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Third Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
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NEWMAN, David, Hon.	Riel	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
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REIMER, Jack, Hon.	Niakwa	P.C.
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TWEED, Mervin	Turtle Mountain	P.C.
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WOWCHUK, Rosann	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 21, 1997

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

TABLING OF REPORTS

Hon. David Newman (Minister of Energy and Mines): I would like to table the 1997-98 Departmental Expenditure Estimates for Manitoba Energy and Mines.

INTRODUCTION OF BILLS

Bill 22—The Law Reform Commission Repeal Act

Hon. Vic Toews (Minister of Justice and Attorney General): I move, seconded by the Minister of Finance (Mr. Stefanson), that leave be given to introduce Bill 22, The Law Reform Commission Repeal Act (Loi abrogeant la Loi sur la Commission de réforme du droit), and that the same be now received and read a first time.

Motion agreed to.

Bill 23—The Manitoba Public Insurance Corporation Amendment Act

Hon. James McCrae (Minister charged with the administration of The Manitoba Public Insurance Corporation Act): Madam Speaker, I move, seconded by the honourable Minister of Education and Training (Mrs. McIntosh), that leave be given to introduce Bill 23, The Manitoba Public Insurance Corporation Amendment Act (Loi modifiant la Loi sur la Société d'assurance publique du Manitoba), and that the same be now received and read a first time.

Motion agreed to.

Bill 24—The Personal Property Security Amendment and Various Acts Amendment Act

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): Madam Speaker, I move, seconded by the Minister of Northern Affairs (Mr. Newman), that leave be given to introduce Bill 24, The Personal Property Security Amendment and Various Acts Amendment Act, Loi modifiant la Loi sur les sûretés relatives aux biens personnels et d'autres dispositions législatives, and that the same be received and read a first time.

Motion agreed to.

Bill 25—The Proceeds of Crime Registration Act

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): Madam Speaker, I move, seconded by the Minister of Northern Affairs (Mr. Newman), that leave be given to introduce Bill 25, The Proceeds of Crime Registration Act; Loi sur les enregistrements relatifs aux produits de la criminalité, and that the same be now received and read a first time.

Motion agreed.

* (1335)

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery, where we have this afternoon twenty-eight Grades 4 and 5 students from the J.B. Mitchell School under the direction of Mrs. Tina Hellmuth. This school is located in the constituency of the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe).

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

ORAL QUESTION PERIOD

Flooding Updates

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, first of all, I think all of us want to congratulate the volunteers across Manitoba that have been working tirelessly on behalf of our communities. Certainly I know, as a recipient of much volunteer effort over the weekend, it is really appreciated.

I think this is the worst crisis we have been facing since the northern forest fires of 1989. At that time, the House was not sitting. So we on our side would suggest that the government and ourselves and the Liberals get together to work out a balance between our obligations in this House and our obligations to our communities and constituencies to make sure that we can use—I am sure we can work out the appropriate balance in this Chamber.

Madam Speaker, we were again devastated to see what happened to Grand Forks. I remember listening to the people in Grand Forks about a week ago saying that what happened in Fargo would not happen here in Grand Forks. We are now hearing what happened in Grand Forks would not happen here. The forecasts for the river have gone up one foot in terms of its peak from Thursday to Friday and another potential three feet from Friday to Sunday, less than 48 hours.

I would like to ask the government: Can they advise the people of the province what is the latest flood forecast, and will it be revised at all in the future to deal with this tremendous crisis that we may have in front of us in our Manitoba communities?

Hon. James Downey (Deputy Premier): Madam Speaker, I want to, on behalf of the Premier (Mr. Filmon) and the government, thank the Leader of the Opposition for his co-operative approach in dealing with this tremendous flood that will have to be dealt with as it approaches the province and the city. I also want to say the Premier and I know four other colleagues at least, the Minister of Natural Resources (Mr. Cummings), the Minister of Highways and Transportation (Mr. Findlay), the Minister of Government Services (Mr. Pitura), my colleague from

Emerson and maybe others are in fact out on some of the sites, as we speak, to get a first-hand view of what is happening and what has to be done.

I can assure the member as well that we have in place an ongoing reporting system so the public will be reported to on a daily basis. We know that today, for example, when the Premier gets back, if the House so desires to reconvene—I will leave it up to the House leaders to co-operate, to come back into the Assembly to get an update when the Premier gets here. As far as the update of any further projections as to the flood, I am sure that the Minister of Natural Resources at that time would be able to report as well.

I can assure you that the government, many of us having been here through the forest fires, through the flood of 1979—my colleague the Minister of Agriculture (Mr. Enns) may have been the only one that was here in 1950, but I say seriously it is that kind of experience that one draws upon to deal with the situation that is out there, and the most important thing is to keep the public informed and to keep the mobility there.

I know, as well, that there are some evacuations taking place today. My colleague the Minister of Health (Mr. Praznik) has the specifics of personal care homes and hospitals out of some of the communities like Emerson and Morris while the roadways are still open, because it is projected that those roadways will be closed, and it would be extremely difficult and not proper to take the kind of action. So the volunteers, as the member has raised, it is a time like this that we get pulled together and do pull together to make sure that life, limb and property to the best of our ability is protected. Thank you, Madam Speaker.

* (1340)

Evacuations

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, watching, again, a little bit of the television from Grand Forks and the obvious difficulty they were in with dealing with their evacuation of their communities, their most vulnerable, the personal care home, their hospital patients, of course, it was the fire that took place that was even more horrific to deal with in terms of the community.

We know there is now a partial evacuation of Emerson, Rosenort, Brunkild, Lowe Farm, St. Pierre Jolys. Has the government upgraded its contingency plans for evacuations all across both the western and the Red River Valley areas of potential floods, so that we do not have the situation as we have unfortunately seen south of us?

Hon. James Downey (Deputy Premier): Yes, Madam Speaker, there are plans. As I said, we are proactive in the movement of people, as we speak, to get the people who are most vulnerable out of those facilities. As I say, the Minister of Health has a detailed update. If, again, the members want to assemble when the Premier (Mr. Filmon) gets back to get an update from the Minister of Natural Resources (Mr. Cummings) and the Premier, we could do so. I can assure him that we will be moving aggressively to make sure that those who are in situations that have to be moved, that it is done prior to, not after the fact, and will continue to work with that objective in mind and I am sure will be accomplished.

Mr. Doer: Madam Speaker, I wonder if it is possible for all of us to be informed as to what the specific evacuation plans would be, what the contingency plans are. All of us have constituents to represent, friends and relatives to serve. It would be fitting, I think, in light of what we saw in terms of trying to run an evacuation through a television station—looked like to us, watching it over the weekend. It would be, I think, helpful to all members of this Legislature that the contingency plans could be tabled in this Chamber, and all of us could reality-check it from the basis of our own communities, our own relatives. Many of us are working with friends and relatives, and we would all like to be involved in this effort, if you could.

Mr. Downey: Yes, Madam Speaker, those plans would be made available and communicated to the members here. As I said, we are prepared to do it as immediately as possible when the Premier returns and the Minister responsible for Government Services (Mr. Pitura), Natural Resources and all those affected—to put that information. Plus, I recall in 1979, there was a daily update right from the Legislative Building that is in place now to be provided as well, so that the public, everybody is as up to date on the information as is humanly possible.

Flooding Communications

Mr. Stan Struthers (Dauphin): Madam Speaker, there are very many concerned Manitobans about the flood that is occurring as we speak. One of the concerns and something that is leading to some anxious moments, perhaps, is the communications, and communication is absolutely essential in times like these. As of this morning, PCN lines at Rosenfeld was under water affecting 350 subscribers. The major concern is that emergency calls may not get through to that community.

Can the Deputy Premier request that the public only use phone lines for essential and emergency services during this time?

Hon. James Downey (Deputy Premier): Madam Speaker, I can assure the member that we do have professionals in place as it relates to those services that should or should not be used. I know there is also a concern about sightseers and things like that, that it is a matter of making sure that the roadways are cleared for the emergency activities that have to be carried out, the same for communication systems. There are professionals and there will be communications in place to make sure that all of this information as it relates to the activities that have to be carried out, first and foremost, are to protect life and limb of the population of Manitoba, and I thank the member for the question.

Mr. Struthers: Madam Speaker, could the minister indicate perhaps in conjunction with the Rosenfeld situation, what steps are being taken to provide the vital emergency communications reconnect that that community needs now with his provincial government for information that they will need?

Mr. Downey: On details such as that, rather than provide misinformation, as soon as the Minister of Government Services (Mr. Pitura) and responsible for Emergency Measures gets back, I will make sure that information is provided, so that he has it directly from the department and can be provided later on today. I think that, even though this is Question Period, there may be an opportunity later on, as I have indicated, that can give a complete update on those kinds of things so

it is helpful for the general public. Thank you, Madam Speaker.

* (1345)

Mr. Struthers: In a general way, what kind of contingency plans does the government have to keep people in all of these communities informed as to what the plans are for evacuation? Maybe the minister can indicate how these communities will be informed of all the details that they need in order not to risk life, limb and property.

Mr. Downey: Madam Speaker, under The Emergency Measures Act of the province of Manitoba, there is an authority which is transferred to the municipal directors, leaders and people who are directly responsible for the governing of their communities. There is a process in place. They are well organized. The Department of Government Services and Emergency Measures have a communication link with identified people. As I said at the outset, unfortunately we have had these situations before. I know that they were handled responsibly. We want to make sure that the system that worked again is in place. We had Command Headquarters. There is available on a daily basis the information, and this is where the public media play an extremely important role as well, that that is also a part of making sure the public are informed. It is making sure that they have an interface with the information from Emergency Measures and Natural Resources. That is in place and will be worked actively.

Flooding Crest-Selkirk Area

Mr. Gregory Dewar (Selkirk): Madam Speaker, my questions are for the Deputy Premier.

Residents in Selkirk and residents north of Selkirk are very concerned that forecasts that are issued by the Department of Natural Resources seem to be upgraded on an hourly basis.

My question for the minister is: When is the Red River expected to crest in the Selkirk area, and what is the level of the forecasted peak?

Hon. James Downey (Deputy Premier): Madam Speaker, I cannot give the specifics of that question, although what I will assure the member is that in the information process that is available, we will make sure that that kind of information is available to the member as soon as it is available.

I think we have to appreciate what we are evidencing, and that is that we have seen a record snowfall and the water coming at us from North Dakota; we are seeing 40-some centimetres in the later part of the winter that is now melting and going into the system; we are seeing an extremely late spring, and all of that now comes together to the point where we have an extensive runoff coming from the Dakotas. At the same time, we have seen warm weather and an extensive melt here, and if they coincide at the wrong time, I think it would be certainly very difficult for those communities.

Again, I think it is, at this point, because of some of the unknowns, hard to say, although I know the department have an ongoing tally on this, and we will get that information as soon as the Minister of Natural Resources (Mr. Cummings) is available. I just want to reiterate, Madam Speaker, there is a series of events taking place, that it is a matter of keeping that communication and that linkage available, and we will do that.

Mr. Dewar: Madam Speaker, I want to thank the minister for that answer.

Floodway Operation

Mr. Gregory Dewar (Selkirk): My next question for the same minister: When will the floodway go into operation, and when and how will residents north of the Lockport spillway be notified?

Hon. James Downey (Deputy Premier): Madam Speaker, again, because we are actually in an hour-by-hour situation as it relates to the ministers and my colleague the member for Emerson (Mr. Penner), who are just virtually on the site and coming back and will be here shortly, the operation of the floodway and that type of information will be communicated, what is available and up to date, to the member later today when my colleague gets back.

Contingency Plans—Selkirk Area

Mr. Gregory Dewar (Selkirk): What contingency plans—or are they going to be upgrading the plans to assist affected residents in Selkirk and north of Selkirk?

* (1350)

Hon. James Downey (Deputy Premier): Madam Speaker, I do know that throughout many communities—and I have been informed by my colleague the Minister of Health (Mr. Praznik) that there is an office in Selkirk, I believe, to update the local communities and the municipalities. Again, as we know, time and time again, these elected people and the people throughout the communities, whether they are service clubs or whoever, come together at a time like this and they have, as I said, unfortunately in the past gone through it. There is a lot of experience out there. It is a matter of making sure that we are all working in a co-ordinated way, and that is that we will assure the member we get him the information as to who specifically the contacts are.

South Transcona Water Retention Pond Funding

Ms. Marianne Cerilli (Radisson): All weekend, again this spring in south Transcona, the residents have been battling flood waters, but this is the worst year ever. The people there are exhausted, they are frustrated, and they want to have some hope that this problem will be resolved once and for all and that the retention pond which was to be cost-shared between the provincial and city governments is not uncertain, that it is indeed going to be approved.

I understand the Minister of Urban Affairs has been having some meetings, as well as perhaps other cabinet ministers, with city officials. I am wanting to ask the Minister of Urban Affairs if, as he indicated on April 8, the UCPA fund in his department would approve the \$1.57 million if the city requested it, if this is still the province's position, and if he has any more information of when they can anticipate the new resolution from the city and if it will be on the City Council's agenda on April 30.

Hon. Jack Reimer (Minister of Urban Affairs): I appreciate the question from the member because it is of a concern naturally with this terrible situation that we are having with flooding not only in the Red River but also, as pointed out by the member, in south Transcona. I have indicated to the City of Winnipeg that under the UCPA III funding allocation, we have designated funds that are specifically earmarked towards various categories of capital funding, and the south Transcona funding for the pond, as it is called, is available from that. I have not heard back from the city as to their request to utilize this type of funding towards that. I will be meeting with the mayor in the next few days, and I will specifically bring up that topic again to her.

Ms. Cerilli: The minister is then suggesting that it is now the city's responsibility to approve a resolution to request the money from the Urban Capital Projects fund. If that is the case, does he expect that will happen within the next period of time, so that the construction will be approved in time to occur this summer?

Mr. Reimer: In my correspondence to the mayor, I have indicated to her that the funding is available through that allocation. City Hall's resolution that came forward to me specifically requested a 50-50 cost-shared funding by the province but not from that particular funding. They were wanting the funding to come from a different source. We are of the opinion that the UCPA funding is allocated and specifically earmarked for these types of endeavours, and this is where the funding should come out of. We are willing to participate on a 50-50 cost-shared basis on this. It is just a matter of the city sending a different resolution back to this department so that we can respond in a favourable manner.

Ms. Cerilli: Is the minister suggesting that the city passed a motion requiring the province to use new money for this project that they knew the province would not approve?

Mr. Reimer: Madam Speaker, that is speculative in nature, and I really could not say what was on the minds of the City Council when they were passing that resolution other than the fact that we have indicated that here in Manitoba, in fact, here in Canada, this

allocation of funds specifically for a large municipality like Winnipeg, which is the third allocation of over \$90 million on five-year increments for capital improvements, is unique. It is totally within the realm of the city to give us recommendations as to how they would like to allocate these funds. We are encouraging them to look at this as the avenue of recourse for solving the problems in south Transcona.

* (1355)

Flooding Federal Compensation

Mr. Neil Gaudry (St. Boniface): Madam Speaker, my question is to the Deputy Premier.

Over the weekend, like many Manitobans, we watched in horror as Fargo was ravaged by the flooding Red River. I think we all recognize Manitoba is facing the same situation and danger at this time. I am pleased to thank the government for what appears to be strong action in preparation for this flood. I would also like to add a word of thanks to former Premier Duff Roblin whose vision of a floodway has been—[applause] But today it looks like a good investment.

While Winnipeg has a floodway, individual farmers are often left to defend themselves. Compensation for rural flood damages in the past year has created problems between the federal and provincial governments. Can the minister indicate if the problem in this area has been solved?

Hon. James Downey (Deputy Premier): Madam Speaker, I think it is important to acknowledge—and also goes back to the question that was asked about the situation in Transcona. Governments, after having gone through the 1950 flood—and again, certainly a credit to Duff Roblin and his government and the vision they had to put the floodway in place. Many colleagues sitting in this room were involved in the ring dike and the building program of raising—my colleague the Minister of Agriculture (Mr. Enns) very much a part of it—of building sites following the 1979 flood which again helped considerably to overcome the problems of flood levels to that height. Again Mother Nature is challenging us with the levels that are being presented

to us, and I am sure that there again will be decisions that will have to be made by government.

The whole question of compensation, Madam Speaker, is one which has been ongoing. I know in the Assiniboine River Valley, the Souris River Valley, the Red River Valley, traditionally we have had in place under crop insurance a seeded, nonseeded acreage program which basically was in place to cover that. By the way, I should again acknowledge Premier Duff Roblin when he was in. It was under his leadership that the Manitoba Crop Insurance program came into place. So I do believe that is the program that is in place. However, we would hope, and I say this genuinely, the federal government would be a little more co-operative than they were in trying to sort out the differences in the 1995 flood when it came to the compensation for municipalities in 1995 on the Assiniboine River system.

Crop Insurance Program

Mr. Neil Gaudry (St. Boniface): Madam Speaker, with the potential for serious flooding, can the Minister of Agriculture tell this House if Manitoba is willing to increase coverage under the Crop Insurance program, as per the letter sent to the minister by his federal counterpart that would see the Government of Canada contribute \$1.38 million and the province, \$920,000?

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, it would, in the first instance, have been a courtesy if the Minister of Agriculture of the province of Manitoba, that co-partners this program of support to the Manitoba farmers, would have been informed of this decision prior to a public press release that emanated from Minister Goodale.

There are serious complications involved in a decision of this kind, financial ones for the province, which we have not had an opportunity to address, and questions of equity in terms of how other farmers were treated in '95 and '96 who faced a similar situation on the upper reaches of the Assiniboine River. All of those issues, I have to take into account and will. On the other hand, let me also remind honourable members of the House that it is of constant amazement to all of us, the resilience of the Red River farmers who last year under similar circumstances, with much of the Red River Valley under water, managed to get their crop

into the ground within the current guidelines of the programs and managed to take off a bountiful harvest. So it is premature at this point to consider any other moves.

Livestock Compensation

Mr. Neil Gaudry (St. Boniface): To the Minister of Agriculture: Has the minister considered increasing coverage for livestock destroyed by the flood?

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, I would not want to presume on the jurisdiction of my colleague the Minister of Government Services (Mr. Pitura) who administers the Manitoba Disaster Assistance Board's activity, but it is my experience, having had the privilege of having been minister of that portfolio at one stage of my career, that such material losses, damages to buildings, damages to stored hay or to grain, otherwise uninsured items would be favourably looked at by that group that will have, regrettably, a great deal of work to do once the waters subside.

* (1400)

ManGlobe Partnership Agreement

Mr. Jim Maloway (Elmwood): Madam Speaker, my question is to the Deputy Premier and has to do with the ManGlobe project.

The steering committee meeting of July 14, 1995, details the partners of ManGlobe as MTS, a publicly owned company, with a hundred thousand dollars in cash and \$385,000 in kind, the provincial government at a half-million dollars, the federal government at \$200,000 and Canada Post at a hundred thousand dollars in kind. That is a total of \$1.285 million in public funds, at a minimum, in this project. At that time, we were looking at something just shy of a million dollars in private funds, and all but a hundred thousand dollars of that money was in-kind services. Only a hundred thousand dollars was cash. Clearly, this is a heavily subsidized company with very little results and a very highly paid management.

I would like to ask the minister: What have the taxpayers got to show for this public expenditure of \$1.285 million?

Hon. James Downey (Deputy Premier): Madam Speaker, I think it is time to correct the record for the member for Elmwood. First of all, the communications agreement that was put in place between the province and the federal government was not purely a business agreement but a research and development agreement to develop new communication technology, bring new business opportunities to the province of Manitoba. That was the overall objective of the program. It is an R & D, a research and development project, of which we were a partner with the bank, with Canada Post and with the Manitoba Telephone System.

