to still make a difference in this world. You see people sitting before me who no doubt have certain views of their own and work for an organization too. We look for their personal views, and we come to agreements and we move forward.

I guess as a government member in this House, I have to comment that so what is so wrong with representing the government? Whether it is this government or some other government, the members in this House are elected by the people of this province to serve them, to work for them, to look after their interests, and to the extent I do not accept that your viewpoint is somehow wrong if you happen to work for the government. It is not wrong if you work for one of the other parties either.

The point that I am making, as the honourable member will, I am sure, agree as a former civil servant like myself, is that she still has a contribution to make, and she had a contribution to make when she worked for the government. She might not have agreed with the government of the day, but she might—

An Honourable Member: That is why I ran for office.

Mr. McCrae: Right, that is why she ran for office. It does not mean that that member, because she works for the government, does not have a contribution to make.

An Honourable Member: I did not say that.

Mr. McCrae: No, I am glad. She said she was not saying that, and I am glad, because I work for the people too, and the people who work for my department work for the people. They work for the people through the government. So the views of Carolyn Park and Barbara Millar and Denis Roch are going to be important to the Physician Resource Committee.

I ask the honourable member not to forget that we will have representation on this Physician Resource Committee again from the Manitoba Medical Association but also from the Urban Health Advisory Council. These are people elected through the MHO. That council has chosen a representative to sit on the Physician Resource Committee. The same can be said for the Northern and Rural Health Advisory Council. The Faculty of Medicine will have representation there. The College of Physicians and Surgeons will have representation on that Physician Resource Committee.

This is important, Madam Chair. The Professional Association of Residents and Interns of Manitoba will have representation on that committee, because obviously people just starting out in the medical profession have already expressed concerns about a cap on the number of physicians or a committee to look at where people can practise medicine.

The Physician Resource Committee will also have representation from the Manitoba Health Organizations, the people who run our facilities here in this province. Again, no committee of this kind would complete, I suggest, without input from the Manitoba Centre for Health Policy and Evaluation. That organization is only a few years old, but it has already demonstrated internationally its ability to bring population health issues forward, to be honest about them and to make suggestions based on data and not on some perceived power imbalance or some perceived political problem out there. The centre is there to bring forward advice based on good, sound data.

There will be three people representing the public interest still to be chosen for the Physician Resource Committee.

That is your subcommittee and that subcommittee will do very important work. I think to pick out one or two is not really fair because the MMA have representation there too. The co-chairperson is representing the government and the MMA.

What is often done when you are in opposition is, you fall into that trap of thinking that, well, anybody who has anything to do with the government cannot possibly represent the people, and the honourable member, I am sure, is not going to fall into that trap.

I know sometimes I did. You see, because I did I just I guess assume other people might do the same thing and think that government might be wrong about everything. Well, in those days that is what I thought, that the previous government in Manitoba was wrong about almost everything, except that when you checked the record of the votes and proceedings only about 20 percent of the bills that were passed in the House were the subject of

disagreement and about 80 percent of the bills passed through unanimously. So it is not really fair to say we disagree on everything, because we do not disagree on everything. So that is a little discourse on the whole point of the quality of the people. I am glad what the honourable member said about Carolyn Park, because that is my experience too. In the time that Carolyn Park has been working for the government, I have heard a number of comments come back that her contribution has been quality and valued by other people with whom we deal.

So I think, again, the proof is going to be in the pudding, and we are going to have to see how well we succeed over the next two years. Some have raised, Tim Sale especially, the prospect that this is just a big sweetheart deal for the "docs." Again I say, any agreement that takes \$12 million out of the hands of 2,000 doctors—I do not know how you can call that a sweetheart deal, but that is what Tim Sale called it.

Of course, the issue of deinsurance was the major issue that came to the mind of Tim Sale. Well, if you are Tim Sale and you have an agenda, like Tim Sale's, which is to get himself elected as a New Democrat, you are going to say those kinds of things, and that does not surprise me. Tim Sale, the honourable member for Crescentwood (Ms. Gray) knows who Tim Sale is, is the fellow who came in second to the honourable member for Crescentwood. He was defeated by the member for Crescentwood, who is our Health critic. I do not mind answering her questions, because she has been elected to ask those questions.

Maybe Tim Sale represents the approach that they have in Ontario, where they set up a committee for the specific purpose of deinsuring health services. That is the Ontario approach; that is the NDP approach; that is not our approach to the management of the medical services line in our budget, which is a very important line and has a very big number attached to it. That number is smaller now. You would have thought that some people who have it in for the medical profession would be pleased to see so many dollars taken from that particular line in the budget, but, no, this

is a chance to deinsure—that is the line that Tim Sale and some of his friends took immediately on the announcement or immediately on the making known of the agreement between the Manitoba Medical Association and the government.

* (1630)

Let me assure you that the Manitoba Medical Association itself is the party that says, that is one of the last things we need to look at. There are all kinds of inefficiencies in our system that we can still address before we have to address issues like deinsurance. I remember that, when they deinsured tattoo removal, I think that was here in Manitoba. Yes, it was, and, oh, what a terrible thing to do, to deinsure tattoo removal. The member for Kildonan said, he really did not see such a big problem with that except that it is the thin edge of the deinsurance wedge.

Mr. Chomiak: I did not say that.

Mr. McCrae: Oh, okay, the honourable member for Kildonan says he did not say that; I thought I heard him say that. No doubt he will get a chance to clear that up.

That is not the object of this exercise. Even if it does form part of the considerations of the Manitoba Medical Services Council, I am told by one of the co-chairs that is not one of the first things that they need to look at. The fact is, deinsurance has been available to government all along within the confines of the Canada Health Act. Deinsurance has happened in various jurisdictions, some places more than others. The point is, would you rather have a government cut loose like in Ontario, in NDP Ontario, where the NDP government there just strikes a committee for the sole purpose of deinsurance, or do you put together a Medical Services Council to look at the whole system, a council whose mandate is not simply to go out there and deinsure medical services?

(Mr. Ben Sveinson, Acting Chairperson, in the Chair)

So we are not opting—there are some good ideas coming out of Ontario. The midwifery idea, I think, is something we have adopted and are

moving forward with, but not all the ideas that come out of Ontario are so good. I know the NDP in Manitoba want us to adopt all the NDP policies like closing hospitals and closing beds and firing people and laying off thousands of people. That is not on our agenda, and massive deinsurance is not on our agenda either, Mr. Acting Chairperson.

As I say, I hope even Tim Sale will keep his eyes peeled to developments in this area, but I know that he is going to be very busy trying to get himself elected to this place, and he is going to have other things in mind. He is going to be out there on the hustings defending those 5,000 bed cuts in Ontario, going to be out there defending those 52 hospitals closed in Saskatchewan and saying: Vote for me. All I do is defend hospital closures; I do not actually do it. That is going to be the kind of message we are going to get from Tim Sale.

I am sure the member for Crescentwood (Ms. Gray) if she has the pleasure of running against him again in that area will deal with that. He is nominated in Crescentwood? I understand he is already nominated in Crescentwood. So is that not nice that he got all that free publicity as a runup to his nomination? I am very happy for him. But I know what will happen to him in Crescentwood. He might have done well to have taken a better look at his opposition before he threw his name in the hat a second time around.

Ms. Gray: Mr. Acting Chairperson, just a couple of questions about the Physician Resource Council: as regards the external consultant, can the minister indicate who the external consultant is or where they are coming from.

Mr. McCrae: Mr. Acting Chairperson, welcome to your Chair this afternoon. It is nice to see you again.

The choice of external consultant and the function are still the subject of some discussion. That will be the subject of a near-future announcement respecting our public interest people on the Physician Resource advisory committee and the external consultant.