The member asked a question last week dealing with several issues. First of all, he likes to play with numbers and do what is less than responsible. He made reference to the fact that there were to be 175 jobs. I do not know what research and development project would develop 175 jobs. I believe the more accurate figure would be between 10 and 20 jobs which they were targeting, of which they currently have 10. So it is a research and development project which will in the long term bring new jobs and opportunities to this province, not a direct business loss as would be invested in by Manitoba Telephone System in Saudi Arabia where \$29 million was frittered away by he and his government.

Information Request

Mr. Jim Maloway (Elmwood): Madam Speaker, I have a supplementary to the minister, and that is that the minister also wrongly claimed that the Royal Bank was a partner, last week, when both the bank and MTS had bailed out some time ago. I would like him to confirm for the public record that this is in fact true, and I would ask him to release copies of all relevant ManGlobe contracts. I would like to tell him what was actually developed under this R & D program.

Hon. James Downey (Deputy Premier): Madam Speaker, I understand that the Manitoba Telephone System's board of directors resigned his position, but I can also tell him that there is a new additional person with private sector capital that has come to the table with some additional money and some additional skills. I also understand that the Royal Bank are still involved with the project, that they have not withdrawn their money from it.

Again, the member is trying to malign a young woman who was nominated by the entrepreneur businesswomen of Manitoba last year, nominated as the businesswoman of the year. The Financial Post identified her and her company as one of the leading 25 companies in the country that were going to show new ways in the telecommunications business.

Madam Speaker, there are things that may have been able to have been done differently. It is involved with management, but as far as the province is concerned, we have invested in research and development that I believe will in fact help develop the technology that is needed in the telecommunications system.

Michael Bessey Role

Mr. Jim Maloway (Elmwood): Well, I think the minister will have to admit that this project so far has been a colossal failure, and I am waiting for him to say that.

I would like to ask the minister a final supplementary and that is: Would the minister detail the role that Mr. Michael Bessey played in the development of this project?

Hon. James Downey (Deputy Premier): Madam Speaker, I do not accept the premise that this has been a failure. Research and development is the responsibility of everyone. We have invested in research and development for the province of Manitoba. It is still in operation. There is new private capital coming to the table.

I do not know why the New Democratic Party would want to clap when a company is having to make some changes in management. I will take as notice what involvement Mike Bessey had, but I do not believe he had any as it related to the project. I will check and get confirmation of that.

Tourism Advertising Contract

Mr. Tim Sale (Crescentwood): Madam Speaker, last week I asked the Minister of Industry, Trade and Tourism who got the major contract to market Manitoba. The minister, who actually took the contract to Treasury Board, professed not to have the details.

How can the minister, who took the contract to Treasury Board, whose ministry it is, avoid the appearance, at least, of misleading the House when he clearly knew the answer to my question but professed not to know?

Hon. James Downey (Minister of Industry, Trade and Tourism): Madam Speaker, I did not do anything to mislead this House. When one does not have the complete information, which is important to the House, it is quite within the rules to take the question as notice. That is what I did. My colleague has provided the additional information, and if the member has a legitimate question, I am prepared to deal with it.

Mr. Sale: The Finance minister did not even bother to tell the House. He told the press outside the House.

Madam Speaker: The honourable member, to pose his question now.

Mr. Sale: Will the Minister of Industry, Trade and Tourism now table the contract with Brown and Biggar?

Mr. Downey: Madam Speaker, again, as has been referred to, there were proposals put forward by some 14 companies. There were three short-listed, and two were the successful proposal proponents. The amount was for \$140,000, which was less than what had previously been spent on this project. I do not know what more there is to provide to the House, other than the amount and who got it.

I do not know what the New Democratic Party has against women being in business. I do not know what they have against women being in business. This is at least two that they are maligning as it relates to being in business, so I will let them defend their own policies.

Mr. Sale: Madam Speaker, it is monkey business we have problems with.

Will the Minister of Finance (Mr. Stefanson) tell the House whether or not the bid from Biggar and Brown was in fact the low bid and, if so, by how much?

Mr. Downey: As I said at the outset, there were proposals put forward of which the evaluation that was

done on those proposals pointed out that the combination of Biggar ideas and the Brown combination was the best proposal for the job that we had to do.

Again, I forgot there was another individual in the female category. It was Bev McMaster with We Care daycare that they just could not continually pound and drummed them out of the province. I think they are going to have to revisit their policies as it relates to women in business.

Manitoba Health Services Breast Protheses

Mr. Leonard Evans (Brandon East): Madam Speaker, I have a question for the Minister of Health.

People in Brandon have brought to my attention that the government is penalizing women who are afflicted with breast cancer and require a mastectomy resulting in readjustments which can be devastating for many women. This problem can be helped with a proper breast prosthesis, but MHSC coverage is totally inadequate, forcing many women who cannot afford to pay to use substitute prostheses which are homemade and inferior. The result can be increased risk of developing shoulder drop, spinal curvature, balance problems and neck and back problems.

My question to the minister is: Would he look into this and ensure that adequate financial assistance for prostheses is provided to such women?

Hon. Darren Praznik (Minister of Health): Madam Speaker, yes, certainly. In fact, we are in the process of doing that now.

* (1410)

Mr. Leonard Evans: I thank the minister for that answer.

A supplementary, Madam Speaker: Will the minister acknowledge that prosthesis replacements are not a matter of cosmetics but that the issue is the physical, emotional and psychological well-being of the women who are forced to deal with the devastating diagnosis of breast cancer?

Mr. Praznik: Yes, Madam Speaker, absolutely. I concur fully with the member on that particular statement.

Mr. Leonard Evans: Madam Speaker, I appreciate the minister's response.

My final supplementary to round this out: Will the minister acknowledge that breast reconstruction following mastectomy is a fully insured service and far more expensive than a prosthesis and that therefore it should make eminent sense to the government to provide full coverage as is done with other replacements such as hip replacements and lens implants?

Mr. Praznik: Madam Speaker, yes, I certainly acknowledge that different treatment for the result of the surgery. Obviously, as the member will appreciate from his days around the executive table of Executive Council, we have a number of things in Health that develop over time in which we pay for procedures or for devices. We do not have an endless budget. It is a matter, though, of working around priorities to look at re-evaluating how we currently do it. I appreciate that the cost of these particular prosthetic devices have risen faster than the support that we provide, and it is time to look at it.

I know the member for Turtle Mountain (Mr. Tweed), who works with me on many of these issues, has met with that group, and it is an area that I will be considering as time permits in the very near future.

Flooding Federal Compensation

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, I have a further question to the Acting Premier on the flood situation and the pending flood situation and past flood situations. Last Friday when I talked about a potential federal pre-election announcement from the federal government, the Acting Premier at that time, the Minister of Natural Resources (Mr. Cummings), was fairly optimistic that a positive announcement would be made. The Acting Premier today sounds skeptical about whether announcements will be made or was rather negative about an announcement being made.

I would like to ask: In light of the fact that it only makes sense for the federal government to treat Manitoba the same way as they treated Quebec in the Saguenay floods where 90 percent funding was released to the province of Quebec, notwithstanding whether it was a municipal service or another service, will Manitoba municipal workers and Manitoba municipal services and Manitoba municipal equipment be treated in the past and in the present and in the future the same way as we have a disaster relief for other provinces like Quebec?

Hon. James Downey (Deputy Premier): Madam Speaker, I thank the Leader of the Opposition for that question. It is a matter of fairness, as has been pointed out by my colleague the Minister of Agriculture (Mr. Enns). It is absolutely true that there were unfair policies carried out in the province of Manitoba where in 1995 the municipalities were denied the claims that they put forward as they related to the use of their own equipment, a practice that for many years had been carried out. We will expect no less treatment than what has taken place in the rest of Canada as it relates to the support for the people of Manitoba and our communities. I can assure him that the Premier (Mr. Filmon) will be and is certainly a strong supporter of making sure that we get that fair and equity play and has been strongly supportive of trying to rectify the past that was presented to us by the federal government.

Mr. Doer: All of us feel this announcement is long, long overdue, and we will await hopefully a final announcement on this outstanding matter.

Military Resources

Mr. Gary Doer (Leader of the Opposition): We understand some military resources have been called on Friday, but not all the military resources available to Manitoba have been called upon. It makes again a lot more sense to us to have the military resources available to Manitobans to prevent flooding, to prevent disaster rather than after the fact to help us in an evacuation process.

Can the government advise us what is the status? I understand only 100 military personnel were out. To date, what is the status of the military situation, and does it not make sense to use as many resources as

possible to prevent flooding rather than after the fact dealing with an evacuation scenario?

Hon. James Downey (Deputy Premier): Prior to answering the question, I can inform the House that I understand that there is a briefing at four o'clock today in Room 68 with Larry Whitney, who is the manager of Water Planning and Development, and Harold Clayton, executive director of Manitoba Emergency Management Organization. If there are other arrangements made for further information from the Premier (Mr. Filmon) and the House leaders, I will leave that as part of it.

Again, that is correct. I believe there are 100 military personnel that have been deployed to deal with the situation and that there are something like 600 at this particular time as backup. Again, it is a matter of balance. I know that, particularly when you are facing this situation as the problem is developing, you do not want to burn out all your resources at the initial stage; you want to act appropriately.

The comments the member makes are certainly worthy of consideration. It is a matter of those people who have experience and are professional in dealing with those situations that will be called upon to deploy them as they are needed. Hopefully, it works out that we do not get rain and we do not get a lot of unknowns that could cause a considerable amount more problems to the situation.

I thank the member again for the question, and I am able to put that other information on the record.

Madam Speaker: The time for Oral Questions has expired.

NONPOLITICAL STATEMENTS

Flooding—Volunteerism

Mr. Marcel Laurendeau (St. Norbert): Madam Speaker, do I have leave to make a nonpolitical statement?

Madam Speaker: Does the honourable member for St. Norbert have leave to make a nonpolitical statement? [agreed]

Mr. Laurendeau: I rise today to pay tribute and give thanks for the heroic efforts of the citizens of Winnipeg and indeed of all Manitobans as they join together to help one another battle the effects and prepare for severe flood waters. Over the past two weeks in my St. Norbert constituency, individuals from across the city and across our province have come to aid in sandbagging and preparation work. Corporations have donated food and beverages, school children and church groups have come to lend a hand and residents have offered their vehicles and time for transportation. Neighbours provided for neighbours and strangers came to the aid of strangers.

These past few weeks Manitoba has worn its heart on its sleeve as we band together once again to help our fellow citizens. This is not the only time for citizens to join forces but also for governments to come together. The co-operation at the city and municipal levels has been tremendous, and I would like to give special notice of the work done by the officials and workers of the City of Winnipeg who continue to provide valuable information and assistance.

Many of our city and provincial employees have come through one onerous week following the recent blizzard and are now working long and difficult hours to prepare for the yet-rising river levels, and their efforts are to be commended.

While much assistance has already been given, the reports from our neighbours to the south show that a great deal is yet to be done. I once again appeal to the generosity of Manitobans and ask that they renew their efforts and continue to aid in this time of need. This is a challenging time for Manitobans; however, members of this Chamber have learned from experience that when help is needed, Manitobans offer their hands, their homes and their hearts to the efforts. I know that they will come again. Thank you, Madam Speaker.

Celebration of Passover

Ms. Diane McGifford (Osborne): Nonpolitical statement, Madam Speaker.

Madam Speaker: Does the honourable member for Osborne have leave? [agreed]

Ms. McGifford: I rise today to recognize the Jewish high holiday of Passover which officially begins tonight, April 21, at sundown. Passover is at the heart of Judaism as it commemorates both the liberation and freedom of the Israelites from bondage and the return of Jews to Israel, the homeland, and, of course, the holiday is replete with the richness of metaphor which both movements imply. The celebration of Pesach or Passover takes place in spring, the time of reawakening and new life. The feast includes a glass of wine for each person at the table and a glass for the prophet Elijah, who is believed will bring peace to the world. The door is left open to welcome the hungry and the prophet of peace.

The feast includes the Seder plate of five symbolic foods partially for the growth of spring but dipped in salt water reminiscent of the tears of bondage. Maror, the bitter herb linked to the bitterness of slavery; a roasted egg symbolic of sacrifice; a lamb shank to symbolize the lamb roasted before the departure from Egypt; and charoseth, a mixture of walnuts, apples, sugar and red wine symbolizing the clay used to build Pharaoh's cities. The table includes matzo, the unleavened bread, which reminds the celebrants that the Israelis had to leave quickly before their bread could rise.

* (1420)

The youngest child at the table asks the four questions designed to reveal the significance of the holiday. How is this night different from all other nights? Why do we eat only bitter herbs tonight? Why do we dip food tonight, and why do we only recline, not sit, tonight?

Passover highlights for Jews the joy and sweetness of freedom and the blessings of liberation. On Passover, Jews remember those still in bondage and pray for the freedom of all peoples. I ask all members of the House to join me in wishing Jews here and everywhere a happy and fulfilling Passover.

Seniors Wellness Centre

Mr. Gerry McAlpine (Sturgeon Creek): Madam Speaker, do I have leave for a nonpolitical statement?

Madam Speaker: Does the honourable member for Sturgeon Creek have leave? [agreed]

Mr. McAlpine: This past Friday, April 18, I had the privilege of attending the first anniversary celebration of the Seniors Wellness Centre. The Seniors Wellness Centre has been working with seniors in the St. James-Assiniboia area to provide health information and programs for seniors to help keep them well and stay that way.

This three-year project was established in co-operation with the Deer Lodge Centre, Grace General Hospital, Manitoba Health and the St. James Assiniboia Seniors Centre. Some of the activities they have been involved in include: a community outreach study, conducting the medication information program, Knowledge is the Best Medicine, in the community, developing a fall prevention program called Are You in Jeopardy?, presentations on seniors wellness to groups in the community, facilitating support groups for persons with Parkinson's disease, and Easy Breathers for those with chronic lung disease, providing workplace experience for health care students, counselling persons who visit the SWC and referring persons to appropriate resources, many more efforts to promote wellness in the community.

So, on behalf of all members, I wish to extend the Seniors Wellness Centre hearty congratulations on the accomplishments they have achieved, and I am sure that all will continue to ensure seniors remain a healthy and vital component of Winnipeg. Thank you, Madam Speaker.

Flooding—Volunteerism

Ms. Marianne Cerilli (Radisson): Do I have leave to make a nonpolitical statement?

Madam Speaker: Does the honourable member for Radisson have leave? [agreed]

Ms. Cerilli: I want to make a nonpolitical statement today regarding the flood situation in south Transcona and over the weekend the effort to protect as many homes as possible from having the water pass over their property line from the ditches and flood their homes,

their basements, their garages and damage their property.

The flooding is costly. It has been heartbreaking. It has been exhausting, but it also has brought out the best in people. People have gotten to know their neighbours that are new in the area, and the community helps in situations like this like never before.

I want to give a few specific thank yous with regard to the sandbagging this weekend. First of all, the Transcona cubs and scouts who were out on the weekend to help, the many schools that are releasing students. As we speak, Transcona schools are releasing students to volunteer. There have also been a number of volunteers from all over the city bringing trucks to drive sandbags to people's homes and driving volunteers over the water so they can get in to lay the sandbags. Special thanks to the city volunteer co-ordinators, Terry and John, who have been great over the telephone in dispatching volunteers; Purolator Courier who released three trucks and drivers; Pourex who donated a front-end loader; the Esso station on Dugald Road; Copa Cambana Pizza on Regent Avenue who donated some pizza, and I do not know how they made 27 pizzas in an hour but they did; the south Transcona community club which donated some soft drinks, and Jean from the city who has been monitoring the sandbagging operation.

Of course, the residents of south Transcona should be commended for their perseverance, the many seniors in the area, many who are more than 70 years old who have had to put up with this for many years. There were volunteers working past 3:30 this morning, and I want to recognize their efforts and also let them know that I think all sides of the House are going to commit to do our damndest to make sure that this is the last year that south Transcona has to put up with this. Thank you, Madam Speaker.

Victoria LifeLine

Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship): Madam Speaker, may I have leave to make a nonpolitical statement?

Madam Speaker: Does the honourable minister have leave to make a nonpolitical statement? [agreed]

Mrs. Vodrey: Madam Speaker, I recently had the pleasure of attending the 11th Annual Volunteer Service Awards. As a Manitoban, I am so proud of all of our volunteers throughout the province. There is no work that is more rewarding, and we are also seeing a great commitment of volunteers at this time. There are also volunteers who volunteer all year long.

This year for the awards there were 110 nominations received for the Premier's Volunteer Service Award. This was a record high. As the MLA for Fort Garry, I am very proud to congratulate the Victoria General Hospital's Victoria Lifeline volunteers. The Victoria Lifeline volunteers received the Mayor's Volunteer Service Award for the giving of their time, energy and talents to improving the well-being of fellow citizens in the area of health.

Since 1988, the Victoria Lifeline has provided services to over 5,200 Manitobans. Victoria Lifeline is a personal response service that supports senior adults and individuals in our community, who are physically challenged, to continue to live independently in their own homes. The Lifeline provides the support to individuals which enables them, again, to remain in their homes. There are 30 Victoria Lifeline volunteers, and in the past year they have given over 3,700 hours of time and they have driven over 18,000 kilometres ensuring that subscribers of the program enjoy a good quality of service.

On behalf of all members of the House, Madam Speaker, I congratulate the dedication of the volunteers who so generously donate their time to such a great cause. Congratulations, Victoria Lifeline.

Manitoba Hydro Employees

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, I ask permission to make a nonpolitical statement.

Madam Speaker: Does the honourable member for St. James have leave? [agreed]

Ms. Mihychuk: Madam Speaker, I would like to take this opportunity to recognize and congratulate the many Manitoba Hydro employees, over 110 Hydro employees who were sent down to Minnkota Power

Corp. to help in restoration of power during the recent blizzard earlier this month.

Some of those individuals are still in Grand Forks, and I am sure that we will have an update as to the flood situation. In addition to the 110 employees, Hydro also sent 100 pieces of all-terrain type vehicles and were recognized by the North Dakota commission who compared them to a well-oiled army on maneuvers and is literally amazed at the organization of our workforce and constantly commented on it. To the workers of Manitoba Hydro, I understand that their efforts have set an example for the Americans, both employees of Minnkota Power and the residents of the area, for what the quality of Manitoba Hydro employees is all about. All Manitobans should take pride in the effective and generous nature of their efforts and of the commitment to excellence that Manitoba Hydro brings to any endeavour. I feel comfortable in saying that as employees of a publicly owned Crown corporation, they understand that they represent all Manitobans. This has got to contribute to the motivation and pride they take in their work. That pride is showing in the results once again.

From this House and all members, a great big thank you to Manitoba Hydro employees.

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, I have several items of government business to discuss briefly with honourable members.

Firstly, the Standing Committee on Public Accounts will meet on Thursday, May 15, 1997, at 10 a.m. in Room 255 in order to consider the Provincial Auditor's Report, Volume 1, the Provincial Auditor's Report on Public Accounts and Operations of the Provincial Auditor's Office, the Public Accounts, Volumes 1, 2, 3 and 4, all for the fiscal year ending March 31, 1996.

Secondly, Madam Speaker, I would like to announce that the Standing Committee on Economic Development will meet on Thursday, May 22, 1997, at 10 a.m. in Room 255 in order to consider the 1993 Annual Report of the Manitoba Lotteries Foundation

and the 1994, 1995 and 1996 Annual Reports of the Manitoba Lotteries Corporation.