Ms. Gray: When you see the word "consultant," you always think that somebody is getting paid;

that is why I asked the question. I am assuming all the other people, though maybe getting per diems, are not being paid, and that is why I asked what this external consultant was. Is that an individual that is going to be a staff person attached to the committee, and will they be paid?

Mr. McCrae: Mr. Acting Chairperson, the need of the Physician Resource Committee for a professional resource will no doubt arise, and that is the point. A consultant will undoubtedly make money on it and will not be a voting member of the subcommittee per se but will be like a staffperson to the advisory subcommittee.

Ms. Gray: Mr. Acting Chairperson, just one other question in that area. The three individuals of that committee who will be there to represent public interest, I do not know if those individuals have been chosen to date, but would the minister consider receiving some recommendations from the MARN and MNU of suggested people, so that possibly one of those individuals whom they might suggest could be at least one of the three people representing public interest? Would he be open to that, or has he already decided to do that?

Mr. McCrae: I would be more interested in hearing what kind of persons the honourable member or the MARN or the MNU think we should have on—when we have three appointments to make representing the public interest, I would be interested in knowing—and remembering that two of the three representatives of the province whether they are employees of the province or not have nursing backgrounds.

Knowing that, I would be interested in knowing of the honourable member what kind of person the honourable member thinks of those three we should appoint. I am interested in the member for Kildonan's (Mr. Chomiak) view, but if the MNU and the MARN have views about it, what kind of people? I am not expecting them to give me names of people whom they might like to choose because it is the government's call unless they feel very strongly that a particular individual and no other individual in Manitoba can do the job. People can make whatever presentations to me they want to make, and I am always interested in hearing them,

but I am more interested in what kind of person do you want as opposed to the name of a person.

Ms. Gray: Mr. Acting Chairperson, I will pass that on to the organizations because they might be interested in providing that information to the minister. I am not going to speak on behalf of the MNU or of MARN.

But I could see in that kind of a committee, for example, that an individual who is functioning as a nurse practitioner, maybe not officially but who, let us say, works in northern communities where, as an example, a nurse provides a lot of the services, might be an interesting type of person to have on that type of committee.

Again, individuals who are providing a wide range of health services in the community and have good ideas of how we can function and use physicians but not necessarily have physicians in every community, as an example. But I will pass that information on to the MNU and MARN because they probably would have some suggestions of types of individuals, representing what backgrounds that they might like to see on that committee.

Mr. McCrae: Mr. Acting Chairperson, I was listening to what the honourable member said, and she can pass those sentiments on and that is fine. We have tried to provide the kind of balance we need. The people we work for are the people, and the people I work for are the people. I do not work for the doctors. I do not work for the nurses. I do not work for any other particular group in society. We work together for all of them and we have to—[interjection] The honourable member for Transcona (Mr. Reid) wants to get into the act again.

* (1640)

This has happened before and it tends to prolong the debate that goes on in this place when the honourable member for Transcona gets involved because he always does it from his seat. He does not get involved in a meaningful way in the representation of his constituents or any other way. I will try to not notice the honourable member for Transcona, but he really distracts me and gets me off on all kinds of tangents which take up time. I

know the honourable member for Kildonan (Mr. Chomiak) wants me to stay on topic and finish up my answers so that he can get on with the issues that he wants to cover.

I will try not to be distracted unduly or for any prolonged length of time by the outbursts of the honourable member for Transcona in this debate. Now I have forgotten where I was. You see, that is another thing that happens when the honourable member for Transcona gets into the act. Maybe the honourable Minister for Government Services (Mr. Ducharme) remembers where I was.

I think I was talking about the question put to me by the member for Crescentwood (Ms. Gray) about representation on the Physician Resource Committee advisory subcommittee because we have more appointments to make, and the honourable member for Crescentwood was suggesting that maybe the MARN or the MNU might have something to offer.

I might add if we are talking about nurses, let us not forget the Manitoba Association of Licensed Practical Nurses when we discuss these things or the Registered Psychiatric Nurses Association of Manitoba, and what of all those nurses aides who do not have specific representation from an organization other than maybe their union? What about consumers in rural Manitoba who are out there trying very hard to attract physicians to their communities? Those are all things that I will have in my mind and I will try my best to make the best possible decision I can about the other appointments to this subcommittee. I will also remember what the honourable member for Crescentwood said about nurses practising in a nursing station type of operation where there may not be the kind of physician resources that you see in Winnipeg and places like that. I will take all those things that she said into account.

But I say to her, and I remind her, that the Nurse Managed Care Working Group that we have already structured has eight nurses on it and not one physician. So we have to be fair to both groups, but I still do not see this as a power struggle because, and I do not deny that power struggles exist and these things happen, but this is

a partnership that we have embarked on here that has not existed before. Do you know why? Before the agreement of March 8, what we had was a power struggle. Year in and year out, we had a power struggle and nobody was ever happy. Nobody ever really addressed the real jobs that needed to be addressed because I think you only do that with a partnership.

The honourable member for Transcona (Mr. Reid) might understand what happens at the end of a lengthy, even ugly labour dispute. What happens at the end of it? In many cases, there is a meeting of the minds. However it came about, there is a meeting of the minds, and unless everybody shakes hands and walks away happy and gets together and works and gets the job done, the problems persist. So if you beat down the employer or you beat down the union, such an agreement does not last very long.

I have often made this reference with respect to the 1991 nurses strike in Manitoba, how that strike did not result in what you might consider the most positive result for everybody because today we see the economic pressures that have a bearing. This has not been discussed very much in this House, the petitions that I have received from licensed practical nurses asking for a 15 percent rollback. This has not been discussed in this House very much because members opposite have not raised it, No. 1, but also because I have not raised it.

I do not raise things very often because most of the time the honourable members raise things and I end up responding to things, but what I am trying to get at is partnerships work better than one side beating the other side all the time. One side beating the other side is the reason we have had discord in health reform and the delivery of health care in the past. That is not a model I subscribe to. It is the reason things fail because of a perception that somebody is getting beat up and somebody else is winning. Nobody likes that. We prefer to have resolutions to things where we have winners and we have winners. That is my thinking.

When I am talking about those things, I have to recall for honourable members that unless you can build partnerships, you have failure. The

experience in places like Ontario demonstrates what failure is all about. Now I do not know if they have failure in Saskatchewan, because I am not as familiar with the relationship with the government there and other people. I am familiar with what has happened there, and there are a lot of people unhappy about it, but I am not sure whether I ought to be critical about it, because I know they are struggling with their own problems in Saskatchewan.

I know that in Ontario there have been major confrontations with the government there and organized labour, and the government there is a New Democratic government. That fusion that Allen Mills talks about "organic fusion," he called it, between the NDP and the labour movement, something became unorganized in Ontario because—

Point of Order

Mr. Chomiak: I believe the question addressed to the minister was concerning the recommendation of the MNU and MARN concerning representation on the Medical Services panel. That was the question that prompts—that the minister has now been proceeding on an approximately 12-minute discourse on. He is now off, totally irrelevant, Mr. Acting Chairperson, dealing with Ontario, dealing with items that have not even remotely—

The Acting Chairperson (Mr. Sveinson): Order, please. This is definitely not a point of order. It is a dispute over the facts. The honourable Minister of Health, to finish his comments, and I would ask all members to try to stay as relevant as possible. Thank you.

* * *

Mr. McCrae: I will try to complete my answer right away, but, again, I would have completed my answer, I am sure, some 10 minutes ago, except the honourable member for Transcona (Mr. Reid) got involved here, and he made some comments to me that, frankly, Mr. Acting Chairperson, were not very nice. I know they will not show up on the record, but I heard them. I could tell by the tone and expression of the honourable member's face

that he was not—I think he had two words for me, and they were not “have a nice day.”

Mr. Chomiak: Mr. Acting Chairperson, the discussion was concerning the representation on the Medical Services Council, and I want to put a few comments on the record concerning points made by the minister responding to a question posed by the member for Crescentwood (Ms. Gray) in the context of the question I am posing. It is ironic, and the minister ought not to talk about the failure of political reform in other provinces, considering that it was last summer that a minister had to be changed and five by-elections were lost by the government almost exclusively because of the government's health reform program. So, if the minister is looking for lessons to be learned, he ought to look—

Mr. McCrae: I learned mine.

Mr. Chomiak: It ought to be learned in this jurisdiction. The minister says that he learned his, and I suggest the jury is still out on that particular issue.

The second point I wish to make is, the minister ought not to attack individuals such as Tim Sale in this forum. It is fine to attack the member for Crescentwood (Ms. Gray); she is here to defend herself. It is fine to attack me; I am here to defend myself or other members of the Chamber. But the minister ought not—

Mr. McCrae: Tim Sale gets more ink than I do.

Mr. Chomiak: The minister complains that Tim Sale gets more ink than he does, but the minister ought not to attack individuals that are not in this Chamber, because that pattern is inappropriate and, I think, serves just to not assist us in this House and to move the debate downwards.

* (1650)

With respect to representation on the committee, with respect to the Manitoba Medical Services Council, I would like to suggest to the minister that in my opinion the minister alluded to the fact of members becoming cynical here. In my opinion, most of the observations that I have with respect to the Medical Services Council—and I have read the agreement quite thoroughly—are as a result of

information provided to us by the minister, Mr. Acting Chairperson.

In fact, I have been quite surprised by comments made by the minister concerning the Manitoba Medical Services Council. I have gained the impression from comments and from responses to questions I have raised in this Chamber concerning that council that it has almost become a basket or a catchall for all issues in the medical field.

Now, the minister is saying no, and that may be the case, but certainly the impression that has come forward to me in questions that I have posed to the minister is that it has become a catchall. I was very surprised, for example, and I will give an example by the minister's response on our questions concerning labs, because the minister said, well, that will be looked at by the Medical Services Council. Then, when I raised a further issue of the question of conflict of interest, the minister said, well, that will be looked after by the Medical Services Council, and I was quite perplexed.

While an argument can be made for the lab issue to be looked at by the Medical Services Council with respect to fee for service and the types of services provided, which one could make that argument for, and protocols entered into between the medical profession and the government concerning the types of fee for service that will be applied, the type of tests that will be dealt with—while that issue perhaps is salient, what is not appropriate is the question of conflict of interest, which the minister implied or at least indicated, and he could correct me if I am wrong, would be dealt with by the Medical Services Council, and other issues.

I also believe it was the minister that brought up the question of walk-in clinics at his press conference when he dealt with the Medical Services Council, that brought up the issue of walk-in clinics being dealt with by the Medical Services Council.

So the impression that I have gained from comments of the minister are that the Medical Services Council would be a fairly all-encompassing body dealing with all kinds of issues, and I thought that was inappropriate. If the

minister will recall, I questioned him quite a bit with respect to the Services Council initially in these Estimates, dealing with the whole issue of what the Medical Services Council will deal with, what the government would deal with, and I still gain the impression, and I stand to be corrected, that far more and far greater number of issues would be dealt with by the Medical Services Council than one would expect in reading the MMA agreement.

Certainly, and I stand to be corrected, the impression that I have received from the minister's responses, both in this Chamber and through information reported in the media, is that it would be far more extensive. I think, frankly, in theory that is wrong.

While you certainly can justify a body such as this, in terms of some of its activities, ultimately, the decisions have to be made by the government because we are the elected representatives. We are the ones that are democratically elected to represent the citizens, and we are elected or not elected every four years to reflect those particular viewpoints. Ultimately, we are charged with that responsibility.

There are issues that are delegated within this agreement to the Medical Services Council that I disagree with. The minister raised the issue of deinsurance, and the minister can say all that he wants about the situation in Ontario, but, with respect, the deinsurance is a provision of the MMA agreement. It is a binding clause of the MMA agreement that with respect to years three, four and five of this particular agreement, if reductions are required they do not come out of fees, they do not come out of the medical services fees, but they can come out through protocols, through arrangements and through deinsurance.

That is in black and white, that is binding, and that is in the agreement. There is no flexibility, other than—now, admittedly, the government may want to say, we are not going to deinsure, but Mr. Acting Chairperson, the government has not said that.

Mr. McCrae: We do not know what the recommendations are.

Mr. Chomiak: The minister says we do not know what the recommendations are. [interjection] Precisely.

The point is the government has delegated a very important issue away, and if the government wants to argue that they are not going to deinsure or they are not going to be bound by recommendations of this particular body or this particular group, then the minister ought to say so.

Well, of course, unfortunately the government is bound by this agreement, but the minister ought to set aside fears, argue as you often do that we are fearmongering. The point is that issue is in black and white, and it does not give us any security to know that this provision is in an agreement and that the government has no choice but to deinsure if this commission should come back and recommend deinsurance as one of the options, unless the government can find something else, but the government has not given us that security. [interjection]

The minister has comments, but the minister will have an opportunity. The minister indicates he has not given away his management rights, but I venture to say that you have, that you have delegated that authority away from the government and that is wrong. It is wrong to delegate that authority to deinsure to a nonelected body. It does not matter who represents individuals in this nonelected body. You were elected to make the decisions and in black and white you have bound yourself to that.

The second issue is with respect to conflict of interest. The minister said, and I hope he will correct me and I hope he will say I am wrong, but it was the minister who said that this body would look at conflict of interest. The minister seemed to imply that I had some kind of problem with doctors looking at conflict of interest. I have no problems with doctors per se looking at conflict of interest, Mr. Acting Chairperson. My problem is you put them in a profession in a very difficult position by virtue of having them have to look at their own conflict of interest issues, and that is wrong.

(Madam Chairperson in the Chair)

In fact, you have a committee that is charged with the responsibility of looking at conflict of interest, and, in fact, part of its terms of reference is to look at conflict of interest. Yet, the minister has indicated to me in this Chamber that this Manitoba Medical Services Council would be looking at conflict of interest issues, and that is inappropriate. [interjection] The minister says you cannot see the forest for the shrubs, but the minister is missing the point of what I am saying. I am saying that a lot of the issues with respect to our misunderstanding of this Medical Services Council have resulted as a result of comments by the minister and as a result of what the minister has said.

Of a related issue, Madam Chairperson, is the whole question of the public interest representation on this committee. Again, when this issue was brought to light, and when this issue went public, the minister very strongly suggested that the consumers and the public would have input into this committee, and I welcomed that.

I welcome the fact that members of the public, consumers, would have interest in this particular committee, but I was very disappointed, and I am not reflecting on the individuals who are chosen here, but I was very disappointed to see the process. I expected given comments of the minister, not given my own biases, given comments of the minister at the original scrum when this announcement came out, I expected an entirely different process would be put into place that would provide for the representation of the public interest on this particular committee.

Madam Chairperson, that is why in Question Period I asked the minister, I did not condemn the individuals contained, as the minister might have us believe, but I attempted to inquire of the minister as to what process was followed in order to have these representatives on the council, because the minister in his own words led us to believe something else would take place.

Further, questions regarding the nursing profession are well founded given a pattern of behaviour. Now I admit the minister in my questions regarding representation of the

committees, there are 89 committees, Madam Chairperson, it only constitutes 6 percent of nursing, I asked the minister in Estimates whether he would consider nurses for the rest of the committees and he answered in the affirmative, yes, he would.

So we asked of the minister, so when it came around to this most significant council that looks after a billion dollars—

Madam Chairperson: Order, please. The hour being 5 p.m., time for private members' hour. As previously agreed, I am leaving the Chair with the understanding that we will reconvene at 7 p.m. this evening in Committee of Supply.