Now, Madam Speaker, I suggest all honourable members in one way or another are affected, as are so many other Manitobans, by the present flood situation. I have had discussions with representatives of the New Democratic Party and the Liberal Party, and I believe that you would find there to be agreement with two or three items.

Firstly, it is agreed that this week, so that honourable members can attend to their duties outside this Chamber, there will be no private members' hours this week.

* (1430)

Secondly, on this part, the Estimates process it is felt can go forward under all of the circumstances since, for the most part, relatively few honourable members need to be involved at any given time. However, there are times during the Estimates process when votes can be initiated, and I believe that if you check with honourable members you will see that there would be agreement that any votes that did come forward would be deferred, certainly for this week. By the end of this week we could have further discussions and look at the flood situation and the requirements of honourable members.

It is also agreed, thirdly, that there will be no sitting this evening from eight until ten o'clock, that we would proceed from now until six o'clock, and then there would be no sitting tonight.

Now there are other matters we have discussed that we can bring up to date as the week unfolds, but I believe those are the areas of firm agreement at this time.

Madam Speaker: First of all, for announcements. The Standing Committee on Public Accounts will meet Thursday, May 15, 10 a.m., Room 255 to consider the Provincial Auditor's Report.

The Standing Committee on Economic Development will meet Thursday, May 22, Room 255 at 10 a.m. to

consider the 1993, '94, '95 and '96 reports of the Manitoba Lotteries Corporation.

Now I need the other three by leave. Is there leave to waive Private Members' Business for the duration of this week? [agreed]

It is the understanding that the Estimates process will continue for the duration of this week. Is there leave to defer all votes for this week? [agreed]

Thirdly, is there leave that the House will not sit this evening from 8 p.m. to 10 p.m.? [agreed]

Mr. McCrae: Madam Speaker, as I say, as there is a requirement to fine-tune arrangements around here so that honourable members can carry out their extra Legislature duties, House leaders, my office is of course open, and I believe the representatives of the other parties are also available to come together and discuss these matters.

In addition, should there be a requirement for the House to be called for any purpose during the Estimates, I would be asking at the level of the Committee of the Whole sittings for leave to allow us to bring the House together for any statements or whatever that may be required. Perhaps I might suggest that could be done at the two committee levels but also by the ringing of the bells briefly to bring the House together. That is simply a suggestion for you to consider.

Madam Speaker, I now move, seconded by the honourable Minister of Culture, Heritage and Citizenship (Mrs. Vodrey), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of 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 Sturgeon Creek (Mr. McAlpine) in the Chair for the Department of Northern Affairs and the Department of Rural Development; and the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Seniors Directorate.

* (1440)

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

NORTHERN AFFAIRS

The Acting Chairperson (Mr. Gerry McAlpine): 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 Northern Affairs. When the committee last sat, it had been having a general discussion concerning the Estimates. Is it the will of the committee to continue with a general discussion? [agreed]

Mr. Oscar Lathlin (The Pas): Mr. Chairperson, I would ask for just a little bit more time in that area, and then we will wrap up, oh, I would say by 3:30 p.m.

The Acting Chairperson (Mr. McAlpine): Agreed? [agreed]

Mr. Lathlin: Now, I think last week, if I remember correctly, we were in a bit of a hurry—at least I was anyway because I was late coming into the Estimates—and rather than going on to the next item that I wanted to ask the minister questions on, I will say what I had to say while I still have it fresh in my mind because I thought about it this afternoon.

Last week towards the end of our meeting, I believe it was Wednesday, I sensed from the people who were here that, wow, geez, this is over, and maybe people are satisfied with what is happening at the local level up North. I just wanted to advise people, particularly the minister and his staff, that, yes, even if the government were not to do anything, I think people would still develop anyway. The communities would still develop regardless of whether the government or anybody else was there. I mean, that is just the way things go.

But growth and development happen a lot faster when it is being helped along by an agency whether it is the chief and council or whether it is the NACC or whether it is the provincial government or the federal

government. Development happens a lot more faster, and also it is supposed to happen according to the way the citizens want it to happen. I believe that is what the minister was trying to say toward the end last week when he was being questioned by the member for Thompson (Mr. Ashton) or maybe by the member for Rupertsland (Mr. Robinson) when he said we do not tell you what to do; you tell us what you want to do and then we can work around toward your issues and see if we can achieve the objectives.

Yes, that is fine. That is the way I would prefer it to work as well, but I think we might be oversimplifying some things to the point where people actually believe that we are doing a real super, super job and that we really do not have to worry too much about it anymore. I think the reverse is true, Mr. Chairman. I appreciate what the federal government has done. I appreciate what the provincial government has done. I appreciate it, particularly in cases where the local government has been able to be in a position to be able to contribute to the growth and development of its own citizens.

So I understand all of that. When I was a chief, I always used to tell my people that we have such a long, long way to go. For example, in order to emphasize, in order to drive home the point, I used to use women in their struggles in society, or any other oppressed group. But I used to use the women as an analogy and I used to say: You know, they have been organized for quite a while now and look where they are. Yes, they are achieving certain rights. The government is starting to recognize a lot of the rights that women were fighting for, and then I used to talk about our people, and aboriginal people are usually 15, 20 years behind what happens in the larger society, so the nonaboriginal women's rights are finally recognized as a result of all their fighting and lobbying, but when you get down to the aboriginal community, we are still 15, 20 years. I used to tell our people, yes, 15 or 20 years later we see ourselves and our women being recognized in the same way by the larger society.

But I am talking about aboriginal people here. When I was home over the weekend I saw in the newspaper a comment that was made by the chief executive officer of the Norman Regional Health Authority, Mr. Hildebrand. As a matter of fact, they put it right on the first page and right in the middle where they wanted to

highlight the quote. He said: There are too many people using the hospital over and over again.

Right away I picked up on it, and I thought: This guy is talking about aboriginal people again, you know, because if the minister is in The Pas again, I know he was there this weekend, but if you are ever in The Pas, take a quick run through the hospital, and if there are 20 people there, you will find maybe 16, 17 aboriginal people there as patients in the hospital, and that is the way it is all the time. So when this chief executive officer talks about we still have far too many people using the hospital over and over again, I was thinking, as a matter of fact, I think I am going to phone him up, if he will give me some of his time, and I am going to tell him some of the reasons why there are so many people still using the hospitals. The majority of those are aboriginal people.

* (1450)

For years and years the state of health of the aboriginal community level was about 15, 20 years behind that of, say, The Pas, and it has always been that way. Then along comes health reform, community-based prevention, awareness, healthy lifestyles, like, that is the way we are going to do it from now on; treatment is too expensive.

Yet we hear every day the diabetic crisis, the epidemic. You look at reports that are put out by medical groups, for example, the College of Physicians and Surgeons, where even accidental deaths in the aboriginal community are way higher compared to, and people wonder why. Are these people that accident prone? The fact of the matter is, yes, we use more skidoos in wintertime. We use more boats and motors than you guys do in Winnipeg, because people living in Winnipeg, the only time they use boats and motors and skidoos is if they want to go and have a leisure time out on the lake on weekends. Of course, their accident rate is going to be way, way down compared to that trapper who has to be on his skidoo every day in the wintertime or that fisherman who is out there every day in his boat. I cannot get over that, how people can make those kinds of statements, like the chief executive officer from Norman region who just comes right out—and the sad part of it is people who are not aware of the facts

believe him. Even some of our people are going to start believing him.

That is what went through my mind when I read those remarks. Then I sort of remember back to Estimates in the Legislature where I sort of detected this mood towards the end of our session last week like, gosh, darn it, this government has done lots of big things and here are these partnership programs and aboriginal people are being well looked after. That is what came to my mind right away when I saw that quote by the chief executive officer.

When you go to Pukatawagan, for example, if the minister ever goes to Pukatawagan, they are lucky if they see a doctor a couple of days every two weeks. So when you get ill or get into an accident, you do not see a doctor; you see a nurse. Not like in Winnipeg here, if I have to go to a hospital or see a doctor here in Winnipeg, I get seen by a nurse first. Yes, she gets all the information, but the actual examination is done, the diagnosis is done, the testing is done by the doctor. If you are in the North, none of that happens. You are seen by a nurse; the nurse diagnoses. The nurse determines whether you should be given the treatment. The nurse gives you the medicine. The nurse takes the X-ray. The nurse does everything. In the end, she has to decide whether you are serious, like if the condition or illness is serious enough so you have to be medivac'd. She makes that decision and then you come out.

Pukatawagan alone, Mr. Chairperson, over 300 medivacs in one year, over 300. Just think about it for a little while. There are 365 days in the year. That is almost one every day for the entire year. Put another twist to that perspective. Every time you medivac a person to The Pas, for example, how much does it cost? Lots of money. We know that, but I think the point I want to make here is the state of health in Pukatawagan is always 15, 20 years behind. For OCN it is not as bad, because we are right across the river from the town. So our state of health is not as bad.

Hey, we can even cope with some of the reform cutbacks that are happening at the hospital, because if we do not like it over there—you know what, some of us drive to Winnipeg and come and see the doctor, those of us who can afford it, but then a lot of us cannot afford it either, so we are stuck there. The bottom line

is, generally, the people in The Pas, when you compare yourself to Pukatawagan, they are a little bit better off. You come down to Winnipeg; the people in Winnipeg complain about what is happening here. You know what? If they go to The Pas, they would complain even louder. They would say we do not deserve this. Why do we allow this to happen in this day and age? And holy smokes, if they go to Pukatawagan, it would be a scandal. It would be.

Then they come back out and they read this chief executive officer's comments in the paper saying, we have far too many people still using the hospital. He means aboriginal people, and I would like to just take him by the shoulder and just shake him a little bit. Hey, sir, wake up, smell the coffee. Do you realize why that situation is like that? Because people in Pukatawagan were behind even before health reform started. Now health reform comes along and it just makes things a hundred times worse for those people.

I want to come back to the main comment that I wanted to make. I will acknowledge that there is some work being done, but I cannot stop there. I have to keep saying that there is a lot more to be done. Another thing, today I got a letter from a dentist from the Manitoba Dental Association. I had written to them about an issue that I was working on. The head of the Manitoba Dental Association says, what are you worried about, treaty Indians get all the government help anyway when it comes to dental? So does that mean there is a dentist in every community in northern Manitoba? Does that mean we get to have our teeth examined once a year like people in Winnipeg do?

See that is how ignorant some people are and we feed on that ignorance. We talk to each other every day and after awhile aboriginal people just get lost in the shuffle. Sometimes I listen to radio talk shows when I am driving out to The Pas or coming in, in the afternoon, and it just really, really appalls me the level of ignorance there is amongst nonaboriginal people for the conditions that aboriginal people find themselves in.

* (1500)

So anyway those were going to be my comments, and I guess I wanted to finish off, Mr. Chairman, by asking the minister perhaps three questions here. I think I

heard him last week say that he was on his way to Regina for ministers' meetings on aboriginal issues, I think it was. First of all, I guess the way that I should ask the question is: Does the minister believe that the Royal Commission on Aboriginal affairs was warranted, and does he believe that it has some worthwhile recommendations that his government could look at with a view to implementing them so that we can start to alleviate some of the problems that we have been just talking about or that I have been talking about lately? That would be the first part. So I guess I will give the minister some time to answer.

Hon. David Newman (Minister of Northern Affairs):

Generally, I want to just comment with respect to your, I think, very helpful picture of the distance we have to go in addressing aboriginal needs in the North and your point about it being 15 to 20 years behind. I know the way I am thinking about it. I think the solution has to be focusing on prevention, education, care, research and support in ways that will take maybe 25-30 years to bring about significantly measurable results which will be reflected, I believe, mainly in the next generation's improvements. So I think your contribution of realism and the magnitude of the challenge and the long-term solution is helpful, because then expectations will not be inflated. Also, I think that you have made a useful contribution with respect to the need to educate the decision makers and the people in positions of authority and significant responsibility for everything from social welfare to health care to education to justice, to the way we administer Northern Affairs responsibilities.

I think that you have said that there has to be a better understanding of the special needs and the nature and magnitude of the challenge, and there has to be a sensitivity towards the history and the culture and the feelings of the aboriginal people who are affected by this challenge. So I think your points are well taken, and having said that, you can be assured that I appreciate that. I believe my government appreciates that. I believe that with respect to health care, some of the work that is being done in the dismantling and negotiations right now through the offices of the Honourable Darren Praznik to the extent it affects Manitoba aboriginals, myself, is very conscious of these challenges. There are approaches being offered that your critic for Health might wish to take up with

the Honourable Darren Praznik when he does Estimates in relation to aboriginal health care.

I do not want to move into his area. He has the expertise; I do not. But I encourage that to be explored, because I think there are some things happening there that are consistent with what you are talking about here.

Very specifically, I do have some knowledge and involvement with the Manitoba Health diabetes initiative. I know you have a resolution before the House that I will be participating in when we get to that in private members' hour, but there is a kind of focused specific effort that is, I believe, going about things the right way. It does include elements of prevention and early intervention and all of the other aspects that will hopefully address this challenge of epidemic proportions.

The statistics that I have are that in 1993, approximately 23 percent of treaty Status Indian adult women in Manitoba had clinically diagnosed diabetes. In 1993, 14 percent of treaty Status Indian adult men had clinically diagnosed diabetes. The prevalence of diabetes in treaty Status Indians increased by over 40 percent among women and over 50 percent among men between 1983 and 1986. There is an increasing number of aboriginal children who have been diagnosed with Type 2 diabetes, a disease not usually seen in children, so that says it all. That is just a summary of the kind of issue that you flag. I think it is important that we work multidepartmentally and multigovernmentally on both sides of the House to address this kind of issue, and I certainly look forward to working on it with you as the representative of The Pas who has an interest and an understanding of the magnitude of it.

Having said all of that, with respect to your question, yes, I was at a provincial and territorial ministers' meeting in Regina last Thursday night and Friday, and it was a very useful meeting, a lot of sharing of information between jurisdictions which help each other.

In specific response to your question, do I believe that the royal commission was warranted, the simple answer to that is yes. I mean, we have a crisis in this country, I believe, in terms of aboriginal issues. Whether or not that much money should have been

spent on it, whether the composition of the commission should have been as it was, whether or not the focus of the report and the way it reviewed things was the right way to go, I do have views on that. I have some discomfort with some of those things, but it is a done thing, so what is the point of talking about it, other than I think that affects the credibility and the practicality and the relevance to Manitoba of a lot of the recommendations.

* (1510)

However, my government and my department have treated it very seriously to the degree to which it has been reviewed on a multidepartmental basis. Very shortly after it was published, the process began. The recommendations which were considered through that process to be applicable to Manitoba have been identified, and the approach that Manitoba should take with respect to those recommendations is in the process of being developed. The good news is that in Regina, amongst the ministers, there is a willingness to share approaches to the royal commission report so that there can be co-ordinated solutions.

One of the major focuses at that meeting was on what was jointly and severally identified by all present representing the provinces and territories—I might say only Nova Scotia was absent—that with the issue of federal, what is popularly called offloading, the risk of having in the process of devolution and in the process of turning over powers and resources to the aboriginal populations in the provinces and territories is that there might not be proper due regard for the responsibilities that the federal government, the Crown, has traditionally had for aboriginal people.

There is a great feeling amongst all the provinces and territories that the historic and legal obligation of the federal government with respect to its responsibilities for aboriginal people off reserve is not being met, has not been met, with the result that a huge burden has been absorbed by the provinces and territories in ways that are not being properly measured. It is undermining potentially, and maybe actually, our ability to service the aboriginal population up to the standard that we would like and that they are entitled to. So that is a big issue, and emerging out of that meeting was the beginning of a consideration of strategic options, and I

can proudly say that Manitoba led the process. We came forward with some options, and they were the focus, and the major focus of discussion at the event.

The national aboriginal leadership was invited to participate in the event as well and had the options paper shared with them. They also had a joint communique, participated in the development of that. It is becoming quite clear to me that the interests of the provinces, territories and aboriginal people is becoming more and more like a partnership, and that is necessary because it is the only way that it appears that the federal government can be held accountable for its historic and legal responsibilities and constitutional responsibilities, as we see it.

So if the royal commission contributed to that creation of a partnership, that in itself justifies the report, and may even very well justify the expenditure, if it results in a solution. Does it have some worthwhile recommendations was your next question. The answer is: Yes, and those recommendations are the ones that will be focused on. The thing that really disturbs me about it is its—and I took this up in fairness with two of the commissioners who were here in Manitoba when I had an opportunity to meet with them, and my concern is its lack of recognition, adequate recognition of the realities in Manitoba and the nature of the situation in Manitoba, the history in Manitoba, the direction Manitoba is going, some of the achievements that have been taking place in Manitoba.

What I fear most is that, if the report in effect creates an agenda which causes progress in Manitoba to slow down, or a temptation to move entirely in a different direction, which is what the royal commission in some themes recommends, then the commission report will do more harm than good, in my opinion. That causes me grave concern, but I believe that we have a sufficiently mature relationship amongst Manitobans, and a sufficient background of interacting through discussions and negotiations, that we will not slip that way, and Manitobans will not be directed that way, and we can continue to make our own custom tailored progress in this province arriving at mutual gains, constructive solutions between aboriginal people, the federal government, the provincial government, the city governments and municipal governments, and between

different aboriginal groups, which is as much a challenge as intergovernmental co-operation.

We are going to make progress as long as we do it collaboratively and co-operatively in good faith and focus on the long term, focus on women and children and at-risk people particularly. Then the theory, the romantic concept of how things should be, will not get in the way of getting practical, meaningful results for people in desperate need of attention.

Mr. Lathlin: Mr. Chairperson, last July, last summer sometime, the federal government reduced social assistance rates to First Nations communities in Manitoba. They do that, by the way, after the provincial government reduces theirs. Automatically, once there is a reduction to the provincial rate, the federal government will—in a similar time as I think I will ever see a federal government move so fast is when they have to go in synch with the provincial social assistance rate.

So, anyway, whenever provincial rates go down, federal government rates go down. Last summer, the federal government said the amount that they were going to be saving by reducing the social assistance rate would go toward housing. Well, in Manitoba, I believe the only two communities which may have benefited from this redirection of money on the federal side might have been Shamattawa and Mathias Colomb in Pukatawagan.

These are First Nations communities. Is the minister aware of the housing conditions that exist in First Nation communities? If so, what is he prepared to do, maybe in working with the federal government or maybe even coming up with a provincial initiative to combat the serious shortage of housing? That is one question.

* (1520)

Then the other one is, NACC communities, Metis communities—over the past three years I have had to work on quite a few housing issues. Almost everywhere I go, I end up having to talk about housing issues. The first question to that, the Metis side, is is the minister aware of what is happening with housing

at the Metis community level and aware of the housing situation at the NACC communities?

By that I mean not only whether there is a shortage or disrepair, but I am also asking the minister if he is aware of the shift that has happened from the province to the federal government, and somewhere in the middle the NACC communities are caught up. Some of the administration apparently was decentralized, I am not sure from where, from Manitoba Housing or after CMHC had gotten a hold of the program, but there was decentralization.

So as a result of that movement and who was responsible for what, the Metis communities, I think, are probably the hardest hit in terms of housing amongst aboriginal people, because they do not really know whether—is it Manitoba Housing, is it MMF, is it CMHC? They just keep bouncing from one organization to another in addition to being short of houses and having to repair houses.

Mr. Newman: First of all, I just wanted to comment that given we thought this was just going to get down to formalities and I was advised by you not to have my staff here, I will not be able to be as factually specific as I would like to be to address your questions, but I will deal with my general knowledge and, I might say, views on this matter.