Call in the Speaker.

IN SESSION

PRIVATE MEMBERS' BUSINESS

* (1700)

Mr. Speaker: The hour being 5 p.m., time for Private Members' Business.

PROPOSED RESOLUTIONS

Res. 9—Balanced Budget

Mr. Brian Pallister (Portage la Prairie): Mr. Speaker, I move, seconded by the honourable member for Turtle Mountain (Mr. Rose), that

WHEREAS the provincial debt has grown to a very concerning level; and

WHEREAS every citizen of Manitoba is in debt to approximately \$12,000 and this amount is growing every minute; and

WHEREAS the government of Manitoba is currently pursuing a fiscal plan that will eliminate the provincial deficit by 1997 and subsequently the debt; and

WHEREAS the provincial deficit represents a significant impediment to lowering taxes further and freeing up funds for important programs.

THEREFORE BE IT RESOLVED that this Legislature requests the provincial government to consider introducing legislation to require the elimination of provincial deficit and balance the

budget with no increases in the level of taxation in a short and reasonable time span.

Motion presented.

Mr. Pallister: Mr. Speaker, thank you for the opportunity to rise today to address an issue that concerns me greatly, and I know it concerns all members of this House, an issue too important to be partisan about, I think, and I will endeavour not to be in my comments today.

For many centuries men and women of good common sense have understood that they cannot give away more than they take in, and to do so is to describe failure. Thomas Jefferson said: I place economy among the first and most important virtues, and public debt is the greatest danger to be feared.

Indeed, I believe that today there are many Canadians who share a feeling of fear concerning the levels of national debt and the combined provincial debts as well.

For centuries, governments were financially managed in a manner very similar to households and businesses, that was, they lived within their means. It is only in recent decades that that has changed. It has changed in our country; it has changed in other countries in the western world. It has changed at the provincial level and at the federal level as well. We have embraced the God of deficit financing and deficit spending. In fact, Canadians have been described as a people for high dreamings meant, but damned by too much government.

As an illustration of that fact, our per capita share of the federal debt has quadrupled since 1981 from \$4,000 to over \$16,000. In Manitoba, as I mentioned in my resolution, Mr. Speaker, our per capita debt is over \$12,000. I believe we should be concerned. Certainly, many groups and many individuals in this country share that level of concern. They are cognizant of the great seriousness of this issue.

Recently, the C.D. Howe Institute warned of the possibility of a debt crisis in two to three years. Other organizations, Canadian Manufacturers' Association, National Citizens' Coalition,

Canadian Chamber of Commerce, Business Council on National Issues, Canada West Foundation, Canadian taxpayers' association, and many others have joined in calling for action on this issue.

Respected financial analysts, such as the Dominion Bond Rating Service, Moody's Investors Service, the respected bank credit analyst, all agree. National polling shows that second only to concerns about the level of employment in our country is concern about the debt and deficit levels.

In the United States, over 80 percent of Americans recently polled in the Gallup Poll favour a balanced budget constitutional amendment. Certainly the concern and the realization on the part of the general public is very high, that this is an issue that must be dealt with, and now, and certain provinces in this nation are responding. In Alberta, Nova Scotia, New Brunswick, currently Saskatchewan there are or are currently being developed legislative requirements to reduce deficits and to balance the budget.

What are the problems? Well, there are many problems that occur as a consequence of excessive government expenditure. Certainly, the obvious one is that less money is available for current programs; more money must be spent on interest cost to service past excess expenditure.

Therefore, we see in Manitoba currently about 88 cents out of the dollar available to pursue current program expenditure, whereas back in 1982, we had about 97 cents to deal with the current problems. That explosion in interest charges that must be paid means there is less current money available to meet the program demands of today.

What other effects? Well, increased interest costs occur for borrowers and private sector as a consequence of their need to compete with government for money. When private sector borrowers have to pay more to borrow the money they use in their endeavours, Mr. Speaker, that leaves less money for jobs and reinvestment.

Therefore, there is less employment opportunity than might otherwise be the case.

Higher interest rates negatively influence consumer spending, and that results in less jobs. Higher interest rates reduce commercial investment. They reduce overall economic activity, and that means fewer jobs.

Greater demands for revenue by governments result in increased tax burdens on individuals. That has not happened in Manitoba in the last seven budgets, but it has happened in other provinces of various political stripe, and that is the easy way out. It takes no brains to ask for more taxes. It takes no brains to put more demands on the taxpayer. That is a counterproductive regressive way to do things, and in every other province it seems to be happening. Certainly it is happening at the federal level.

The overall impact of our national debt is that it reduces our ability to compete effectively with other nations and it reduces our ability to provide the maximum in public services today, and it means that there are fewer jobs. In short, we have a reduced standard of living.

I propose this resolution because I believe this is a serious problem, and I believe that we together in this House can face up to it head on with this type of approach.

Now this government is on track to achieve the goal of a balanced budget in '96-97, and this Finance minister and his predecessor, I think, have performed very impressively faced with the challenges they have been faced with, reduced revenues to government for various reasons, a worldwide recession. Certainly the reduced transfer payments in the last two years from the federal government are a major factor. All of these things combined have placed challenges on this government that are major ones I think everyone would agree.

This government has followed a principled path in trying to achieve expenditure reduction as a means of balancing the budget in the time frame it has established.

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

I do not doubt the ability of this government. I do not doubt the ability of this Finance minister and my colleagues to achieve the goals they have set for themselves. I think this year's budget is a good example of the sincerity of the principled approach.

Finally, an election year budget that does not try to bribe the electorate. It is about time, and I applaud this year's budget as an example of this administration's sincerity.

So it is not my concern about this government that causes me to bring this resolution forward. Past governments have not had this principled approach, future governments may not either. This balanced budget act would put into place requirements for a principled approach, such as the one this government is undertaking.

I think that all of us in this House recognize there are certain problems with our system, certain institutional defects that do exist. We have a system that causes or encourages excess expenditure to occur. We have a system of perverse incentives in our government.

Certainly, we are all human here. We all would like to say yes to every request, and in fact I think very often it is evident that members opposite do pretend to be willing to say yes to every request even though they know in their heart of hearts that they would not if they were in a position of government and a position of control. We would all like to bring home the bacon to our constituency on every occasion. The reality is, we all want to say yes, and it takes courage to say no and it takes foresight to say no.

Our system makes it very difficult to say no for two basic reasons: first of all, the principle of concentrated benefits versus dispersed costs. Benefits of government spending are normally concentrated among a smaller number of people, whereas the cost is absorbed by a larger number of people, that is, the taxpayer. The tax spender benefits and the taxpayer pays.

* (1710)

Now, the competition is not an equal one. It is simply not as worthwhile for an individual taxpayer to spend much time and effort to save a few bucks in tax as it is for the spending interests to try to secure millions of dollars of government largess. So the tax spenders will intensely focus on the few measures from which they derive benefit, and tax-spending interests, such as those represented by Vera Chernecki or Peter Olfert, are the campaigners for government money.

So the reality in our system is that these spending interests are able to punish governments which do not behave in a way they deem appropriate for their interests. But the fact of the matter is, the tax spenders' interests may well be very separate from the taxpayers' interests, and certainly that is true in this current ad campaign that is underway.

What we were subjected to in recent months is a very interesting phenomenon whereby the taxpayer has money go from him to the tax spender who uses it to campaign to encourage the taxpayer to continue to fund the tax spender at a higher rate—very interesting.

This explosion in provincial and federal spending, because of a willingness to give in to the tax spender—[interjection] Mr. Acting Speaker, I hear harping from the member for Thompson (Mr. Ashton). I am trying very hard not to be partisan at all in my comments, but I could make reference, if I chose to, to a strong willingness on the part of a previous administration to bestow benefits on tax-spending groups that were rather large, I think, and in comparison to other provinces, even.

A recent study shows that our public sector in this province works at a premium wage, above the levels of the private sector for comparably skilled and experienced people, that is higher than any other province in this country and largely attributable to the very friendly labour negotiations that occurred in the 1980s during this man's representative period of government.

I think a second source of bias that we need to recognize in this system is the bias toward spending for the short term, the separation of benefits for the short term with costs which are

long term. This is a bias that we all deal with in our own household budgets, and that is this tendency to be unwilling to defer gratification but to have it today.

Our system encourages spending today, because it provides benefits both to the recipients in the short term and also to the tax distributor or politician who gives the cheque out today. The consequences, the costs—higher future taxes, higher future inflation, higher future unemployment—those will be borne by someone else later. We are bearing those now in government as a consequence of previous largesse from previous administrations, and that has happened in other provinces as well. Other political parties have governed in Saskatchewan, in Ontario, and the governments of today are paying the price for the excess expenditure of those previous administrations, I readily admit that. So, I make the point, because I want to recognize, and I hope the members recognize, that we have a system that is biased in favour of large government and government spending.

One way to offset that bias is to have a balanced budget act in place. This act, I would suggest, must include all aspects of government spending, not some, but all. It must eliminate loopholes. It must include things like unfunded pension liabilities. I would suggest it should rule out tax increases. I would suggest that governments must learn to deal with the funds they have at their disposal now and the tax increases would be punitive. I would suggest that it should have teeth. I would suggest that it should link the salaries of Executive Council members and the Premier with the level of deficit. If the deficit is higher than projected, then the salaries of the MLAs who are members of the Executive Council should be reduced.

Mr. Acting Speaker, it has been said that political parties are like polkas. They have different names but they all sound the same. Politicians have steadily lost the respect of the Canadian people over the last 30 years, and it is no coincidence that has come at a time when politicians and governments at every level in this

country have spent very freely and excessively and placed a burden on future generations.

(Mr. Speaker in the Chair)

Mr. Speaker, we have to talk straight up to Manitobans, I think, about this issue. I think we have to do as we say. I think we should try to demystify this issue. We have to stop talking in code. We have to stop talking in terms that the average person does not understand. GDP ratios might mean a lot to people here but do not mean much to people on the street.

We are shocked to read an article in Sunday's Free Press that said that only 25 percent of Canadians, I believe it was 25 percent, could define the word "deficit." That is frightening. That is a frightening thing. Until the general public can understand this issue, they will not encourage us, as its elected representatives, to deal with it straight up.

I think we have to be honest and call a spade a spade. A debt and deficit are nothing more than deferred taxes, that is all they are. They are deferred taxes and nothing more. I believe it is time for us to recognize that a debt delayed is a debt magnified, and that postponing dealing with this problem is not healthy for anyone here or in Manitoba or Canada.

Recently, I read the federal Liberals' budget document, and I quote from it. I quote from it because I want to emphasize. I do not want to put down the federal Liberals, but I want to emphasize the importance of doing what we say, being consistent. What it said was, and I quote: It is now time for government to get its fiscal house in order. Well, hurrah. It also said: The era of the tax-and-spend government is gone. And then it increased taxes, and it increased spending. That is not being consistent. That is not doing what one says. That is a contradiction.

Ronald Reagan said, politicians spend money like drunken sailors. Well, the difference is drunken sailors spend their own money; and, if you want to stop drunken sailors from spending their money, you would not give them more. Yet that is what politicians have been doing in Canada for

many years now, asking for more money. We hear it every day here, more money; we will solve the problem. We will solve the problem; we will spend our way out of the problem. No way that we should deal with this problem by rationally reorganizing government, by looking for efficiencies. No, we should ask for more money. Spend our way out of debt. That is like saying to a drowning man, you know, your problem is you are too weak. You ought to get more strength; you ought to work out. Here catch these dumbbells. That is ridiculous, and yet we hear it every day with the catering and pandering comments that come from members opposite and it is disappointing—[interjection]

It is on principle, Mr. Speaker. There are a lot of people in this country who cling to the belief that big government is better government, that government is part of the solution, and it is not. Government for a long time now in this country has been the problem, and it is about time we addressed it.

Mr. Speaker: Order, please. The honourable member's time has expired.

Mr. Gary Doer (Leader of the Opposition): It is an excellent opportunity to exchange views on this resolution dealing with the whole issue of the deficit, and so I rise today to say a few things about the resolution proposed by the member for Portage la Prairie (Mr. Pallister) and the action that he is resolving this Assembly to take, and that is specific legislation for no deficits to be run in a provincial government budget.

It is interesting some of the examples the member cites, unfunded pensions and governments that always say yes and never say no. The member opposite cites a number of examples about the deficit, and I think it is important to talk about deficit in a balanced way, just like it is important to talk about other matters in a balanced way.

First of all, I suppose that this government does not have any intention of bringing in balanced legislation, because it has had a majority for four years now, and it had a minority for a couple of years. It has had the opportunity to bring in

balanced budget legislation, and it has chosen not to bring it into this Chamber.

It is not surprising that it has not chosen to do so, because, as Harold Neufeld quite accurately reflected, probably almost to a year, to a day, I believe it was in May of 1993, that the government was not running a \$562 million deficit. It was, in fact, running an \$862 million deficit. The highest deficit ever in this province. This has been verified by note 11 in the Auditor's report, which, I am sure, the member for Portage la Prairie has read, where it said the real deficit was \$764 million last year, and that excluded a hundred million dollars that was moved into a previous year.

I guess when we talk about our own households, I do not have the ability to move my debt into a previous year, write it off in somebody else's books. I am sure the member for Portage does not have it. That is the reason why this government could never bring this legislation in, because it would be breaking its own law for seven years in a row.

* (1720)

The only year recently where the Auditor's report, not the government's budget, not the opposition's budget when it was in government, the only year where a surplus was recorded in the last 10 years was in the '88-89 fiscal year, where the surplus was \$55 million.

Now we may disagree about what the reasons for that were. The Premier likes to take credit for that. We like to take credit for that. A lot of luck was credit for that. The mining revenue went up considerably that year; the equalization payments went up. But we were within target of our deficit reduction target, and certainly we did have a reduction of the deficit that year. Of course, that presented a real dilemma to the Conservatives. What do they do about it?

(Mr. Jack Reimer, Acting Speaker, in the Chair)

I actually agree with the idea of levelling off the commodity markets with the Fiscal Stabilization Fund. I think it is unfortunate, though, and the Liberals prove to be right on the actual political point, that all that happened is the deficit number

was manipulated. I think it was a good idea, because when you get high commodity markets like 1988 and when you get very low commodity markets like this year, it is actually reasonable, so that social services are not penalized and human services are not penalized, that we flatten out some of those realities of the marketplace. So that is interesting.

Secondly, the government itself used the figures of comparisons to GDP this year in their own budget, and the Premier now is making comments about the GDP. The member for Portage (Mr. Pallister) says, that is wrong. He had better talk to his government Leader, because he is now using percentage to GDP as his rationale for deficits. Second point, the government is also delineating now the issue of capital deficit versus operating deficit, and I think this is an important distinction. It is something that Duff Roblin made in the '60s. It is something that Ed Schreyer made. It was changed under Sterling Lyon in the 1977 period, and there is a difference, I would suggest to the member opposite, between—and the member uses a household. He is right to use that terminology.