Yes, I am aware of the housing issues in both reserve communities and Northern Affairs communities, and they trouble me. They trouble me. Just to apply numbers, and I think this is useful, I will deal with Northern Affairs communities first because I know them best. They are my portfolio. The federal government is something that interests me because members of bands on reserve are Manitobans as well, and I want to make sure that the federal government which has responsibility for them looks after them in accordance with their legal and constitutional obligations and I would say even more than that because of the special needs.

But with respect to Northern Affairs communities, when we are talking about houses, we are talking about roughly 23,338 homes, and I just got that stat today because of my own interest. The size of these communities—I mean, let us put it in perspective. The

community with the most houses is Wabowden with 190; Camperville 184; South Indian Lake 123; Norway House 130; Duck Bay 142; Cross Lake 139; Cormorant 111; Moose Lake 103.

All the rest of the 53 communities have less than a hundred houses on them, and some of those communities—and I am just talking about ones that have any population at all because some communities I am responsible for do not have any people in them. The community of Westgate has three houses. Herb Lake Landing has five. Aghaming has five. Salt Point has five. Red Sucker Lake has eight. Poplarville has nine and six are empty. Island Lake Was has nine. Little Grand Rapids has eight. Princess Harbour has 10; Dauphin River 20; National Mills 11; Granville Lake 14; Homebrook 17; Red Deer Lake 19; Dallas-Red Rose 15; Fisher Bay 19; Cole Lake 18.

We are talking about in many cases less than a neighbourhood, less than a street, less than a little cul-de-sac in a suburban subdivision, and these are in remote areas and in many cases isolated and by themselves. That is the context in which you are talking about housing. So when someone says, like the question asked by the member for Thompson (Mr. Ashton), who is used to a city and the third biggest city in Manitoba, and asks about sewer and water and services, and the member for Rupertsland (Mr. Robinson) talks about defecating in buckets, I guess called pail fill sewage systems, the same type I have at my cottage, we are talking about not having water treatment plants and state-of-the-art sewer services in some communities, because it just does not make any economic sense. What makes economic sense for Winnipeg or Thompson or Brandon or Winkler or Wabowden or Norway House might make no economic sense for a community of three, five, 10, 20, 50 houses.

So I think we have to look at that context. In other words, we have to look at the reality and not let rhetoric and oversimplistic statements sound as if these are somehow second-class citizens in the province in the way they have their water service, and the way they have their sewer service.

There is a certain amount of choice that goes into living anywhere in the province of Manitoba. I think, again, if we want to be realists and we want to be

responsible I think we have to recognize that. In the process of contributing in the way that government can as a facilitator to the development of healthy, sustainable, more self-reliant communities, and improved housing, maybe those community members, if challenged to look 30 years down the road, or 25 years down the road, or 20 years down the road, a generation ahead, maybe amongst the questions that they should ask themselves, and the visions they should develop, they should look that far down the road and say, what do we want to be as a community at that point, and then figure out how they are going to get there. If they cannot get there, maybe they should start examining whether they should be a community at all.

* (1530)

I offer that simply as a kind of analysis, a kind of self-examination that I think every community hopefully will go through. If the choice is that, you know, we are happy really the way we are, it is not unlike someone choosing a way of life in terms of the way one chooses hobbies, chooses careers, chooses all these personal things that make our world go around. If that is the choice, then maybe the question should be asked, to what degree should we support that? Do we have an obligation as a province to provide treated water and sewer systems and housing in those kinds of communities? I think those are questions that we should be asking. So there is the focus in terms of housing in Northern Affairs communities that I have.

The other thing is there is a body of thinking, and I read quite widely in this area. I have always read quite widely in this area as a mature adult, and what do you do? How do people become the best they can be, and how do communities become the best they can be? How do people in those communities, as individuals and community members, how do they achieve happiness and self-fulfilment?

You know, sometimes we use different measures, because what is happiness and fulfilment to us living in the city, as you well know, is not what you want if you live in Red Sucker Lake or Herb Lake Landing or Matheson Island. So measures of success differ, and I do not think it is responsible for us, or right for us, to measure the success of these communities and those people by our standards. They might think we are a

dismal failure in our materialistic approach and they have great happiness and great sense of fulfilment. It is nothing to do with wealth. It is nothing to do with whether they have a job. Some of them have the greatest happiness you can possibly get in this world by being a trapper and contributing in enormously positive ways to their own family and their community.

I told that story in the House of the 88-year-old trapper I met, and his 80-year-old wife, who still go out on the trapline. It is their passion, and they go to Continuing Education conferences to keep up to date on how to do it and to share in the fellowship of it and the pride. It is moving. Are they less happy than someone that lives in a 55-plus unit in a condominium in Winnipeg and goes to Florida or California or Texas every winter as a snowbird? They would not trade that for anything, and I am very conscious of that. So in terms of housing, who am I to judge what is a proper house for them.

Yes, I am aware of the housing issues, and I want to hear community members and individuals really talk about their aspirations, not just comparing themselves to Winnipeg, but talking about their aspirations five years, 10 years, 20 years down the road. What do they want to be as a community? What do they want to be as individuals? What do they want to achieve? Any time you, as the representative for The Pas or the representative for Rupertsland or the representative for Thompson, anyone from the North, it could be a mayor, it could be a mayor and council from a community, it could be an individual from a community, any time you share an aspiration that simply needs nurturing and encouragement, I think that is our job, as a Northern Affairs department, to try and help because that is going to be the basis of the future in health, education, family services, jobs, economic development.

With respect to the reserve communities, sure, I will work with the minister of northern and native affairs federally to focus on housing issues just as we did with respect to Shamattawa, when I sent a letter to the minister, and Eric Robinson, the member for Rupertsland, sent a letter to someone else, to try and address a need there and indicate our point of view on it. I want the federal government to exercise its responsibility to the fullest and I believe they should even do more, but maybe the biggest favour they can do

is also focus on these foundational kinds of things and not just be a hand-out giver, be an individual builder and a community builder. That is what the aboriginal people want, as I understand it.

With respect to the Metis people, and I will be more comprehensive than that, the northern people who live in Northern Affairs communities—and many of them are Status Indian, many are non-Status, many Metis, many just people who do not want to identify themselves with any of those categories. The Manitoba Metis Federation has assumed a lot of responsibility with respect to housing, and I am hoping and praying that after May 15 when they get their own house in order and get their new leadership determined through democratic election, they will earnestly, conscientiously and up to a high ethical standard represent their people well, the people in those areas who depend on housing, and focus on the economic development opportunities in doing housing, doing repairs, doing maintenance, even more so than they do now.

This is something that has been turned over in large measure to the Manitoba Metis Federation by the federal government, and what a chance to do something proud, to do something without letting patronage or nepotism or any of those things get in the way and to do a real service to their membership and to the people of Manitoba who are going to benefit, as well, from better housing in Northern Affairs communities.

So I certainly will be challenging them to be better in representing their people, and I hope they will live up to the expectations of the citizens of Manitoba and their own members. Thank you.

Mr. Lathlin: Mr. Chairperson, there is just this last little bit, perhaps more in response to the minister's last statement.

You know, he talks about those two or three houses that might be there in the bush somewhere, about how he would be reluctant to put sewer and water services in those two or three homes, you know, because there are only two or three of them. Yet in most Metis communities, in most First Nations communities, we have RCMP who are funded by the taxpayers. The government will think nothing of—even if it is just one building, they will put in a septic tank or whatever.

They will do it in such a way that that RCMP officer, if he has a family, will have running water, all the amenities when it comes to sewer and water, good drinking water—they will dig a well. Teachers, same thing; the federal government puts in teacherages complete with sewer and water; Canada Post, all those government agencies, and they will have northern stores, too, their own, and the church.

* (1540)

In just about all of the communities, we have two or three buildings then that have sewer and water. I do not think I am suggesting here that we go around and build plants in every little community whether there are only two or three houses or 130. I mean, common sense will prevail, I would hope.

He talks about choice, like if you want to go and live in northern Manitoba, that is your choice, but do not expect me to do anything for you even though you are a citizen of Manitoba. I do not buy that at all because, first of all, in my earlier comments I suggested to the minister that some of us visit—I was sitting with the CEO of OmniTRAX Saturday night, and that was the very thing that we were talking about. Some people go there for jobs. Sometimes they go there for a visit, for a holiday, and a lot of them end up staying up North, and they call it their home.

Then there is another group of people, such as myself, who did not come from Halifax or Brandon or Winnipeg or Alberta somewhere or in the States or even in Sweden or Russia or those other places. That is where we were born. That is our homeland. I thought I made enough emphasis on that statement the other day with the minister.

Now, for him to say, well, you know, that is your choice, whatever happens there. Well, let me remind him, what about the farmers down south? Do we say to the farmers the land is flood prone? If you want to go and live by the river, that is your tough luck if the river should ever overflow. No, that is not how we handle it. The federal government just ordered the army to go there, and we are sitting down here. Schools are being closed. The Premier (Mr. Filmon) and some of his cabinet ministers, I heard on the radio, were out flying around looking at the flood area, which incidentally

was flooded again, too, last year. Now, we did not go to those people and say, you know, if you want to live here in Morris or wherever, Letellier or Richer, and if it floods that is your problem. We do not do that.

I sure as hell hope that we do not say that to people who choose to live in Overflow or Barrows or Herb Lake Landing—if you want to live here, do not bother us—because we do not say that to people in southern Manitoba whenever they get flooded out. I would urge the minister to rethink that a little bit and maybe think about it before he says that.

The last thing that I wanted to ask the minister is—oh, first, another thing. As he knows, when he talks about these NACC communities, there is such a thing as Bill C-31, and in our community, in practically all of the Metis community, you know, my own cousins, my own relatives, who were disenfranchised a long time ago are now through Bill C-31 becoming First Nations people. A lot of them still live on Metis land, so I understand, but in a lot of cases there is an adjacent First Nations community like The Pas.

So please do not tell me that I am not going to put a sewer and water system in for those three houses, because I know fully well that you can hook up to the First Nations system if they have a system. Moose Lake, the communities are right adjacent to each other. Why not have one system in The Pas, in Big Eddy, Umperville, Young Point? Why do we not have one system so the minister does not have to come here next Estimates and tell me, you know, we are not going to do anything for those two or three houses, let them put their own stuff. If you want us to work in partnership, why does he not hook up Big Eddy Metis, The Pas Metis, the Opaskwayak Cree Nation sewer and water system? That would make a lot of sense.

Mr. Newman: Given the many points you made, I used to be exposed to legal counsel that would take arguments I used to present and, because the arguments were in their eyes I guess effective enough that they had to change them, would then recreate, recharacterize the arguments so it diminished the effectiveness and would present it that way. I feel, in a sense, that is what you have done. I am going to take issue with it, but I am not going to engage in debate. I, of course, never said that the Northern Affairs would not do anything for

them. We have an obligation to those under the Northern Affairs support and we, of course, do that.

What we were talking about earlier was whether or not you have treated water in the sophisticated system or you have a sophisticated sewer system or whether the less convenient kinds of facilities would be appropriate in a given situation.

Point of Order

Mr. Lathlin: On a point of order, Mr. Chairman, I do recall the minister saying, referencing his cabin out at the lake. That is what he has, so therefore he does, you know, by saying that, I guess, he means that he does not expect the government to go and put sewer and water in this one cabin that is out at the lake. For me, the message is clear. What the minister was trying to tell me was perhaps two or three houses do not warrant the same attention as 140 houses. What I was simply doing was telling him the reality that exists out there when, if you go to a place like Norway House First Nation, there is well over 5,000 people living in Norway House, but for many, many years the only sewer and water system that existed in Norway House was the RCMP, northern store. I am not trying to recreate the argument or whatever he means. I am saying to him that I am trying to give him a realistic picture of what does exist there in terms of what he said about two or three houses or, make a choice, where do you want to live.

The Acting Chairperson (Mr. McAlpine): The honourable member does not have a point of order. It is a dispute over the facts.

* * *

The Acting Chairperson (Mr. McAlpine): The honourable minister, to finish his comments.

* (1550)

Mr. Newman: The other point, with respect to the RCMP, teachers, Canada Post and how they chose to provide services, is the kind of thing that probably has led, in part, to this sense of inequity, differential treatment. I am not going to either try and explain or justify that other than to say that those people who serve in those positions are not there by choice for life;

they are there on a job. I guess that is the reason, on an assignment.

They probably, because they have unions and they have standards, have a certain requirement. But that again does not address the issue as to whether or not the communities you are talking about, the individuals you are talking about, want that sort of way of life. They might be there for very specific reasons as indigenous people or career people in the North, people who have chosen as rooted people to stay there. Sometimes with the greatest of intentions to impose the urban standards, they may not even be desired. I just raise that.

With respect to the suggestion that somehow or other, no matter how small a community you are, you are somehow given less support in the event of a disaster, whether it be fire or flood, simply is not so. I really do find it troublesome when the honourable member for The Pas (Mr. Lathlin) does engage in this sort of pitting North against the south and suggesting there is some sort of differential treatment. If there is a fire in the North, the Province of Manitoba and Disaster Assistance and Natural Resources and the full support system of governments go into play to protect people just as if there is flood or any other natural disaster. So just to get into this stereotyping is harmful to the quality of the debate.

Point of Order

Mr. Lathlin: Point of order, Mr. Chairman.

The Acting Chairperson (Mr. McAlpine): The honourable member for The Pas, on a point of order.

Mr. Lathlin: I think the minister did not understand my statements. I am not saying that southern people who are being flooded out right now do not deserve the attention that they are getting. My point was those people who live in the flooded areas chose to live there themselves, and now that they are in trouble, we have to help them out, it is our responsibility. We do not say to them—as the minister was suggesting earlier for those who live up North—I am sorry, you choose to live in a flood-prone area so therefore you are not entitled to help. The minister is zeroing in and says it is not good to use the flood as an example. I am using that as an

example because whether you live up North or south, I think people deserve to get those services. But what he was trying to say was you have a choice as to where you want to live, and in the end, wherever you choose to live might dictate as to what types of services you are going to get. That was my point.

The Acting Chairperson (Mr. McAlpine): The honourable member does not have a point of order. It is a dispute over the facts. The honourable minister, to finish his response.

* * *

Mr. Newman: I would make absolutely the same case if it were a community of three houses or six houses or 10 houses in what you would call southern Manitoba. I mean, if there is the choice to move away from hydro lines and running water and all of these situations, that is a choice. That is what I mean by free choice. I make no apologies for that position.

With respect to the facts in terms of the support of Northern Affairs, over the last three years we have maintained our capital support levels. With respect to our capital programs, which are about \$2.6 million a year, our first priorities are water and sewage. I am going to be tabling in response to requests the statistics about water and sewer. But with respect to piped water, 1,362 of the 2,338 homes have piped water now. That is 58 percent; more than the majority. Truck delivery is 322, that is 14 percent; stand pipe is 211, that is 9 percent; private well is 233, that is 10 percent. The balance of private water systems, examples, pail or pumps from the lake.

With respect to the sewer, 1,115 or 48 percent have piped sewage; truck pump-out is 321 or 14 percent, and private septic field is 359 or 15 percent. A pit privy, or popularly called outhouse, is 256 or 11 percent; pail fill, 211 or 9 percent; and the balance of 3 percent I have not been able to determine. But those are the facts.

The Acting Chairperson (Mr. McAlpine): 1. Northern Affairs Executive (b) Executive Support (1) Salaries and Employee Benefits \$235,200—pass; (2) Other expenditures \$121,700—pass.

Item 2. Northern Affairs Operations (a) Financial and Administrative Services (1) Salaries and Employee Benefits \$318,800—pass; (2) Other Expenditures \$119,200—pass.

2.(b) Program and Operational Support (1) Salaries and Employee Benefits \$211,800—pass; (2) Other Expenditures \$87,200—pass; (3) Community Operations \$5,040,800—pass; (4) Regional Services 691,300—pass; (5) Grants \$253,700—pass.

2.(c) Community Support Services (1) Salaries and Employee Benefits \$1,229,800—pass; (2) Other Expenditures \$476,500—pass.

2.(d) Technical Services (1) Salaries and Employee Benefits \$125,700—pass; (2) Other Expenditures \$64,700—pass.

2.(e) Northern Affairs Fund (1) Salaries and Employee Benefits \$264,700—pass; (2) Other Expenditures \$58,000—pass.

2.(f) Inter-Regional Services (1) Salaries and Employee Benefits \$305,300—pass; (2) Other Expenditures \$91,300—pass.

2.(g) Agreements Management and Co-ordination (1) Salaries and Employee Benefits \$595,900—pass; (2) Other Expenditures \$176,400—pass; (3) Northern Flood Agreement \$1,230,000—pass.

2.(h) Native Affairs Secretariat (1) Salaries and Employee Benefits \$409,700—pass; (2) Other Expenditures \$137,300—pass; (3) Aboriginal Development Programs \$444,900—pass; (4) Partners for Careers \$200,000—pass.

2.(j) Communities Economic Development Fund \$1,345,000—pass.

* (1600)

Resolution 19.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$13,878,000 for Northern Affairs, Northern Affairs Operations, for the fiscal year ending the 31st day of March, 1998.

3. Expenditures Related to Capital (a) Northern Communities \$2,379,600—pass; (b) Community Access and Resource Roads \$235,000—pass.

Resolution 19.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,614,600 for Northern Affairs, Expenditures Related to Capital for the fiscal year ending the 31st day of March, 1998.

The last item to be considered for the Estimates of the Department of Northern Affairs is item 1.(a) Minister's Salary \$12,800. At this point, we request that the minister's staff leave the table for the consideration of this item. The last item to be considered for the Estimates of the Department of Northern Affairs is item 1.(a) Minister's Salary \$12,800—pass.

Resolution 19.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$369,700 for Northern Affairs, Northern Affairs Executive \$369,700 for the fiscal year ending the 31st day of March, 1998.

This now concludes the Estimates of Northern Affairs.

The Acting Chairperson (Mr. McAlpine): The next set of Estimates that will be considered by this section of the Committee of Supply are the Estimates of the Department of Rural Development. Does the committee wish to have a brief recess? I will give the committee of Estimates for Rural Development about two or three minutes to come forward and to deal with the Estimates. Committee recess.

The committee recessed at 4:03 p.m.

After Recess

The committee resumed at 4:08 p.m.

RURAL DEVELOPMENT

The Acting Chairperson (Mr. Gerry McAlpine): Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Rural Development. Does the honourable Minister of Rural Development have an opening statement?

Hon. Leonard Derkach (Minister of Rural Development): Yes, I do, Mr. Chair.

It is a pleasure for me to present the Departmental Estimates for Rural Development for the 1997-98 fiscal year. I am particularly pleased to announce that for the 1997-98 funding appropriations for the department we have had an increase of 1.9 percent. This increase in funding has been a direct reflection of the department's success in delivering the kinds of programs and services rural Manitobans want and need to build strong and healthy communities.

The increases in existing program areas will continue to help our citizens in Manitoba to build on the successes they have already achieved. For example, funding will be increased for our Conservation District Program to enable us to increase the number of Conservation Districts that we have in the province of Manitoba.

There have been some significant successes, I believe, in Manitoba over the last year, and I would like to highlight some of them. For example, we have generated more than \$170 million in new investment in the province, in the rural side of the province. We have had the creation of more than 2,000 full-time jobs in rural Manitoba, and also the creation of more than 3,900 part-time youth positions in rural Manitoba.