There is a difference between borrowing money to buy a house which is an asset, and having a mortgage on that asset which you enjoy. You potentially will have the enjoyment of that asset. It will help our economy because it creates jobs. You build an asset that creates jobs and other economic opportunity. The difference between that capital asset, I believe, and operating deficit where every month you are spending more money than you are bringing in—I think we are talking about deficits. There is a difference between the deficit that is going to capital expenditures, hospitals and schools and programs for people that are asset driven, than there is to an operating deficit, particularly the 762. Or in the mid-'80s there were very high deficits—it was not just the Conservative government—the mid-'80s there was a considerable deficit in a couple of years with a very high unemployment rate following the '82-83 recession. So it would be interesting to delineate those points because if we are going to run this House like a household, then there are

differences between households and the government.

Finally, Mr. Acting Speaker, it is interesting the member talks about unfunded liability of pensions. I remember being the minister of the telephone system, putting in a 20-year plan to get rid of that unfunded liability. I know we cleaned up almost every Crown corporation. I thought it was rather ironic we did not clean up the public service, which is a billion dollars short or more, but it was rather ironic that it was a Conservative government in Manitoba that basically believed in 1966 and '67 that the unfunded liability of pensions could always be paid for in perpetuity by the growth in the public service. I think that was a mistake.

I am glad at least we have the Bracken money set aside in Manitoba, unlike some other provinces that have it all out of general revenue. I think we are 50 percent better than almost every province, including, by far, the federal government. But it would have been better that we had a funded pension plan, as is the expectation in the private sector, as the member opposite knows, under the labour laws of Manitoba.

I say that this government, too, had the choice of dealing with the unfunded liability of pensions, and where do you find a billion dollars versus all the priorities that are before you?

I am glad we cleaned it up in the Crown corporations. I know that I had somebody from the telephone system come to me the other day and say, I am glad, when you were minister, that you made sure that they went through with this, because there was some political difficulty with MTX and somebody wanted to show a surplus that year. I said, no, if we do it one year, we will do it the next year, and we will blow a plan and we will take the hit for what we are wrong in doing, but we will not blow the financial plan, especially in a telecommunication system with so many employees depending on a pension plan and a future that is not necessarily as predictable with the changing technology.

I do not see any changes, by the way, on unfunded liability of pensions by this government; in fact, I do not think they have advanced it. It is

rather ironic that the previous government did a little bit of it—not a lot, did a little bit. When you add up all those Crown corporations, you almost get as many employees now that are covered—I think there are about 30,000 covered in the pension plan, 18,000 maybe in the direct public service. So we are almost catching up with 12,000. That is pretty good.

Looking at other parts of the deficit, what about the Hydro deficit? We have tremendous assets that pay for—these are not unfunded deficits. These are funded deficits. So when the member uses 12,000 per person, that is not the number that, ironically, the banks are using. He is using a higher number. The Hydro—did you look at the export chart in the budget for 1994-95?

The highest increase in export sales in Manitoba to the United States was from Limestone sales to Northern States Power—some \$200 million, 110 percent increase in revenue. It is actually quite a windfall—again we regret, I suppose—politically, but to the Conservative government. It gives us a lot of latitude. It gives us a lot of latitude in Hydro, which is a real asset for us, with the lowest hydro rates in North America. That is an economic advantage. That is not a deficit.

There are still problems with the early '70s projects, but the late '80 projects on the Nelson River are quite a bit different in terms of damages to aboriginal communities and the environment. Of course, that debt is funded, as opposed to the operating deficit of government. What is the operating deficit of this government? I mean, we argue with the Tories, the Tories argue with us about the deficit level.

Do you realize that Manitoba has, depending on how you calculate the losses in the Heritage fund, the second lowest or third lowest deficit cost per year of any province in Canada, far better than the federal government. We are in the nine to 11 cent range—[interjection] Well, that may be true, but we have assets to show for that 11 cents per year.

We have a lot of hospitals, a lot of schools, infrastructure going even into the member's own riding. You know, I have seen the photos in the Portage paper. I have never seen the member for

Portage (Mr. Pallister) saying, no, no, do not put that in my constituency. No, no, do not do it. I will not take it. It will not be consistent with my resolution.

An Honourable Member: They will not print it.

Mr. Doer: They will not print it? Okay. Well, I will ask them. We will look for your checklist of noes. Oh no, do not put it there, not me. All I have seen is ribbon cutting and announcements and Pallister says and Pallister takes credit and blah, blah, blah. The member for Portage, I should say. So, you know, there is a little bit of that from all of us, I would suggest—a little bit.

There are also some positive investments. I was involved with the former federal minister and the mayor in investing public money in a debt to get The Forks. We put \$20 million of taxpayers' money in our negotiations to get The Forks. It is now on the books of the Manitoba government as a debt, but I would argue that that is an asset.

Now, let us look at some other issues that we have not dealt with in the member's resolution, and I say that because Manitoba's debt, compared to the federal government, is quite substantial. What about the whole issue of how we are going to deal with this? You know what the biggest increase in spending is in the provincial government? Is the member for Portage (Mr. Pallister) aware of that? The biggest increase in provincial government spending, line by line, is in social assistance. We have gone up \$200 million per year with higher unemployment and more people on social assistance.

So then the question becomes, how are we going to achieve the goal of this amendment? What are we going to do about it? We would argue the first place to start, and I think that partly what the Liberals said federally, and I agree with them, is to get people working again, to get them off social assistance. There is no such thing as a free unemployment rate. It is a massive cost to the dignity, the humanity and the soul of our communities, and it is a tremendous burden on this government's deficit, Mr. Acting Speaker.

* (1730)

I would ask the member to look between '86 and '88 where the welfare rates were actually going down in Manitoba, not as much as they should have, but they were actually—they went up in the '83 to '85 period. They stayed stable, and they were going down because of a goal of getting people—[interjection] Well, I believe the private sector investment in Manitoba and public sector investment in Manitoba go hand in hand.

When you cut the public sector off tremendously you are going to see a decline in private sector investment. I would welcome the member to look at the acute protracted restraint between '77 and '79 and look at the whole issue of the restraint in the '91 to '93 periods. You are changing now. There is a lot more interventionist government now in the last budget with your capital spending decisions.

Mr. Acting Speaker, we believe that employment should be the key. The whole other issue is the whole issue of no increases in taxes. Canada now has the highest level of taxes of the G-7 countries, save Italy, for the average income earner, for an individual. But it has the lowest corporate taxes in the G-7 countries. While the federal government is now looking at changing the GST, I hope they reject proposals like the business transfer tax and other proposals that will tax food, clothing and accommodation and tax health and education, as it does in Japan.

I hope we get at page 1 of the income tax form. This member opposite knows all the deductions are on page 1 of the income tax form. The federal income tax system penalizes not only people, but it also penalizes the Manitoba government's ability to have a fair taxation system so we can support health and education and we can have programs to get people off welfare, which is costly, onto employment.

I think we should have a lot of debate about deficits and I think it should be a balanced debate. I think this resolution gives us the opportunity to even start this debate. I think this is just a few people speaking today, is just a start. Perhaps in August, when this resolution is back up again, we can see how we are doing, see if the first quarter

report is on track. Last year, the first quarter report was off, the second quarter report was off, the third quarter report was off, and I can understand why the Minister of Finance (Mr. Stefanson) is not here, seconding this resolution.

We could go on a lot about this resolution, but I would just caution the member opposite. The last point I would like to raise, do not quote Ronald Reagan when you quote deficits. Ronald Reagan is the last person in the world that you should quote when you are quoting deficits, because the largest increase in deficits took place in the U.K. under—

An Honourable Member: Remember the quote.

Mr. Doer: Yes, drunken sailors, I remember the quote. And the man who never sobered up on deficits was Ronald Reagan.

The Acting Speaker (Mr. Reimer): Order, please.

Point of Order

Mr. Jack Penner (Emerson): Mr. Acting Speaker, I think it is imperative that all of us abide by the rules that we so eloquently have decided upon, and that is when a member is not present in this House, that we not refer to that member as not being present. I would ask the honourable Leader of the Opposition to withdraw that statement.

Mr. Doer: Mr. Acting Speaker, I would withdraw that, and I know the Minister of Finance (Mr. Stefanson) is a hard-working individual who is doing work on behalf of our province at the Western Premiers' meeting, and perhaps at this point, he is discussing how to get the deficit down in a fair way with the Premier of Saskatchewan and Janice MacKinnon, the Minister of Finance, at that Western Premiers' meeting. Thank you very much.

* * *

Mrs. Sharon Carstairs (River Heights): Mr. Acting Speaker, I am delighted to participate in this particular debate, because I think the member for Portage la Prairie (Mr. Pallister) is quite correct in some of the things he says. I think he is quite wrong in some of the other things he has to say, and I want to engage that kind of debate in this Chamber. He indicated that he wanted to keep it

nonpartisan. I think that is appropriate, but I think it is also appropriate to correct misinformation and to put accuracy of fact on the floor of this Chamber.

He began his remarks this afternoon by saying, we cannot give away more than we take in. First of all, I think we have to address the issue of whether it is that government gives away anything. I have had a pet peeve for a long time about cabinet ministers of all political stripes and in all political parties who stand up and say, I give. They give nothing. The government is the representative of the people and it is the people's money. It is the people's money that is being given, and that is a distinction that I think all of us should make, that there are no giveaways from governments. It is a decision by government to share the people's money, and we must do that in a way that is essential to their best interests and to their best needs.

He spoke also about the increased interest costs which come as a result of debt. Well, that is not entirely accurate. Increased interest costs come as a result of many fluctuating factors within the economy. The size of the debt is, quite frankly, only one of those, and if the size of Canada's debt in combination with provinces' debt was the sole criteria for our interest rates, our interest rates, I would suggest to you, would be well into the double digits and triple digits in this nation if that was the only basis for increased interest costs.

He then went on to say that under this administration there had been no new taxes. Well, Mr. Acting Speaker, that is simply not true. I think it is important for the member to understand that when any level of government, be it the federal level to the provincial level, be it the provincial level to the municipal level, offloads an expenditure, that is in essence a tax.

When the Province of Manitoba tells the municipalities that they will now have to pay to upgrade and keep in working condition roads for which they were never before responsible, that is a tax. When the Province of Manitoba tells the students of this province that they will pay 100 percent more in university tuitions—that has been

the legacy of this particular government—then they are indeed paying a tax.

When this government agrees with their federal colleagues to changes in a taxation system which took place between 1984 and 1993, which was unfair to the extreme to those who were lower- and middle-class Canadians, then, I would suggest, they do believe in an unfair taxation system.

Mr. Acting Speaker, we had a federal government that at first gave a giveaway to wealthy Canadians of \$200,000 in capital gains. They reduced it to \$100,000, no taxation. They increased RRSP contributions—no taxes on that money—and his colleagues and his party at the federal level supported those concepts.

Now, if we were genuinely interested in controlling deficits and in having balanced budgets, then we had no business giving those kinds of tax breaks to only wealthy and upper-income Canadians, and yet, that is what we did. Those of us who are in those brackets, I can tell you, took full advantage of them. They were the law of the land and we took advantage, but it was wrong, and we should not have been able to take those kinds of advantages.

He went on to say, and I want to very specifically address his remarks, that, in addition to no new taxes, this government was on track with regard to controlling the deficit in this province. Well, let us take a look at that.

In 1989 and 1990, which was the first genuine year of Conservative budgets in this province—yes, they introduced one in 1988, but with the greatest respect, it really was a carbon copy of the budget that had been introduced by the New Democratic Party with just a slight increase in expenditure, I might add, than had been previously. So if we look at the first year of their budget, the deficit was \$142 million. The next year was \$358 million. The next year was \$324 million. The next year was \$862 million. The next year, we have an estimate, this year, of \$460 million. I do not see that as being on track.

If one looks at the curve, it starts here, it goes there, it goes up there, it comes down here, and

goes back up again. I mean, if that is on track, then it is a very irregular track, and it is certainly not going to be a straight line which gets you in the shortest distance between two desirable goals.

* (1740)

He went on to say that this budget does not bribe the electorate. Well, I would like to take one example. Two years ago, I recommended to this government that we do away with Community Places grants because, in my opinion, they were the worst kind of political patronage. The next year, the government actually took my advice and they reduced Community Places grants in half and they gave us the explanation for that. The reason they had to leave the half was because of long-term commitments and the grants were two years, and therefore they still had the second year of the grant to pay off, and I thought that was a legitimate position.

So, therefore, I expected that this year they would disappear. The two-year grants were over. What happened? Well, it is an election year, Mr. Acting Speaker, and we went back to the old concept of Community Places grants, so members like the member from Portage la Prairie (Mr. Pallister) can take a cheque to his community and have a ribbon-cutting ceremony so he can say, look what a good MLA I am. But it is contradictory, I would suggest, to what he has said this afternoon about the importance of deficit expenditure.

The area in which I do have some fundamental disagreement with this government and with this particular resolution is that I do not think it is as simple as saying, we shall never have deficits.

What has gone wrong, I would suggest, has been that when times were good we continued to have deficits. We have been through some very tough economic times in the last few years.

The Leader of the Opposition made reference to the major expenditure of this government being in terms of social allowance spending. I do not think the member for Portage la Prairie (Mr. Pallister) would have us do any different from what we are doing than to make sure that the basic needs of food, shelter and clothing are met for every single

Manitoban, and that has been the major line of increased expenditure.

I would not want anyone in this Chamber to do otherwise. I also agree with the Leader of the Opposition when he says that what we have to do is to get those people off social allowance because I am convinced that 99 percent of them have no desire to live on social welfare. They would far rather be earning a living wage working at an employment opportunity in which they could go back to their homes and their families with a sense of pride in their accomplishment.

I have yet to speak to a welfare recipient who was happy about being a welfare recipient. I have spoken to a great many welfare recipients who are very unhappy to be welfare recipients.

So governments must act judiciously. Tragically, we have not. I would be much more interested in a resolution which in fact targeted deficit expenditures to those years in which there was a limit placed on the expenditures of government in line with increases of government revenue. I think we are naive in the extreme if we do not recognize that government has a responsibility to look after its people in tough economic times.

The member also made some references to the fact that tax increases are punitive. Well, so I would suggest to you are tax expenditures, which are done for no other purpose than to extol the government of the day. When there is an ad campaign put out by a government in tough economic times that extols the strengths and beauty of this government with taxpayers' money, then I would suggest that is punitive to the taxpayer of the province of Manitoba.

When this government conducts polling, the results of which it will not share with other members of this Chamber, and who deny access through Freedom of Information, then I would suggest it is a form of punitive tax increase.

The member also went on to say that government was the problem. Well, I do not believe that government is the problem. I think government must be part of the solution. It is the

government in this province that provides health care services, and I do not want health care services to be denied to Manitobans. It is the government that provides education services, and I do not want educational opportunities denied to children.

If that does not make us part of the solution, then I do not understand where the member is coming from. They must be part of the solution. The essential services that are provided by government are just that, they are essential to the well-being of the citizens of the province of Manitoba.

I would like to conclude my remarks, because I know that my time is running down, with a committee that I was at just the other day, and it was on McKenzie Seeds. I had some knowledge and some background of McKenzie Seeds, and I asked where the long-term debt was, where it existed on the balance sheet, because I knew McKenzie Seeds had been lent money by the government, and somehow or other it was not on the balance sheet.