* (1610)

Through the establishment of programs like the Grow Bonds Program and the REDI program, rural Manitobans have been supported in their continued efforts to sustain and to promote and to grow their communities. The proposed budget Estimates for 1997-98 will allow for the expansion of programs in the coming year. Once all the adjustments have been made, and keeping in mind a slight increase in our budget over last year, for 1997-98, Rural Development plans to spend close to a million dollars on program and service enrichment.

Through the prudent use of our resources, we have been able to maximize our goal of service first. Rural Manitobans and their prosperity and good governance remain our primary focus for rural Manitoba. Rural Manitobans are committed to strengthening their

communities, to turn their ideas and their visions for the future into something tangible. Rural Development is proud to be a catalyst and a facilitator giving rural Manitobans the tools that they need to continue along the path of economic renewal and revival.

For the Local Government Services division, the last fiscal year was an extremely busy one. The completion of legislation for the new municipal act wrapped up three years of consultation and preparation leading to a new structure and a new attitude in local governance. The new act came into effect in January at the end of the last fiscal year, however not without a tremendous amount of work and planning, including the drafting of a procedural manual that is being distributed to our municipalities and which they will be able to use in the municipal offices to help them implement the new municipal act.

In late November and throughout last December staff met with municipal officials throughout the province to review and discuss new processes and new expectations. The new act not only introduces a new beginning to municipal governance throughout Manitoba, but it also sets Manitoba apart as one of only a few provinces to bring in new municipal legislation. Manitoba's municipal leaders now have the tools to help them meet the challenges of running local government for today and well into the future.

Mr. Chairman, it might be said that in Rural Development we have already begun the new millennium. On the economic front, necessity indeed continues to be the mother of invention here in Manitoba and especially in the rural part of the province. Elimination of grain subsidies, with Manitoba producers having to face substantial increases in transportation costs, has prompted agriculture people to diversify, has prompted rural Manitobans to diversify, and they are doing so with significant success. Rural Manitobans are being encouraged and are now beginning to focus on value-added opportunities. Programs and services of the department support this new thrust by providing rural Manitobans with the impetus to move forward.

My honourable colleague, the Minister of Finance (Mr. Stefanson), announced in his March provincial budget increased funding for Manitoba Rural

Development. The budget provides Rural Development with \$48.8 million, \$19.25 million will go towards Rural Economic Development programs. It also includes \$5.5 million in unconditional VLT support to communities and \$9.5 million for capital programs.

In addition, municipal governments will receive \$25.7 million in provincial municipal tax sharing, marking a 3 percent increase over last year. The increases reflect continued faith in the department in working with rural Manitobans to strengthen our rural economy. Our growth in the rural economy is significant and is strong. The impact of the budget on rural Manitoba is particularly encouraging and will again reinforce initiatives we have undertaken in the past number of years. This budget enhances announcements which will enable Manitoba Rural Development to continue with its plan for economic renewal and revival and in working with partnerships with rural Manitobans to make further strides.

Rural Economic Development Initiatives, or REDI, and Grow Bonds programs both remain underpinnings for future economic progress. Both are helping rural Manitobans to pursue their dreams and their goals. In process, they are enabling communities and businesses to generate economic wealth and employment opportunities. As I have already noted, we are witnessing an economic renewal and revival of our rural Manitoba communities that is unprecedented.

If you ask residents of other jurisdictions in Canada about how they view our rural province, those who have any knowledge of what is going on in rural Manitoba certainly look with some envy I might say and also with some encouragement that they too are going to be able to learn some of the lessons that we have learned in rural Manitoba and can implement them in their jurisdictions.

In Rural Development we have worked hard to be a catalyst in helping rural Manitobans to revitalize the rural landscape. I think that was evidenced by the census figures that came out just recently where in rural Manitoba we have seen an increase in population of some 18,000 people.

Our REDI and Grow Bonds programs have supported rural Manitobans as they continue to contribute to this

upward trend. No question, the credit for the growth in rural economy belongs to rural Manitobans. Programs like REDI and Grow Bonds provide businesses and communities with the added bit of support that they need to make these things happen. This level of support often makes the difference in whether or not a community project or business initiative goes forward.

As we have seen in the past, unfortunately our traditional financial institutions, our banks, have shied away from the small rural businesses, and that is unfortunate. The one plus that I see is that through our Community Works Loan Program credit unions have moved in and have taken a very active role and have actually funded some of the Community Works Loan Programs and have been a major supporter of that program. It is certainly encouraging to see, because now we see credit unions giving back to their communities some of the things that they have been beneficiaries of as institutions in those communities.

Since 1992, our Rural Economic Development Initiative has spent \$28.9 million to support innovative projects. REDI funding has leveraged close to \$70 million in new capital investment and created more than 1,700 full-time jobs. Programs under REDI, such as Rural Entrepreneur Assistance, infrastructure and strategic initiatives lending much-needed assistance to innovative community and business endeavours have been implemented. The increased interest by Manitobans in strategic initiatives means that in the coming year we will allocate greater portions of our resources to this program.

The introduction, as I have just noted, of the Community Works Loan Program under the REDI umbrella already has shown strong signs of filling a void in support of small and home-based businesses. I might say that the Community Works Program, in partnership with our communities, is providing loans to those people who often do not have an ability to put up enough collateral to borrow money from a traditional financial institution. Although these loans are small, about \$10,000, I can tell you that they are very significant to first-time business entrepreneurs, women especially who are often left out of the business area because they cannot access capital to get their small businesses up and running. It is also significant for the home-based businesses where we see a significant

number of them springing up in the rural part of the province.

To date, about 20 communities participating in the program are offering another viable way of funding small businesses that otherwise would not be available in rural Manitoba. The increased resources for the Community Works Loan Program will ensure us that the level of uptake that we had anticipated when we announced the program is going to be fulfilled.

The priority of Manitoba Rural Development is to create opportunities for our rural youth as well. Programs like Junior Achievement, Partners with Youth and the Green Team give our young people job experience, training and information towards the future work options. In Junior Achievement, currently we have 185 Junior Achievement programs and 10 company programs that are being delivered in our schools in 90 Manitoba communities. Volunteers contributing more than 5,000 hours of personal time are certainly important in the delivery of the programs. We have something in the neighbourhood of 12,000 rural students who have participated in this program since 1993.

Our Grow Bonds Program has supported 22 projects. This has raised about \$10 million in community support and is generating an additional \$28 million in private capital investment. Our Grow Bonds Program is adding to Manitoba's strong job growth creating upward of 490 jobs. The intent of the Grow Bonds Program is to enable Manitobans to invest in their own home towns rather than having this investment leave the province, perhaps to investments either in eastern Canada or even outside of the country. Guaranteeing the principle offers a safety net for those who invest with confidence in their communities. Knowing, too, that they are creating an investment climate for financial stability in their communities is important to our rural communities and this small guarantee allows the communities to really take an active part in building their own community and achieving their own economic goals and objectives.

* (1620)

Following the Provincial Auditor's recent report on the Grow Bonds Program, our department has taken the

initiative to strengthen the program. One of the actions we have taken, which is reflected in a reallocation of the department of resources, has been to hire a compliance officer. This will ensure that the kind of due diligence that we believe is needed in the approval process is going to be carried out. Our actions have resulted in the Provincial Auditor noting that, and I quote, management has made considerable progress in addressing our recommendations, unquote. Creating jobs in rural Manitoba for that matter or anywhere else is not an easy task, and it takes a great deal of effort to create those jobs that are being created in the rural part of our province. There needs to be a lot of co-operation, as well, from entrepreneurs in the community and from all levels of government. Even then, there are no guarantees that we will succeed each and every time. We believe in the strength, the abilities and the ideas of rural Manitobans, and we will continue to utilize our Grow Bonds Program to support their efforts.

What are the benefits of all our supports to rural Manitobans? Well, I think there are many. Through new business starts supported by REDI and Grow Bonds, the results of increased employment, in investment, in tax revenue for Manitoba is certainly evident and that is growing on a daily basis. Recent bonus payments to cities, towns and villages in rural municipalities through our provincial municipal tax-sharing revenues, due in a large part to a strong economy for rural Manitoba, shows that there are benefits accruing to our rural communities when in fact businesses are created, when in fact greater taxation is received by the province and the federal government and in this way we are able to share those revenues back with our municipality.

Another reflection of the strengthening of rural Manitoba's economy is the increase in land values throughout most of the province, and we have just completed a round of reassessment in Manitoba. As noted, the increased land values across the province show that there is a strengthening of our economy in the rural part of our province and that is reflected in the values of property throughout our province.

Mr. Chairman, I think the number of jobs which has taken place of doing reassessment every four years will continue to show the importance of having equitability

in the distribution of taxes in our province. Although we had embarked on a three-year reassessment cycle, because of the difficulties that appeared in the city we had to amend the legislation to allow us for a four-year reassessment cycle. Our long-term goal is to compress that cycle. However, I think even with a four-year cycle it shows that we can not only create equity between taxpayers but also it gives us a current status of where the values of our property are at. If we look at the system that we have today and compare it to what we had previous to assessment reform, we are ages ahead of where we were then. I would have to say that many other provinces are taking Manitoba's lead in this whole area of reassessment and are following some of the principles that we have adopted in terms of market-value assessment and in the way that we have phased in some of the increased assessment and allowing municipalities to phase in their increases has also been an important component of assessment reform.

So to get this process in place and to get it adopted by rural Manitobans, we have had to involve rural Manitobans with information about reassessment as well as giving them an opportunity to express their views at close to 200 open houses which have been planned throughout the province. I might say that these open houses have allowed Manitobans to come forward, to discuss their assessment, to understand their assessment better. The other thing that it has done is that it has allowed municipalities to also get a better understanding of where the assessment cycle is at. With technology today, Mr. Chairman, I have to say that we are able to pull up an individual's assessment right in a municipal office and allow him or her to compare their assessment values with properties that might be in their proximity so as to give them a better understanding of whether or not their assessment is fair, whether it reflects the market values in the area. What this does in the end is it limits the number of appeals that we have either to the Board of Revision or to the Municipal Board. Now we have not seen that yet, but I think down the road as people get more comfortable with the system we will see that the information they are getting today will build confidence that the system in fact is fair, is equitable and reflects what the true market value of their property is.

I want to spend a little time, Mr. Chairman, if I might, just talking about the empowerment of our

communities. Building grassroots support is integral to the sustained community and economic growth in rural Manitoba. Manitoba Rural Development is proud to support our Community Round Tables and this concept involves the coming together of rural citizens from all walks of life. If anyone has participated in one of these round tables you will find that it is just not the economic development people who come to the round tables. Indeed, you have people from the social side, people who come from the education side, the banking side, the economic development side, the agriculture side, the manufacturing side, so there is a gathering of people from all walks of life and the purpose is singular and that is to come together and talk about what is right, what is best for the communities and how a community can build on its strengths.

It does not just have to deal with the small community because some of our larger communities are in fact experiencing some very significant, I guess, positive aspects of Community Round Tables. I remember when I first came to this department, it seemed that every community you went to was either chasing a strawboard plant or was chasing an ethanol plant and it seemed that everybody was focused on getting the same kind of project in their communities, but they were doing this because they really did not know what they should be pursuing. Once we established the round tables and we were able to focus a community on building on its strengths we found that whole notion of trying to chase the same dream disappeared and everybody then began to focus on what was best for his or her or their community and began to then pursue either projects that were created from within or projects that could be attracted to the community because of the strengths of that community.

Some of that, I guess, is evidenced by the fact that we now have a strawboard plant that has been announced for Elie. We know that, for example, the burning of straw was an issue in this Capital Region, and by now creating a project that will utilize that surplus straw in this Red River Valley and in this whole Capital Region, it is going to achieve not one goal but several. First of all, that straw that has to be taken off the land will now have an economic purpose. We will not see the clouds of smoke hovering over the city, even though we have legislation that is supposed to prevent that, but today

we are turning what is a negative into a very significant positive, and a positive that is not only going to create wealth but is going to create many needed jobs in the Elie area and in the province of Manitoba.

So, coming back to the round tables, in the span of a few short years, we find that there are 84 round tables in existence today. They involve more than 140 municipalities. I think Manitoba Community Round Tables have aroused the interest from community groups not just in this province but, indeed, around the world. I have to give an example of someone from England who happened to be in touch with one of our economic development officers in London, who wanted to know more about our Community Round Tables and about the economic development in rural Manitoba, because it seemed to capture their attention and seemed to address some of the issues that they are dealing with as far away as that country. So this is a movement, I think, that is catching on in other parts of this country and other parts of the world as well.

* (1630)

Mr. Chairman, as I say, it highlights the importance of involving Manitobans at all levels. It also shows how much creativity and ingenuity Manitobans have and their willingness to work together for a common purpose. I guess the strawboard plant is one example, but if you look at the tire recycling project in Winkler, Manitoba, it is another example of a product that we had a surplus of. I think we can all remember some of the disasters of the black clouds of smoke when tire piles caught on fire and the damage that they were doing to the environment. Today in Manitoba I am proud to say that we have probably utilized all of our surplus used tires and are looking elsewhere for a supply of tires as well. We have created not only economic wealth, but we have rid ourselves of a problem that was becoming an environmental hazard to all of us.

The solution did not come from us in government or from opposition; it came from Manitobans who were given a challenge. I think that once again Manitobans have shown their creativity and ingenuity in coming up with a solution when they have been presented with a problem.

In closing, once again I would like to extend my thanks to all of our citizens in the rural part of this province for their continuing to have faith in our department and to work with our department in co-operation with any kind of initiative that we have embarked on. As we deal with the problem that is before us now of flooding in the southern part of our province, I know that municipalities have done a tremendous job so far. I know that they are probably under extreme stress right now as they fight the waters that are coming our way in trying to protect their communities. I want to assure them that as a department, although it is not our mandate in terms of protecting these communities, we will work as effectively and as hard as we can to ensure that we are a facilitator and a catalyst in trying to solve some of these problems.

Mr. Chairman, I also would like to indicate at this time that the result of the improved quality of life for all our rural citizens is the result of many hours and many days and many years of hard work, and this, I think, is starting to bear some fruit because no matter where I travel in the rural part of our province, whether it is in the southern rural side or whether it is in northern Manitoba, we are finding a change in attitude, an attitude today that seems to exist out there which speaks to the challenges but also talks about the opportunities that lie ahead of us. If we in fact have changed the attitude, I think we have accomplished a great deal.

I was in northern Manitoba not more than a month ago. I would have to say that in northern Manitoba we have a very optimistic group of communities who are looking at their own communities and at their own resources. As a matter of fact, I was given a bit of a challenge. I was asked whether or not I have ever heard of farming without a plow. I did not know what they were talking about until they explained to me that some of the natural fruits and berries that grow in northern Manitoba are certainly prime as an agricultural product and can find their ways into many of our markets not only Manitoba, but indeed outside of province.

So there are opportunities out there. I guess there is a reason to be optimistic. All we have to do is to ensure that we give the communities the kinds of tools

that they need to work with to achieve their goals and their dreams.

To conclude, Mr. Chairman, I would like to also add my sincere thanks and gratitude to my deputy minister and my staff in the Department of Rural Development, who have worked very hard over the past five years in the tenure of my being minister of that department. I think they have done a really tremendous job in leading this department. I think we are going to see once again their efforts being rewarded when we celebrate the successes of rural Manitobans at Rural Forum 97 which is going to be held in Brandon from May 8 to 10.

With that, I conclude my opening remarks. I look forward to the remarks from my honourable critic, the member for Interlake (Mr. Clif Evans).

The Acting Chairperson (Mr. McAlpine): We thank the honourable Minister of Rural Development for those comments. Does the critic for the official opposition, the member for Interlake, have opening comments?

Mr. Clif Evans (Interlake): Yes, I do have a few. It was quite enlightening to hear the minister talk about the department, its accomplishments and why the department is in place. I am pleased to see that we do have—and I say we being a rural member and critic now of Rural Development for the past three or four years I believe. Fours years, it is almost like a marriage already—

Mr. Derkach: Let us not get that close.

Mr. Clif Evans: We are pleased to see that the government of the day has seen fit to keep the funding available for rural development. The minister's comments with respect to the REDI programs, the round tables, the grassroots, the amount of money being generated within our communities due to the rural development initiatives, the jobs, are a plus. I really feel strongly about that and will support that. Some of the initiatives of course—and as the minister indicated—do come and have to come from our grassroots people, from the people that we want to be able to maintain in our communities.

There are different projects throughout Manitoba that, to certain communities, could provide an

economic boost. Hopefully with the support and continued support I would say of the Rural Development Department, some of our communities will be able to enhance the opportunity and see success at the end of the road when it comes to dealing with whatever possible way that they can get the economic development flowing into their areas. For example in my area and my home community—and I want to say my home community—in my constituency, Riverton, we were pleased to see that Gromar from Alberta has already completed a feasibility study for peat moss, an initiative that came about rather just abruptly when the Sungro people and the Premier people came to a council meeting to inform council that they needed council's support not to go ahead with the Hecla Island area becoming a federal park because lo and behold, there is somewhere of 75 to 100 years of peat moss there and the potential of 200-plus jobs.

So the initiative was started through that for the community, and now I hope, certainly, that the department has been involved, of course, with the REDI section, and hopefully, if there is anything else that Rural Development can assist that community in achieving the future plants and the future harvesting of peat moss and, of course, the future of jobs in that area, and being an area that is dependent on its farming and fishing, such an industry would be a great plus for the whole area, not just for the Riverton community.

I appreciate the comments the minister has made about keeping rural Manitobans in rural Manitoba. That, I believe, is something that is very, very important to our communities throughout the province. Whatever initiatives can be brought to light to do that, I think we have to work very, very diligently as communities, as people, with the government of the day to maintain that and increase it. Certainly, as we know, in some areas of the province, unfortunately population has dwindled and has dropped due to many circumstances, lack of jobs being one of them and, of course, education.

For our young people to get their education, they must leave, and some do not come back. Hopefully, through some of the initiatives that are in place and will be in place for the future, we will get our young people back to their home communities and deal with the initiatives, deal with the grassroots people who are still there to enhance that community for the future, for their

future and for the future of our younger people who reside there.

* (1640)

Having been a rural member as far as living for the last 13, 14 years, Mr. Chairman, I really feel that rural development—and I am proud of that. I am proud of the fact that I was one who went to the rural area and started a new life in rural Manitoba regardless of what type of business or transactions that took me out to rural Manitoba. It was a pleasure to do that.

But I have also seen, living in some of these communities and representing some of the communities, the problem with being able to find the right initiative which has become increasingly great for some of the communities. Some communities have been fortunate enough to fall upon an idea, to fall upon an initiative such as the peat moss in Riverton or the Grow Bond issue in Arborg and some of the other communities, but some communities are having a difficult time with that, and these communities are involved in round tables. I just say that hopefully these communities, if an idea does come up, will be able to come to this minister and to whatever program that is available to help them enlighten that goal that they have or find to prepare themselves and get moving with some initiatives.

The minister is right that the Crow rate has forced diversification and has perhaps in some communities—and we talk about sustainable development, which we will discuss during the Estimates process, and the upcoming act. Sustainability in certain areas has become an important issue, but the minister has to understand that there are other parts of the whole scope that could affect, perhaps negatively, some of the other areas that have, of course, resulted with the forced diversification of our farmers and our communities. We will, during the Estimates process, I hope, discuss this with the minister because the minister has to also provide I think—and besides the catalyst support and the service support that his department does have for our rural people, he has to also remember that other aspects of government, other aspects of the situations that people are dealing with in rural Manitoba is an important arm of Rural

Development and economic development for communities.

We are hoping that the minister will in due process, in due time, support rural Manitobans when it comes to the fact that their infrastructure is affected, to look at the fact that the minister will support when through diversification communities are looking to Rural Development to help them when it comes to an aspect that because of diversification another department is going to be affected, their water resources, tourism and things like that. Hopefully, we will be able to have this minister and this department take all that in mind when the time comes. We are certainly looking toward new things happening in rural Manitoba, and we certainly want to see projects in our communities continue, increase.

I want to say that I would also like to point out that being a part of the new Municipal Act, as far as being the opposition critic, if that was a part, but I had the opportunity of sitting in on many meetings when the act was being drafted up, and we are pleased with the new act. I can tell the minister that members of councils in my communities have changed over to the new act. The LGDs have become R.M.s as of January 1 with a good transition. I have heard nothing negative as yet, so I am pleased to have been a small part of that, and hopefully play a part if, in fact, there are communities that feel that there has to be changes and will approach the minister.

With that, I want to also say that I would like to see the department continue with its good work. I would also like the minister to be very up front with us in the opposition, with myself as critic.

When it comes to issues during the Estimates process, we will get into the Grow Bonds issue. It is like I told the minister during Interim Supply about the Grow Bonds issues, that this member and I think all members would be very up front with the minister if, in fact, the return was there, that the minister would always be up front with us when we ask the minister certain things, that I want that to be set in place. We do not need to bring any sort of harm, if you want to call it that, or any sort of doubt about any of the programs or about what is going on without being up front with the people because it is the people's money that we are

dealing with. We will go into the Grow Bonds issues further at a further time.

With that, too, I would also like to just add my compliments to the department staff from the deputy minister right down to wherever of the whole department. I think I have had good co-operation from the department and from the deputy minister and the ADMs. The Executive Support staff have not, at any time that I can remember, ever said, well, we will have to talk to the minister first before we talk to you, which is greatly appreciated, and I thank them for that. I think they are doing a good job.

I guess that is pretty well my opening statement. I just want to say, too, in closing that I will continue to work with the minister as long as the minister will continue to work with myself and members of the opposition or other members, that we have to work together with rural development. I think right now the Rural Development department has to play a strong role, perhaps even a stronger role, in getting our rural economy on the upswing. If it is on the upswing, as the minister has indicated, I feel there is room for greater improvement as far as that goes. So with those opening remarks, I look forward to the Estimates process.

The Acting Chairperson (Mr. McAlpine): I thank the critic for the official opposition party for those remarks.

Under Manitoba practice, debate of the Minister's Salary is traditionally the last item to be considered for the Estimates of a department, and, accordingly, we shall defer consideration of this item and now proceed with the consideration of the next line.

Before we do that, we invite the minister's staff to join us at the table and ask that the minister introduce his staff present.

Mr. Derkach: It is my pleasure to introduce at this time my Deputy Minister Winston Hodgins, and, in addition, Brian Johnston, who is the chief of financial services in the department, and also joining us is Ms. Aline Zöllner, who is the deputy minister's special assistant.

The Acting Chairperson (Mr. McAlpine): I thank the minister for the introduction, and we will now

proceed to line 1.(b) Executive Support (1) Salaries and Employee Benefits on page 114 of the Estimates book. Shall the item pass?

Mr. Clif Evans: I just basically would like a quick breakdown. You know, I could look through the book, but I understand, of course, the deputy minister's position entails more than just being the deputy minister of the department. Could the minister just outline some of the roles that the deputy minister does have and where his position takes him besides being Deputy Minister of Rural Development?

* (1650)

Mr. Derkach: As in any other department, the deputy minister is the chief executive officer of the department. He is responsible for all administrative matters as they relate to the department, and, in addition, any special operating agencies that fall within the purview of the department. In addition, the deputy minister also presides over several, or is attached to several boards that are associated with the department. He is also responsible for the Manitoba Water Services Board, the Leaf Rapids properties, which he, along with some other senior staff in government sort of form the corporate board for that particular property. He also sits on the Municipal Employees Benefits Board. I think he is chair of that board, as well. In addition to that, he is also responsible for co-ordinating activities between departments that have interests that reflect rural Manitobans' wants and needs. He also acts as a co-ordinating individual for the sectors that discuss matters which relate to rural Manitobans and which affect rural Manitobans as well. In addition to that, he also has responsibility over the assessment area as the chief operating officer, so therefore that involves him having discussions and deliberations with the City of Winnipeg as well.

So that is sort of a general, if you wish, overview of the responsibilities and duties of the deputy minister of the department.

Mr. Clif Evans: Could the minister just indicate—it is such a small decrease in Executive Support funding and it does not show any drop of staff, but it does show an \$8,000 decrease. It is a small number, but what would be the cause of that increase, or decrease—I am sorry—

even though it is in administrative support, yet the staffing has not changed?

Mr. Derkach: Mr. Chairman, from time to time staff change in a department and when that happens sometimes a senior staffperson will change, and you will hire at the entrance level. The decrease in this particular area reflects a vacant position which was then filled at the entry level.

Mr. Clif Evans: So what the minister is indicating is, there has been, in administrative support staffing, a change of people due to one leaving and hiring someone else.

Mr. Derkach: Or vacancy.

Mr. Clif Evans: Or a vacancy. Okay.

The Acting Chairperson (Mr. McAlpine): 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$400,300—pass; (2) Other Expenditures \$78,000.

Mr. Clif Evans: I am sorry if I missed something. We were on 1.(b) Executive Support, and what happened to 1.(c)?

An Honourable Member: We are still on (b).

Mr. Clif Evans: We are still on (b)? Am I missing something?

An Honourable Member: No, nothing.

Mr. Clif Evans: Okay.

The Acting Chairperson (Mr. McAlpine): Item 1.(b) (2) Other Expenditures \$78,000—pass.

1.(c) Brandon Office (1) Salaries and Employee Benefits.

Mr. Clif Evans: In the past, I see that the Brandon office—has the minister cut the Brandon office down—not in staffing, I see, but in cost? Is this, again, due to changes in staffing and replacing staffing at lower rates of pay, and if there have been staff changes,

for what reason, or what kind of staffing is in place there now?

(Mr. Peter Dyck, Acting Chairperson, in the Chair)

Mr. Derkach: Basically the same answer, Mr. Chairman, as previously with regard to filling vacancies of positions. I would just like to tell the member, for example, in the director's position, where we had it at \$59,700, we now have reduced it to \$46,800. In one of the other categories, here at the administrative assistant level, we were up at \$51,800, and that has been downsized to \$35,900.

Mr. Clif Evans: Okay, so the totals that are shown in the Estimate book are the totals of the two employees at \$77,900 as compared to \$93,700. So has anybody been changed in that office? Is it the same people? Obviously not, if there has been a change of costing.

Mr. Derkach: Mr. Chairman, the staffing levels are still the same. It is just that, as we have vacant positions and we fill them, we fill them with people who perhaps are not at the level of experience that the former positions had; therefore, you can reduce your costs in that way.

The Acting Chairperson (Mr. Dyck): 1. Administration and Finance (c) Brandon Office (1) Salaries and Employee Benefits \$136,700—pass; (2) Other Expenditures \$53,400—pass.

1.(d) Human Resource Management (1) Salaries and Employee Benefits \$114,100—pass; (2) Other Expenditures \$20,900—pass.

1.(e) Financial and Administrative Services (1) Salaries and Employee Benefits \$312,600.

Mr. Clif Evans: Mr. Chairman, I notice with interest, of course at the bottom it indicates that there is an increase due to the addition of an executive director position within this part of the department. I noticed also, going back, that in '95-96 Estimates the managerial position was at \$51,800. It went up to \$56,500. Now, of course, we have got the other position that the minister's Estimates indicate here, that of executive director. Who has been hired as executive

director for this department? What is his or her goal or mandate within Financial and Administrative Services?

Mr. Derkach: Mr. Chairman, because of the new programs that have come on stream in the past number of years, and in order to try and ensure that we have proper accounting functions or, I guess, procedures in place, we feel, and of course I think it has been referred to in reports, that a comptroller's position would probably be beneficial to the department. This is a position that will be advertised. We do not have that position in place at this point in time, but it will be advertised, and that will be done very shortly.

Mr. Clif Evans: Mr. Chairman, the minister has indicated that there is a necessity for a position such as this. Is there any difficulty or is it just a matter of work that is there that the one managerial position cannot handle? If that is the case, that is fine. If the minister then could just indicate, he said it was going to be advertised soon, when can we see that and when can we see the hiring of that position?

Mr. Derkach: Mr. Chairman, as the member knows, there has been significant growth I think in the activities of the department over the last four or five years, and that has put extreme, I think, stress and pressure on the staff that are in this particular area. So we feel very confident that assistance in this area will help our overall function of this area through the department. This position will be advertised very shortly, within the next few weeks. It probably takes another month or month and a half, at least, after the advertising goes out in order to be able to screen and get the individual in place. So I would say that within the next three months we will have this position filled. Unfortunately, it is a slow process, but that is an established process that we have to follow.

* (1700)

Mr. Clif Evans: Mr. Chair, I appreciate those comments. I do appreciate the fact that the minister has indicated that the work level within the department has probably increased substantially in some of the areas. If that is what it takes to make sure that part of the department runs more efficiently, then I feel that is the way to go. I have no problems with that.

Under Other Expenditures, if I could—and, again, just some of these questions that I just would like to be answered, not really knowing. I appreciate the minister's co-operation and support.

Under Transfer last year there was a loss of \$9,300. This year there is no loss. What did that include? What part?

Mr. Derkach: Mr. Chairman, in the past fiscal year, there was a need to enhance the Small Business section of our department. Therefore, some funding was taken out of this area to bolster the Small Business section of the department, and that is why there is a decrease of 9.3 in that particular column. This year that was not a requirement, and therefore there is no figure in that particular area.

The Acting Chairperson (Mr. Dyck): Item 1.(e) Financial and Administrative Services (1) Salaries and Employee Benefits \$312,600—pass; (2) Other Expenditures \$188,200—pass.

2. Boards (a) Municipal Board (1) Salaries and Employee Benefits.

Mr. Clif Evans: Going back to my notes from last year's Estimates on the Municipal Board, the minister had indicated—when I asked the question of how the board meets and how often—that there was a backlog last year, a substantial backlog, I understand. Can he put us up to date with the Municipal Board's mandate since last year? I understand there is, of course, a new chairman who has been permanently positioned now for the Municipal Board.

Mr. Derkach: Joining our table, Mr. Chairman, just before I answer the question, is Marie Elliott, who is the assistant deputy minister responsible for local government.

With regard to the question about Municipal Board, yes, it is true. The member is correct. Last year we had a significant backlog. That backlog is still significant, and because of the appeals that were coming to us from the city, the workload was becoming such that it was evident we needed additional staff. As the member knows, we appointed additional members to the Municipal Board, especially from the city of Winnipeg,

to deal with the appeals that were coming from the city of Winnipeg.

That was done a couple of months ago, and, in addition to that, we have increased our staff complement by one in adding an executive director position to the Municipal Board. That person is someone whom the member may know. She was involved in The Municipal Act. Ms. Dianne Flood is the individual that was hired for that position. Her position is executive director, and Mr. Bob Smellie is still the overall chair of the board, and basically the complement is at that level.

Now, in terms of the numbers of appeals, if I could just take a moment, Mr. Chairman, if I might, I would just like to go back to 1995. In the annual report it shows that there were 695 new appeals and referrals received. In 1996 that went up to 806. If you were to look at the numbers today, now they vary from week to week, I guess, but we are down, we are at about 734 as compared to the 806. But that may increase because as you know there are appeals that keep coming to the board at all times.

The board is now sitting with more committees, more committees of the board, so therefore they can deal with more appeals. What we are finding, though, is that although the board calls hearings, many times just days or a day before the hearing is held, the matter is resolved and the board does not have to sit, which is just as good as well because it means a quicker resolution. We are seeing a significant number of those being resolved before they hit the board level.

Mr. Clif Evans: I am sorry, Mr. Chairman, and Mr. Minister, the '97 number that you gave just towards the end there, you had a number after your '96, you said 806 appeal of referrals. You gave another number.

Mr. Derkach: At the end of December of 1996 the applications, appeals and referrals that were outstanding was at 734. At the end of 1995 there were 493. So that number is up because as you know there have been significant numbers of appeals to the board, especially at the urban level.

Mr. Clif Evans: So even though the numbers are up as far as application for the process at year-end, at the end

of December, these numbers you have given are the numbers of cases that were heard and decisions were made on.

Mr. Derkach: Those are the referrals that were made to the board. Now as I indicated, sometimes, or oftentimes, a referral that goes to the board may be resolved just prior to a panel meeting. Although a panel is called, it may be days, or a day, before the panel actually gets together, a referral that has been made to the board has been resolved, then the panel does not have to meet. That has happened on several occasions. As a matter of fact, we have had people who have travelled long distances to a panel, arrive only to find out that the meetings have been cancelled, because the matters that were before them have been resolved either between the assessor, the appellant or through the lawyers. So the hearing is not needed then.

* (1710)

Mr. Clif Evans: The minister has explained one staffing addition with the executive director. There have been three new positions since '95-96. Of course, we see the increase of the executive director. What were the other two positions since '95-96? Were those administrative support? I see under this '97-98 over '96-97 is, of course, one staff increase in managerial which will be the executive director. The other two positions that the Municipal Board has received, what were they?

Mr. Derkach: The member might recall there was an amalgamation at the board level between the Land Value Appraisal Commission and the Municipal Board, so that, in essence, has added the staff complements that are referred to in his question.

Mr. Clif Evans: The executive director position has been in place for how long now? Has it been a full fiscal year or has it been a part year?

Mr. Derkach: Mr. Chairman, I would say that position has been in place approximately three months. It was a seconded position from the Department of Justice.

Mr. Clif Evans: Can the minister then just provide us with a job description of this executive director and

why absconded from the Department of Justice? What is the relationship?

Mr. Derkach: Mr. Chairman, the executive director's position is basically to complement the work that is being done by the chair of the Municipal Board. In addition to this, this particular individual has taken on the role of vice-chair and also chairs some of the panels that are called.

Being a professional lawyer, her role is to not only write decisions that are made by panels or the board but also to do the internal work of the Municipal Board in preparing cases and in scheduling cases and making sure that all of the necessary footwork is done by staff in order to be able to have the cases ready to go before the different panels.

So in other words, she will assist the chair to oversee other panels that are set up by the Municipal Board. In essence, as an executive director, her role is to oversee, to review and to write decisions that are made by the board.

Mr. Clif Evans: The stipends for the board members at \$134,006 have pretty well stayed the same, I believe, but I do not know if we have ever questioned or had reason to question. The stipend is for the 26 board members, not for the chair, of course, neither for the executive director.

So what does the department pay for its board members? How do they pay them, on a per diem, travel, et cetera? How do they come about those numbers?

Mr. Derkach: Mr. Chair, we try to co-ordinate the per diems that are paid to board members throughout government, although they are not all exactly the same. We take into account the workload of a particular board and also, I guess, the degree of expertise that is required on a board. Also, we pay for such things as travel time, out-of-pocket expenses and meals, and it varies between chairpersons who have to do extra work, chairpersons of panels, down to members who are not responsible for chairing any panels and that sort of thing.

Now, would the member like me to read the per diems as they are for each of the categories?

Mr. Clif Evans: No, just the basic numbers.

Mr. Derkach: Mr. Chairman, as I said, it varies depending on the position that is taken by an individual. If you are an acting chairman and you spend less than three and half hours, the rate is \$138. For an acting chairman for more than three and a half hours, it is \$243, and for more than eight hours, it is \$303. A member for a meeting for less than three and a half hours is \$79. A member for more than three and a half hours is \$139, and for more than eight hours, it is \$199.

Basically, those are the rates. An acting chairman who is required to do preparatory work will also be paid \$138 for the work that is required to do for less than three and a half hours.

Mr. Clif Evans: I thank the minister for that. I know that there are, of course, lots of appeals and referrals. I asked the minister about this a couple of years ago, as far as members of this board have to travel helter-skelter across the province to hear these appeals and referrals and applications.

How often would one member, per year, just one board member—how many meetings would he or she have to sit in on over an average year?

Mr. Derkach: It varies, Mr. Chairman, because it depends on where the hearings are. We try to utilize the expertise of people in regions where they live, and so, therefore, if it is a city appeal, and the predominance of appeals is a city, we try to use as many of the urban board members as possible, but it does not exclude rural members. For example, if we are hearing cases in northern Manitoba, we will try to use as many people from northern Manitoba as possible. If it is in western Manitoba, we do likewise, so we try to spread it around.

There is no formula or no regular amount that any one member would receive. It would depend on the availability of their time when they are called on, secondly, where the appeals are, and, thirdly, I guess, expertise in certain situations. People who have some background, for example, in commercial property, we would use their expertise in that regard. If they have expertise in residential property, if they have been a former appraiser or sales manager for properties, then

we would utilize their expertise in that area, real estate agents and so forth.

Mr. Clif Evans: Of course, too, you would see how many appeals or cases would want to be heard in a specific area. Let us say in the northern region, the board would not meet just for one specific issue, would they? I mean, there would obviously have to be a period of time where you could co-ordinate a whole bunch of appeals all at one time or over a period of two days so that members are not going back and forth. I am hoping that is the way it works.

* (1720)

Mr. Derkach: We try to, and the board chairperson attempts to be as efficient as possible in scheduling hearings. We do not delay hearings, but on the other hand if we are hearing cases in a remoter region from the city, we try to ensure that there is at least a full day of work for the members if that is possible, but sometimes that is not possible, and you have to hear a case. If there is one that is outstanding and there are no others coming forward, you do have to hear those.

The Acting Chairperson (Mr. Dyck): Moving down then on Boards.

2.(a) Municipal Board (1) Salaries and Employee Benefits \$559,700—pass; (2) Other Expenditures \$216,700—pass; (3) Less: Recoverable from other appropriations (\$57,400).

Mr. Clif Evans: Mr. Chair, I would like to just ask, and I do not believe I have before on this note, what this line is.

Mr. Derkach: The Recoverable line?

Mr. Clif Evans: Yes.

Mr. Derkach: That is money that is recoverable from the Department of Government Services for the work that is done on their behalf by the Land Value Appraisal Commission.

The Acting Chairperson (Mr. Dyck): 2.(a)(3) Less: Recoverable from other appropriations (\$57,400)—pass.

2.(b) Surface Rights Board (1) Salaries and Employee Benefits \$20,600.

Mr. Clif Evans: Can the minister just indicate the reasons for this slight drop in both Salaries and Other Employee Benefits? There are no staff years, of course, because it is a board, but of course we see increases in the Municipal Board side. We see increases of staff. Can the minister indicate why, again, a small drop of \$5,000?

Mr. Derkach: Mr. Chair, this is a result of activity that the members are involved in. As the member knows, the more activity there is, the more times they have to meet, and therefore their stipends will go up. It varies from year to year, so it is not a constant. Seeing what is happening in the oil patch right now, I would project that you will probably see an increase in this particular area in the coming year. So it dips up and down depending on the amount of activity there is in this whole area of Surface Rights.

Mr. Clif Evans: The board itself, and the minister can correct me if I am wrong, is that the board, the Surface Rights Board, that we went to last year for an annual meeting, with other provinces also that were in attendance? The chair of that board is who, and if the minister could just indicate who the five board members are, please.