So the bottom line of McKenzie Seeds shows that there is \$1.1 million profit for this past 1993 year. But I then learn, of course, that the government, in order to fund the debt of McKenzie Seeds, had to fork out some \$465,000. So the documentation of McKenzie Seeds, I would suggest to you, is inaccurate. They did not have a profit of \$1.1 million; they had a profit of \$650,000. There is nothing wrong with that, and that is positive, because we all should applaud when McKenzie Seeds makes money, but we should not try to fudge the accounting, and that is what was done. The accounting was indeed fudged.

When a member of the government stands up and says that he wants to in a dramatic way change the fiscal direction of this province, then I would suggest that the first thing this government should be looking at is getting their own fiscal house in order, and their own reporting practices in order, and their own obligations under the Auditor's report in order, and then we can start to debate the issue of whether we should have legislation about deficits and what kind of legislation that should be.

At the present time I simply do not see that we are heading in the right direction. So I thank the member for the opportunity to debate this today, because I think it is worthy of debate. I think all of us recognize that deficit and debt are increasing problems for all governments, but we also need to, at the same time, look very closely at our tax regime. We need to look very closely at our auditing and reporting practices, and those things must happen together and not in isolation. Thank you.

* (1750)

Mr. Bob Rose (Turtle Mountain): Mr. Acting Speaker, first of all, I would like to congratulate the member for Portage (Mr. Pallister) for bringing this topic to the floor of the Legislature for discussion. I think it is an opportunity that we have in this system in our Legislature that we do not take advantage of often enough, particularly for those of us in the government side that are not in cabinet and yet have the opportunity to bring forward our concerns in private members' hour.

Too often I am ashamed to say on our side we bring forward resolutions congratulating some of the things that we have done in government. There is a need for that from time to time because we do need to get the message out; not everything that government does is wrong.

I also, as I say, appreciate the opportunity to bring something with perhaps a little more substance to it for the debate, and I was interested to note that two of the leading politicians in Manitoba were on the scene this afternoon to respond and to speak to this rather important resolution, I think, that was brought by the member for Portage (Mr. Pallister).

I will just comment, it was the member for Portage attempted to say that this was a nonpartisan presentation, and I think he did very well in that. The two members who have responded to the resolution have made the same comment and, I think, attempted to do that. There is still a little room for improvement there, I believe. Particularly the member for River Heights (Mrs. Carstairs) did take the opportunity to list a number of the errors, in her mind at least, that the

government has made, and really I had hoped that the discussion would be on the larger issue of whether or not we should have legislation to limit the government's ability to deficit finance.

The member for River Heights also mentioned the two very important aspects of governing, both education and health care. I do not think anyone would disagree with that, and I do not think that anyone would disagree with how important those two things are. They are important to all members of this Legislature, just as they are important to all Manitobans.

But the point that we are talking about here is how we finance these things. It is not a question of whether or not they are important. It is a question of whether or not we are prepared to pay for them now rather than load the payment for these things on the future generations; or, as the member for Portage (Mr. Pallister) has suggested, the deficits are simply deferred taxation. Of course, a deferred taxation is not for you and me, Mr. Acting Speaker, to pay, but it is for the future generations to pay.

So the question is not whether we support such important programs, like education and health care; the question is how and who should pay for those programs. There is nothing wrong with what the government is attempting to do by examining those two important fields to seek more efficiencies and a better bang for our buck, for a lack of a better way to put it, in those two particular fields.

Now, coming back to the resolution, and I certainly agree with the member for River Heights (Mrs. Carstairs) that there is a place for deficit financing. There is nothing wrong with borrowing money. That is part of the thing that held back the development of rural Manitoba after the Great Depression in the '30s. The people who had gone through that depression and had lost their farms and their homesteads and indeed their total possessions were so afraid of borrowing any money and putting up the kind of collateral that has to go along with borrowing money for a private individual or a business that they would not borrow money at any cost.

It took the next generation to understand, with a little luck in the economic climate, that it is okay to borrow money. It is not always wrong to borrow money. It is okay to borrow money from time to time to stimulate your economy or to stimulate your own business provided, of course, that you are in a position to pay it back.

So I do not disagree with the member for River Heights (Mrs. Carstairs) that there are times when governments should borrow money to, as the old saying goes, prime the pump. But the problem with priming the pump, and, of course, I go back again to my farm experience when I was a young lad raised on the farm and the pumps were the ones with the handles and the long pipe that went down into the well, and very often you had to have some water to prime the pump. If you did not leave a little water in the bucket to prime the pump the next time that you needed it, then you were in pretty tough shape, because the only way you could get that pump to work, to prime the pump, was have a little water to do it.

That is what has happened in our governments in the last 25 or 30 years, regardless of political persuasion, every last government, for whatever reason. I think it is more a reflection of society than it is of any particular political party or any particular partisan politics. Every government has continued to borrow money when times were good and when economic times were such that they should have been saving a little water in the pail to prime the pump for times, as the member for River Heights (Mrs. Carstairs) has suggested, we have just come through with our depressed economy.

I want to talk just a few minutes about the danger of fiscal responsibility in isolation. I think the member from Portage's (Mr. Pallister) resolution was not perhaps specific to Manitoba, and I think the purpose for his resolution was to have us examine the need for having legislation or even a constitutional amendment denying the government the opportunity to deficit finance.

I think there is a danger in these kinds of things in isolation. We have a number of examples of that if we look in past history where people that have been fiscally responsible in the end were perhaps

absorbed or penalized by the larger—in the larger interest.

I can think back to when our present school divisions were formed across Manitoba. In the rural areas there were, I think at one time, 1,500 school districts. These were consolidated or brought together into about 57 school divisions, and each and every one of those 1,500 school districts had their own assets and their own experience from past expenditures.

There were some, the small school boards, that had been more fiscally responsible, in a way at least, that their approach was that they always liked to have a little surplus there for a rainy day, if you like. Some school boards had those surpluses. Other school boards did not but, when the amalgamation came, there was no attention paid to whether or not there was any kind of fiscal responsibility on them to have any particular school board. It all went into the larger pot.

We can use an even more recent example in last year's budget when we increased the rates in personal care homes. This government did that in an attempt, again, to bring our expenditures under control. Then, what we essentially did was using the income tax as information basis, we said if you are able to pay more for your rent, if you like, of a personal care home bed, then you shall.

No one really objected to that in my area that I know about, except for the perceived, at least, unfairness of the fact that people who had worked hard all their lives, set a little bit aside for their retirement, were being treated exactly the same way as the ones who had perhaps not been so fortunate or perhaps not worked quite so hard. They got the same bed in the same room, but the ones who worked harder and saved a little more money and put something away to look after themselves in their old age are being charged more than those who were not.

So my point is, of course, there is a danger in being fiscally responsible in isolation. There is a danger in the Province of Manitoba attempting to do that by themselves because eventually when we hit the wall—and we are going to hit the wall—it is similar to what has happened to New Zealand,

eventually we are going to do that. Eventually, it is going to happen in Canada and every province is in a debt situation. The country is in a debt situation.

So when we do hit the wall, do you really think it is going to make any difference if one individual province has been more fiscally responsible and had a surplus situation for the last four or five years? I would suggest to you, colleagues, that any province that does that in isolation of the rest of the provinces will lose any kind of advantage they may have gained by being fiscally responsible.

Now, of course, those are individual points. In the larger sense, I think the resolution the member

for Portage (Mr. Pallister) has brought forth deserves a considerable amount of consideration and debate because the fact is and I have heard many of us, all of us—

The Acting Speaker (Mr. Reimer): Order, please. When this matter is before the House, the honourable member for Turtle Mountain will have approximately five minutes left.

The hour being six o'clock, I am leaving the Chair with the understanding the House will reconvene at 7 p.m. in Committee of Supply as previously agreed.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 18, 1994

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