Mr. Derkach: Yes, Mr. Chairman, I would be happy to. The chair of the board is Mr. Cowan. The members of the board are Mr. Carey, Mrs. Hodgson, Mr. Cochrane and Mr. Tolton. Now I maybe should have indicated where they are from. Mr. Cowan is from Hartney; Mr. Carey is from Deloraine; Mrs. Hodson is from Birtle; Mr. Cochran is from Hamiota, and Mr. Tolton is from Kenton. Now I should say also that we try to get the board from the region of the province where you have oil activity and where there is activity for the Surface Rights duty. So that is why you will see a concentration of people from the southwestern side of the province.

Mr. Clif Evans: With the introduction of legislation last year that was passed, does the minister foresee any benefit as far as disputes with the act that was passed, the legislation, with the board or with oil companies and, of course, with the landowners?

Mr. Derkach: Well, Mr. Chair, what it was designed to do was to limit the amount of time that a rig had to sit on the side of the road after there was an agreement between the landowner and the driller, or the drilling company. In the old part of the act there was a provision where there had to be 72 hours between the time that the agreement was struck and the actual, I guess, inaction or action of the work. In the act we said if there was agreement, mutual agreement, between the two parties, that the 72 hours could be waived and that the driller could go in immediately and begin drilling.

Mr. Clif Evans: That is what I was referring to, and so hopefully will that prevent more of having to hear these disputes that the Surface Rights Board has had to deal with? Will that assist that or not?

Mr. Derkach: No, I do not think it will, Mr. Chair. I do not think it is going to impact significantly on the work of the Surface Rights Board, but all that the act does is, if there is mutual agreement, it allows the individual to get on the land earlier, but it really does not have any positive or negative impact on issues that the Surface Rights Board has to deal with.

The Acting Chairperson (Mr. Dyck): 2.(b) Surface Rights Board (1) Salaries and Employee Benefits \$20,600—pass; (2) Other Expenditures \$15,400—pass.

Resolution 13.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$755,000 for Rural Development, for Boards, for the fiscal year ending the 31st day of March, 1998.

13.3. Small Business and Corporate Planning Services (a) Corporate Planning and Business Development (1) Salaries and Employee Benefits.

Mr. Clif Evans: I can read through of course on page 36, the Objectives. Could the minister just provide us with a little bit of a breakdown on the activity within this part of the department, what we see so far that has been done, and what we are hoping or will get done? Some of the objectives are listed here, but if he could just enhance us a bit more on what this part of his department does.

Mr. Derkach: Mr. Chairman, I would like to introduce at this time Mr. Ron Riopka, who is the executive

director of the Corporate Development branch, and also Mr. Paul Staats, who joined the branch a while ago and is in charge of the Small Business and Community Support Branch.

In terms of the responsibilities of this branch, Mr. Chair, first of all, on the Corporate Planning and Business Development side, this branch provides the management and the co-ordination of policies and programs and procedures within the department. It also helps our Local Government Services and our sustainable land and resource management side, and it also includes the responsibility for the operations of Interdepartmental Planning Board and the Provincial Land Use Committee.

* (1730)

This particular branch is the one that is also involved in I guess much of the work that goes into putting on our annual forum. The staff is extremely busy throughout the year, and as the member knows this year we have undertaken another responsibility, and that is the Canada-Ukraine Business Initiative. We have the responsibility of putting on the construction symposium that will be held in Winnipeg in June and, again, this is the branch that is largely responsible for that area as well.

As you well know, this branch has also been active in such things as airport area plan, the Sustainable Development legislation, our Capital Region's waste management task force, the Sustainable Development Strategy of the department, and co-ordinating between ourselves and other departments. There is an extremely large workload when it comes to the Provincial Land Use Committee, and the Provincial Land Use Policies of the department and of municipalities, and also involved in the Capital Region's committee work, which, as you know, is a significant amount of work as well.

Then, in addition to that, when we talk about The Planning Act and sort of the overview and the management of what happens under that particular act, this particular branch is involved in that fairly extensively, and as we get into reviewing The Planning Act, you will find that this branch is going to have a very major role to play in that regard as well.

So it is a very, very busy part of the department, one that I think sometimes to myself, how in the world did they ever get the things that they do accomplished, but they do extremely well. If you want an example of that, the Rural Forum is just a tremendous undertaking. Last year, as you know, the forum was attended by some 10,000 people. This year we are expecting at least the same. The co-ordination, the management, the planning that goes into that is almost incredible, and I have to say that this particular department has done an extremely efficient and effective job at that.

I have to also say that it is not just this branch that puts on the Rural Forum. This branch provides the co-ordination within the department to do it and also between other departments, but I have to say that every part of the department gets involved almost on a voluntary basis in putting on the forum. I have seen planners, I have seen people from the Water Services Board on their own time come in and work on a volunteer basis to put on the forum, and if you were at Winter Cities last year, you also saw that there was involvement by the spouses of these staff people in these events. So a tremendous amount of commitment to the task, and I am very proud and very happy to have a component of this kind in the department.

Mr. Clif Evans: The minister can correct me if I am wrong. This part of the department since '95-96 has lost funding, has had a decrease in staffing, and again, you can correct me if I am wrong, but I see numbers of \$744,000 to an expenditure of \$683,000 in '96-97 to a slight increase in potential budgeting of \$695,800. I see that there was a loss in administration of a position. Can the minister explain the decrease, and, of course, did the staff change?

Mr. Derkach: Mr. Chair, I think the member is probably going back to 1995. Is that correct?

Mr. Clif Evans: 1995-96.

Mr. Derkach: 1995-96. Okay.

Mr. Clif Evans: Yes, I am going back to the line, but I am using the '96-97 Departmental Expenditures Estimates, which last year shows three administrative support at \$104,006. I go to this year's book, and again I could be wrong here in my interpretation of all this,

but I see the minister's support down to two at a level of \$59,400; yet under '96 expenditures we see—so I am asking the minister, why the difference between what I saw in the '96-97 book and the '97-98 book?

Mr. Derkach: How far back do you want to go?

Mr. Clif Evans: I just want to know why the numbers changed so quickly.

Mr. Derkach: Well, the member is going back actually two years and showing the differences.

Mr. Clif Evans: Not really.

Mr. Derkach: Yes, you are, because in 1996-97, if you look at the SYs, they are same as they are for '97-98. However, if you go back to '95-96, you will see a difference. The reason for that is that we did establish a new branch, if you like, within the department. It is called the Small Business and Community Support Branch. We had to find some staff resources for this particular branch, and we took resources out of the Corporate Planning and Business Development Branch and transferred them over to the Small Business and Community Support Branch. That is why you see the difference in numbers.

Mr. Clif Evans: Mr. Chair, we will talk about the Small Business and Community Support. So the minister is telling me that staff—but I am not wrong, because it is in black and white here.

Mr. Derkach: I did not say you were wrong. I said you just go back too far.

Mr. Clif Evans: Mr. Chair, so you are telling me that the administrative support went from this part of the department to this new part of the department?

Mr. Derkach: That is correct. A new branch was established and that is where we transferred staff to.

Mr. Clif Evans: Mr. Chair, so basically the minister is telling me that is where the whole line of the difference between your '95-96 down to '96-97 and, of course, again, but then there was the increase in the '97-98.

Mr. Derkach: Yes, that is correct.

Mr. Clif Evans: Mr. Chair, can the minister—just for the sake of some here and for myself—just explain a bit in short, or as short as possible, without going into too much detail, because I am going ask about the Rural Forum, and I would just like the minister to elaborate a bit on the upcoming Rural Forum and what we are expecting.

Mr. Derkach: Mr. Chair, yes, I would be happy to. As the member knows, this will be the fifth year of Rural Forum. I believe it is five. Is that correct? Yes, it is year No. 5 for Rural Forum. Each year, we have built on the successes of the previous year by expanding perhaps the types of activities that we have showcased at the forum, based on the interviews and based on, I guess, the evaluations that have come to us from rural Manitobans. We have tried to ensure that we do follow what it is rural Manitobans are telling us about the kinds of things that they would like to see at the forum.

* (1740)

In addition, the member knows, we also have a Rural Advisory Committee who plays a very significant role in setting the direction for the kinds of things that happen at Rural Forum. So each year we have built on the previous year's successes and on what Manitobans want. This year, we are, once again, adding to the forum a component that we did not have last year—two components. One being some seminars on the export side of small business to again indicate or show rural businesses how they could take advantage of export markets around the globe. In addition to that, we have a reverse trade show that will involve a couple of Crown corporations. Many Manitobans do not know the types of products and services that we in government or our Crown corporations purchase or for that matter our SOAs purchase, so we have asked two of our Crowns to put on what we call a reverse trade show so that rural Manitoba businesses can become more aware of the kinds of services and products that we buy in government or government agencies.

In addition to that, we are focusing this year on building stronger partnerships among the public and private sectors, celebrating a rural entrepreneurial culture and the accomplishments. In addition to that, you will see the flavour of rural Manitoba enhanced.

How many exhibits have we got? How many in the food court? [interjection] We have 30 exhibits in the food court and we are trying to keep to that number to ensure that there is some control over that area, because that can certainly grow out of proportion, so those who come to Rural Forum, you have to give them an opportunity to seize the opportunities and find it a success.

Our exhibits will grow this year to probably 325-plus. The registrations that are coming in now, I understand, are coming in fast and furious. In addition to that, we are expecting more than 400 youth. I am told that that may, in fact, increase substantially. We are even seeing that this year we probably will see some urban youth participate in the forum who are showcasing some of the programs that they are involved in in their schools.

Junior Achievement, as you know, is a very key cornerstone, if you like, of the forum in terms of youth, and it has been an extreme success. Last year it was just a pleasure participating in the Junior Achievement business game that they had that took up the entire day. When you walked into the area that they were working in, there was just a hum all day long. A very enthusiastic and energetic group of young people.

In addition to that, we also had the business game competition, the final competition at Rural Forum last year, and that will take place again this year. The Innovators Showcase goes on again this year. That was a Saturday event, I believe, last year, and it will be the same this year.

Then, of course, we have the minister's reception on Thursday night, and I would invite all of the opposition members to the minister's reception that is put on on Thursday night. It is an opportunity to dialogue with people in rural Manitoba who are actually involved in some leadership roles in business and that sort of thing, so I invite opposition members to that particular event.

Then on Friday evening is the main banquet and, once again, I extend the invitation to opposition members to that event as well. That is a banquet, and we also showcase some of our youth in their entertainment and so forth at that particular event. This year, we will be launching a youth group that will be performing at the evening which, I think, will be

exciting for members to see. This will be the Friday evening. Also, I should have mentioned that on Thursday morning we have the opening ceremonies at which time we will feature the Premier of the province (Mr. Filmon), and a keynote speaker will also be introduced at that time. This year we are happy to have Roberta Bondar with us who is sponsored by the Canadian Imperial Bank of Commerce who will be there.

I have to say, overall, we have had a fairly enthusiastic partnership arrangement where we are finding more and more companies coming to us and asking us if they can assist in one way or another at the forum. Manitoba Food Processors are an important part of the forum this year. They have been since their beginnings, and they are taking a more and more active role in the forum. Our Union of Manitoba Municipalities and our MAUM organization have taken a very active role, and the Chamber of Commerce of Manitoba, a very key contributor. In addition to that, our schools and our Assiniboine Community College, and within the college, of course, we have the chefs' program, they do all of the, if you like, the co-ordination of the food court.

(Mr. Gerry McAlpine, Acting Chairperson, in the Chair)

Besides that, Mr. Chairman, I should say that the Business Administration program of Assiniboine Community College does all of the financial services for the food court and all of the accounting for the food court, and this is part of their program as well. On our organizing committee, we have 18 different partners representing different organizations, so it has become a fairly significant event. We are almost to the point where we are going to be requiring additional resources to help put this event on because of the enormous task that it is for us.

Mr. Clif Evans: Mr. Chairman, I thank the minister for that. I am certainly hoping that I will be able to attend some portion of it. I had attended in the past and—

Mr. Derkach: All it takes is a pair.

Mr. Clif Evans: The minister indicates it will take a pair. Probably an invitation in gold lettering might help

that. Some of my young people—I say my young people—communities from my area have attended and have been very, very pleased with it. This is obviously costly. Does the department recover the costs to this forum through the registration fees, and does it cost Rural Development money and how much?

Mr. Derkach: As the member knows, when we first started the forum, we paid the total costs of it, and they were significant. But, as the forum has grown, so have our partners. We have actively sought sponsorship for the forum, but we try to keep the registration fees at a minimum to allow the small businesses to participate because if you raise the registration fee to small business, they simply cannot afford to come. As you know, many of these businesses are one- and two-person operations, and that is really the focus of the forum: to give those fledgling businesses an opportunity to showcase their products and their services. So we try to limit the registration fee for them. We also have to limit the registration fee for our youth, because they are certainly not able to afford the expensive registration fees that you sometimes have with a forum of this calibre. Therefore, we do have to support the forum.

Last year, I think, our support to the forum financially was about \$150,000 or thereabouts. This year we are looking at about \$100,000, so we are able to recover more of our costs this year than we did last year. I think that will continue. As we grow and as we mature, the forum will become more and more self-sustaining. It is not there yet. We do not anticipate that it would be this year. If you just do a comparison of what it costs to put on a forum like this, I think the budget for Winter Cities last year was about \$3 million to put that show on. I do not know how many of the opposition members might have attended it, but I think the critic did. If you compare that—[interjection] You did; Mr. Sale did as well—to Rural Forum, it costs us in the neighbourhood of half a million dollars to put that forum on and there were 10,000 people who went through the doors last year.

* (1750)

The reason we are able to do it at such a reduced cost is because the City of Brandon, the Brandon Chamber of Commerce and all of our partners have been

extremely helpful in shouldering many of the sort of the costs, the incidental costs that sometimes go unnoticed. For example, the setting at Rural Forum is done by volunteer hands. Staff from our department will work at setting up Rural Forum in their spare time. I mean, there are many, many hours of overtime logged that never get recorded or never get logged in the books by staff in the department, their spouses and also by the administration of the City of Brandon, the Chamber of Commerce and many other individuals. We have people helping us from all walks of life including seniors and youth. It is estimated that over 300 volunteers have given in kind support to the forum. So for that reason, we are able to put it on at a cost that is fairly small compared to what a similar event, smaller by many times than Forum, would have cost in the city.

Mr. Clif Evans: If you would please, the minister has a response prior to—

Mr. Derkach: I just want to add one thing, if I might, Mr. Chair. My deputy just informed me that the registration fees for forum are \$150. To register as a comparison at Winter Cities, the cost was from \$700 to \$800. So our registration fees are substantially lower, but we feel that we have to keep them there in order to be able to attract those small businesses who cannot afford a \$500 or \$600 or \$700 registration fee.

Mr. Clif Evans: On a lighter note, I want to ask the minister: Does the minister have a personal chef this year?

Mr. Derkach: I thank the member for that question. That was almost a humorous little note, but I was a little insulted by that reference because the individual, and I forget his name now, Dennis Hewitt, was a volunteer who came forward to forum three forums ago and gave of his time to try and enhance the food court area. I do not know how many extra hours this individual put in, but it was countless. In addition to that, he asked whether or not he could do the reception, the minister's reception, and once again he used his talent and his creativity to create what was an extremely nice atmosphere at the reception, and the products that he prepared were all Manitoba products. Last year, by and large, he did the same. The department did have to pay him for some of his time, because there were just

countless of hours and he was a member of the organizing committee last year.

I think he was a complement, because what he did was he worked with the young chefs or the student chefs out of Assiniboine Community College, organized them in a demonstration. He did the same for Winter Cities, and I thought it was a hit in terms of showcasing Manitoba food products at Rural Forum. He also gave it a bit of prestige in terms of the kinds of products that he prepared and was able to have many of our residents sample.

Unfortunately, someone spread a rumour around that this individual was my personal chef. Wow, I wish; but, no, that is not the case and never will be as you know. Unfortunately, this individual has not been able to take that same kind of role in the forum this year and is being missed but nevertheless has volunteered as much time as possible to assist us at the forum this year but certainly not to the same degree as he was able to in the past, because he is involved I think in taking some additional courses himself and is also in teaching courses as well.

Mr. Clif Evans: Besides the speakers, of course, the dinners and, of course, the forum itself, is there any planned entertainment this year at forum?

Mr. Derkach: Yes, there is a great deal of entertainment that takes place at forum. It happens throughout the forum days, mornings and afternoons. We have a stage that is set up at the food court where we have young Manitobans come forward and entertain the audience. It is just a way of breaking up the forum and creating, if you like, some atmosphere at the food court because there are, as the member knows, areas where folks can sit around and enjoy some of the flavour of Manitoba. It is all rural Manitoba talent.

We try to feature rural Manitoba in the entertainment that is put on. It is an open stage; it is free; there is no admission to it. Much of the entertainment features local youth from the rural part of our province, but I think maybe the member is referring to the advertisement that is out regarding Travis Tritt. That is a function that is taking place in conjunction with the forum Thursday evening, but it is done as an independently sponsored event, and it is simply

happening at the same time Rural Forum is. But as the member will note from the advertisements, this is done by an independent agency and sponsored independently as well.

Mr. Clif Evans: No, I did not see the advertisement. I was of course, being a part of a forum, for as much as I was able to last year, watch some of the entertainment and that, and of course the food court and whatnot. I would probably like to ask a few more questions about Rural Forum, but I think I would like to leave that for tomorrow just to continue.

If he could, while we have a few minutes, just enlighten me about this Canada-Ukrainian business plan and what has been involved. I know the minister has been meeting and negotiating and has been to Ukraine and has another meeting prior to the formal meeting being held here in Winnipeg. Can he enlighten us on that initiative?

Mr. Derkach: Yes, I would be happy to. Mr. Chairman, I was asked by the Premier (Mr. Filmon) of our province to undertake the lead role for the Canada-Ukraine Business Initiative for the Province of Manitoba. Three provinces in Canada have joined forces in what is called the Canada-Ukraine Business Initiative. This is an event that is sponsored through the private sector and the Government of Canada through Western Diversification. In addition, the partnership of the provinces has been sought in this initiative. What is being done is we are trying to forge relationships between business people in Canada, in the three prairie provinces, and business people in Ukraine.

As an emerging free trade economy, Ukraine has a tremendously long way to go in terms of actually becoming an equal partner in a free trade world. Therefore, because of the population of Canada and the significant number of people who are of Ukrainian origin in Canada, this initiative was started by Alberta in the private sector. Saskatchewan and Manitoba subsequently joined. There are three sectors that we are involved in. One is the energy, oil and gas sector which is being co-ordinated by Alberta; then there is the agriculture sector which is being co-ordinated by Saskatchewan; and the construction sector which we were asked to co-ordinate and direct.

It is a public-private partnership, if you like, basically being spearheaded by the private sector. Our chair of our sector is Mr. Jim Orzechowski, who is the principal partner of Smith Carter. We have responsibility to not only co-ordinate but to also establish linkages between the construction sector in Alberta, Saskatchewan and Manitoba and the construction sector in Ukraine.

I would like to explain a little bit about this sector because it is a very huge sector, but it is a very new sector. We do not have a venue like Alberta and Saskatchewan do where they have the Farm Progress Show and The Energy Show in Alberta. We have to create a venue in Manitoba, and that is why I referenced the symposium in June. I understand we are out of time, so I can certainly expand on that a little more tomorrow when we meet again.

The Acting Chairperson (Mr. McAlpine): The hour being six o'clock, the committee rise.

SENIORS DIRECTORATE

The Acting Chairperson (Mr. Mervin Tweed): Will the Committee of Supply please come to order.

This section of the Committee of Supply will be considering the Estimates of the Seniors Directorate. Does the honourable minister responsible have an opening statement?

Hon. Jack Reimer (Minister responsible for Seniors): Mr. Chairman, it is my pleasure, as Minister responsible for Seniors, to present the 1997-98 budget Estimates for the Seniors Directorate.

Seniors are the fastest-growing segment of our population. From 1891 to 1921, about 5 percent of Canadians were seniors age 65 and over. This number has increased dramatically with the 1991 census estimating that the proportion has increased to 12 percent. Projections for the future are that by the year 2020, with most baby boomers retired or retiring, seniors will comprise an unprecedented 17 percent of the Canadian population. This growth in the number of seniors is occurring not only because of the aging of this population segment but also because of the increasing lifespans of both men and women. We must pay attention to this ongoing demographic shift and its

implications for governments in order to ensure the future well-being of seniors.

* (1440)

In Manitoba, the census estimates that seniors are 13.4 percent of the Manitoba population. By the year 2016, this proportion will increase to 23 percent or higher. Governments at all levels, in partnership with communities and seniors, have a role to play in examining the issues and identifying solutions in order to provide seniors access to safe and supportive living environments.

The role of Seniors minister is a very important and challenging one, that of preserving and enhancing the quality of life for older Manitobans. During the past year, I have continued to take on this responsibility with great enthusiasm. Our government, through the Seniors Directorate, is committed to working with seniors to find solutions to address these issues.

Today, I would like to outline the directorate's activities for the past fiscal year and highlight some of the new initiatives planned for the coming year. My staff at the Seniors Directorate work to ensure that seniors' needs and their concerns are considered when government policies and programs are developed.

As you are aware, the directorate gathers information regarding seniors issues in a variety of ways but essentially from seniors themselves. The directorate has established a close working relationship with seniors groups throughout Manitoba. This allows the directorate to have ongoing dialogue with seniors on major areas of concerns, as well as providing information and other resources.

The Seniors Information Line continues to be well used by seniors, providing them with information, assistance and referral. The types of calls received reflect the issues and the concerns of seniors throughout Manitoba.

The following are some of the highlights of 1996. In June 1996, during seniors month, special celebrations were held in Gimli, Boissevain, one held in Winnipeg in the St. Boniface-St. Vital area in June and an additional September seniors event in St. James-

Assiniboia. The directorate works with the seniors group planning these events.

The directorate, with the support of the business library, continues to make its resource library available to the public. Printed materials and videos are loaned to individuals and groups throughout Manitoba.

The directorate's computerized housing directory continues to be in demand. This directory assists seniors looking for a place to live and was developed at the request of seniors calling the Seniors Information Line and those in attendance at consultation meetings held by the directorate and the Manitoba Council on Aging. This informative directory lists rental units, condominiums, townhouses, mobile homes and seniors residences around the province. The list includes housing available for rent or for purchase.

Directorate staff supported the Manitoba Council on Aging in undertaking consultations with individual seniors and senior organizations on issues of concern in 1996. The directorate continues to play a leading role in the area of abuse of the elderly and provided several abuse training workshops in 1996 for professionals working with the elderly. My column in Seniors Today continues to receive a very positive response. Seniors have told us that the information is useful and helpful.

In addition, the directorate published the biannual seniors newsletter, the Seniors Source, first introduced in December of 1994. This newsletter has assisted us in keeping in touch with seniors and, more importantly, has provided seniors with information on current government programs and services that could assist them. Our next edition will be ready for distribution to seniors and seniors organizations in June of this year.

As you can see, 1996 was a very busy and full year, and 1997-98 will continue along this busy schedule. The initiatives in 1997-98 include—the director of staff has a very exciting workshop opportunity for interested businesses, organizations and government departments. These workshops entitled Through Other Eyes are designed to raise the awareness of participants to the special needs of aging adults and to encourage change to resolve difficulties experienced by seniors and persons with disabilities.

Working with Manitoba Consumer and Corporate Affairs, law enforcement groups and other organizations and agencies, the directorate has developed a safety and security guide for seniors. This brochure will raise seniors' awareness and provide helpful information on potential hazards such as scams and frauds and abuse. It outlines some preventative steps and also lists resources that can assist seniors should the need arise. The guide will be distributed to seniors throughout Manitoba during the coming year.

The directorate continues to respond to requests for their original information brochures. Over 38 percent of the calls on the information line are requests for this material. The Seniors Handbook, the legal information guide, and the Questions to Ask Your Doctor and Pharmacist continue to be in demand.

In the area of federal-provincial and territory initiatives, sharing information and developing a framework with an inventory of senior services and programs across Canada are primary and priority issues for the 1997 meeting of the ministers responsible for Seniors in November of 1997, working with the federal-provincial governments to recognize the United Nation's International Year of the Older Person in 1999.

As you are aware, the Manitoba Council on Aging reports directly to the Minister responsible for Seniors. I am able to hear first-hand the issues and the concern of seniors in Manitoba. The direct link between minister and council has ensured that seniors' advice, experience and knowledge is available to government in formulating policies and programs. It is extremely important that seniors have direct input on issues that affect them now and in the future.

Other initiatives in 1997-98 include holding community consultations. These consultations provide an opportunity to consult with seniors and their organizations, identify needs and concerns of seniors throughout Manitoba, recommend ways of achieving more effective, efficient services and inform seniors about the Manitoba Council on Aging. To date the council has met with seniors in Gimli, Steinbach, Portage la Prairie, Brandon, Beausejour, Dauphin and Flin Flon.

* (1450)

Another initiative is a fact information sheet. Council and the directorate continue to work in partnership to put together fact sheets for Manitoba seniors. Topics have included apartment security, purse snatching, lost or stolen wallet and card replacement and tips on moving. This is an ongoing project with new information being developed as issues are identified.

Another initiative is the recognition project. The first recognition awards will be made in 1997 to honour individuals, organizations or businesses whose exceptional acts or efforts benefit seniors, or whose valuable services reflect a positive attitude towards older Manitobans.

In closing, I believe that the Seniors Directorate and the Council on Aging have and will continue to have an important role in meeting the needs of Manitoba seniors. We are all working together in partnership to benefit seniors. It is important for government, community and organizations to share ideas and develop a common vision for the future, to have a plan that will provide for the full participation of seniors in all aspects of our society, one that projects their rights of choice, independence and dignity. Thank you, Mr. Chairperson.

The Acting Chairperson (Mr. Tweed): We thank the minister for those comments. Does the official opposition critic, the honourable member for Broadway, have any opening comments?

Mr. Conrad Santos (Broadway): Yes, Mr. Chairperson, and it will be a lengthy one.

I am glad to hear the honourable minister talk about rights of choice of seniors and their right to an independent style of living. These are good ideals to strive for if they have the necessary support from the government, from the community and from their families to achieve this kind of lifestyle.

I would like to begin with a story, because everything that is happening around us is related to this basic difference of opinion among people. Cain, as you know, is a tiller of the ground. He made an offering of fruits. He is a farmer; he made an offering of fruits of the ground. His younger brother Abel is a keeper of the

sheep; he made an offering of a firstling of his flocks to the Lord. The Lord accepted Abel's offering, but not Cain's offer. Cain got angry and jealous and furious. Cain killed Abel, and the Lord asked Cain: Where is thy brother? Cain replied: I know not. Am I my brother's keeper?

Mr. Chairperson, that question is a very classic question: Am I my brother's keeper? It is a basic issue of great social, economic and political significance. Why? Because people's reply to such a question divides humanity into two opposing groups of contrasting ideological beliefs. Those who would answer, no, I am not my brother's keeper, would be in the group we call the individualists. They believe in individualism, individual initiative; they get anything they could get, are only worried about themselves. At the opposite extreme are those who would say, yes, I am my brother's keeper. They would be in a group called the collectivists. In between, of course, are varying shades of ideological beliefs, depending on which area of human activity is at issue.

What do we mean by ideology? Ideology is our conception, our perception of the world around us, implicitly manifested in the arts, in the law, in legal system and economic activity, in culture, in all manifestations of individual and collective life. According to an Italian philosopher of the left, Antonio Gramsci, an Italian thinker, ideology is more than a system of beliefs because it also provides us with a capacity to inspire concrete attitudes, and it also provides us with orientation for our human actions. Ideology thereby becomes the link between our political consciousness and the economic interests of the various social classes in society. Such social classes polarize, as I have said, between the individualists of what the left would call bourgeois capitalist class of the rich, and the collectivists of the proletariat or the working class of the relatively poor in society. The bourgeoisie capitalist class ideology dominates and contaminates the psychological consciousness of the working class because the capitalists have more means, more resources, more powerful means of disseminating their ideas within the reified appearances of the capitalist economy that induces the domination and the exploitation of the proletarian working class who do not own any means of

production, but only their own labour to sell in order that they may survive and live.

Briefly then, ideology means the set of ideas, attitudes and beliefs by which we view reality around us, as it appears to us, and sometimes, as you would like it to be.

Adam Smith, a Scottish economist and moral philosopher, argued that the greatest social benefit would result if each individual would pursue his or her self-interest. Self-interest in this materialistic world in which we live, manifested in the buying and selling of goods and services, manifests itself in the striving for profit. The profit motive is the driving force of the capitalist economy. In the materialistic, capitalistic economy that we live in, we also engage in, not only the exchanges of goods and services between and among individuals, but also in exchanges of goods and services between and among nations and countries in the form of international trade. So we have also a capitalistic world economy. In the world economy, we engage in international trade, the means by which nations can specialize and increase the productivity of their resources in their country and thereby realize total collective world output based on the principle of comparative advantage.

What do we mean by this principle of comparative advantage? The principle of comparative advantage states that the total output would be greatest when its community or nation, when each commodity or goods or set of goods and services produced by that nation has the lowest opportunity cost. These are very technical terms, so I have to define what opportunity cost means.

Opportunity cost is the amount of other products that must be foregone in order to produce a given unit of the desired product. Classical economic theories, if analyzed carefully, are reflected in these two different assumptions or conceptions about nature, the order of things around us. One is the belief that there is a natural order in the social statistic, which is inherently simple. It is inherently harmonious and beneficent, and therefore, according to Adam Smith, the simple principle of natural liberty, the operations of the market tend to produce prices as low as is consistent with maintaining of services, and yet yielding a fair return for the efforts expended.

Another conception of nature is that it is devoid of all ethical attributes and morality. Its laws and its rules and its norms are not tied to any idea of justice or reason or equity or human welfare, particularly the economic law of distribution which takes place in terms of social dynamics of social classes as participants in the exchanges of the market where the interest of one class is, by its nature, adverse to the interests of the other classes in society. In a system of economic classes, the fate of any individual is largely determined by the portion of the wealth which the economic forces allot to the class of the individual himself in the context of class conflicts.

* (1500)

In the labour theory of value, if we assume that in a free market the value of the commodity is fixed by the amount of labour necessary to produce such a commodity, individual buyers and sellers must then put in and take out equivalent amounts of value, and the free play of human motives, all egotistic, according to Adam Smith, would work out to the greatest good in the community. Under his theory of the unseen hand in the natural order of things, the pursuit of individual good is admirably connected and will result in the universal good of the whole.

But, according to the English philosopher, the utilitarian philosopher Jeremy Bentham, his utilitarian theory is based on the theory of pain and pleasure. We do those things that are pleasurable and avoid those things that are painful, individually and socially. Even if the utility requires the harmony of interest in our society which results in the greatest happiness of all, such a condition is not the natural order of things, according to Bentham. It can only be produced by legislation and by the intervention of the state. Thus from Bentham's utilitarian theory, social harmony of economic interests exists because of the legal coercion imposed by legislation to control and canonize human behaviour through directions that are desirable.

From Adam Smith's natural order theory, social harmony is produced by the absence of governmental intervention or absence of regulation, because the doctrine of laissez-faire, let it be free, requires that there be no intervention by government in economic

affairs beyond that which is necessary to maintain the peace and to protect property rights.

An Honourable Member: Invisible hands.

Mr. Santos: Yes. But we know the facts, the reality, the naked reality, and unbridled operation of the so-called free market, unhindered in the individualistic pursuit of self-interest with no limit sometimes results in prosperity for some, but sometimes also results in economic depression.

Witness, for example, historically we have the Great Depression of the 1930s. This is called "great" because it is unique in history. It is characterized by bank closings, lots of peoples' savings in their lives lost, loss of pension funds along with commercial bankruptcies of firms and corporations. It will be too remote for the present generation to recall what happened in the Great Depression.

John Maynard Keynes, however, a brilliant English economist, succeeded in persuading governments to directly intervene in this debacle in the capitalistic economy of the free market by either decreasing the supply of money to cure the economic boom when there is prosperity or increasing the supply of money to cure the bust in business cycles.

Business cycles are the ups and downs in the level of economic activity in the economic system of society. After the Second World War, we in Canada added many social programs. We instituted the Canada Pension Plan, the medicare, the unemployment insurance system, other social programs in what we called the mixed economy, which means that there is a mixed private sector, as well as, a segment of the economy called the public sector. There is also this mixed ideology of individualistic, capitalistic ideology of the right, where every person looks out for himself, takes the most, and let the devil take the hindmost on the one hand. Then there is the other set of beliefs, the collectivistic, socialistic ideology of the left so that everyone may pull their resources together in the public sector, that they may assume mutual responsibility for each other, sharing risks and benefits collectively together, because we are our brothers and sisters' keepers.

More recently, the ideological pendulum that had swung towards the welfare state of the left in the recent past began to move and swing to the right, from the collectivist ideology to the individualistic ideology so that governments, prompted by financiers and controllers of wealth and money regardless sometimes of political affiliation, began to cut on social assistance. They began to cut on social insurance. They began to deregulate and then to privatize parts of the economy that are publicly owned. They are still striving to do that sometimes using the concept of balancing the budget, which mostly means cutting of needed social services.

Let us now focus on one of such social insurance programs that intimately and directly affect the senior citizens of this province. This is the so-called Canada Pension Plan. We often endearingly refer to it as the CPP. The Canada Pension Plan, the CPP, had many components such as the disability protection, the survivors benefit, and, of course, the retirement pension when you are lucky enough to reach 65 or over.

We shall also briefly review the Old Age Security, called sometimes OAS, and the Guaranteed Income Supplement, what they call GIS. What social programs then we do have now, I have just enumerated them, the components, the related programs. What are their requirements? What are their current benefits? What modifications are coming up in the near future? What are being proposed by the opponents of the public sector social program? Why such opposition to the CPP and other social programs?

Recall that the Canada Pension Plan was started in January 1, 1966, as a nationwide social program which provided basic level of income protection to workers and to families in three types of events: their coming to the age of retirement; the onslaught of the unexpected disability; and, of course, the coming of the inevitable and unavoidable event in everyone's life, death.

CPP is entirely funded by monetary contributions from both employers and employees. It is contributing equally to maintain the account which is described as a pay-as-you-go pension plan. Pay as you go; therefore, the CPP by design is not a prefunded pension plan by its nature and its design. Every person in Canada who is over 18 years old, who earns a salary or wage, by

statute, must pay into the Canada Pension Plan for their own economic protection. Any self-employed person is required to pay both the employer's contribution as well as the employee's contribution. Why? Because he decided that he will be his own employer, and he will be the employee himself. The self-employed is both the employer and the employee, and therefore will have to pay a contribution to CPP.

This universal pension insurance coverage of the Canadian workforce ensures that all working Canadians who are gainfully employed are covered by a pension plan, whether or not the company they work for has any private pension plan or not. If the private employer has any private pension plan, the employed worker contributes to both the private pension plan and the Canada Pension Plan and, therefore, is doubly protected when he or she retires or becomes disabled or dies.

The workers make the CPP contributions based on the rate of periodic earnings during the contributory period on what is called their pensionable earnings. The pensionable earning is that amount above the year's basic exemption, otherwise known as the YBE which currently is \$3,500. That is the initial exempted amount, YBE, year's basic exemption. The maximum that you can pay under the CPP plan is the maximum pensionable earning which currently is set at \$35,400. Of course, some people make twice as much or more than that, much, much more. Anything beyond that amount is not covered by the Canada Pension Plan. It only covers up to the maximum of \$35,400.

* (1510)

Now, monies that are paid into the CPP account over and above the money that is being paid out in the form of CPP benefits for those contributors who retire, those contributors who become disabled and those who died—payable to their estate representative—under the pay-as-you-go pension plan, what happens to that money? They invested and lent the money to the provinces in Canada at the same rate of interest as in the case of long-term, usually 20-year Government of Canada bonds. That is where the provinces borrow some of their money.

Opponents who attack the CPP, Canada Pension Plan, as one having unfunded liability—and we hear that

too often—are doing so either in deliberate misrepresentation of mischief or in hopeless ignorance. Because to talk about the pay-as-you-go pension plan, which base nature is designed not to be prefunded but a pay-as-you-go system, is meaningless as pointed out by the 1980 report of the Royal Commission on the Status of Pensions in Ontario. To talk about it, to do so is equivalent to saying or criticizing the confirmed bachelor and the confirmed spinsters in society for not being married.

Canada Pension Plan payouts to eligible recipients could not be criticized either as a drain on the federal resources. The CPP benefits could not conceivably be a drain on the federal government's revenue because by statute, the CPP expenses could only be paid out from CPP revenue, not from the general government tax revenue.

Although the CPP contribution rates may be going up, and it was designed that way, that was known right at the beginning when it was set up in 1966. Indeed, there is a 25-year contribution rate schedule which has been in place to ensure that the CPP stays as a long-term type of pension plan, stable as it could possibly become.

A review of the Canada Pension Plan every five years is being done. This will ensure the continued viability of the CPP which cannot be changed without the agreement between the federal Government of Canada and two-thirds of all the provinces representing two-thirds of the Canadian population, including the province of Quebec, even though the province of Quebec has its own pension plan and administers its own pension plan distinct from the Canada Pension Plan from the rest of the provinces.

The Canada Pension Plan account is targeted and designed to have enough money in it as a pay-as-you-go plan so as to be able to pay no less than two years worth of CPP benefits. Despite the sensational claims of the enemies of CPP about its impending bankruptcy, more measured statements such as the statements made by the Canadian Institute of Actuaries give significant benefits of the CPP and describe it as a viable part of our retirement income security program. What then are some of the benefits of the Canada Pension Plan? Well, it covers almost virtual full coverage of the entire

working Canadian population. There is also, secondly, immediate vesting of the pension plan; immediately, it is operational. There is also the advantage of portability. Portability means you can carry the plan every time you change locations, change employers, change jobs. It goes with you.

Again, when there are periods of low or lack of earnings, like months when, for example, working mothers have to raise and rear children, that period of time can be removed from the contributory period for their own benefit so that their rate will be higher. There is the protection against inflation in the form of indexing, and there are the low administration costs of the Canada Pension Plan.

Despite the sensational claims of the enemies of CPP about its impending bankruptcy, the CPP gives several benefits, in addition to the basic pension, at the age of retirement. For example, there is this survivor's benefit consisting of a lump sum death benefit, a monthly surviving spouse benefit, and a dependant children's benefit of the disabled or the deceased, if the CPP contributor is a contributor for a minimum three years or 10 years of recorded contribution. Also, there is a death benefit being paid to the legal representative of the deceased of the estate, and if there is no estate, to the person or agency responsible for the funeral expenses of the contributor who is deceased at an amount of five times the deceased's pension, calculated retirement pension at age 65, but only up to a maximum.

Also, there is the surviving spouse benefits paid to the legal spouse, or even the common-law spouse or partner of the opposite sex, depending on the age of the surviving spouse at the time of the death of the contributor. The surviving spouse benefits start in the month following death and ends when the surviving spouse dies, but such a surviving spouse pension is paid only once, even if the survivor might have been widowed more than once. You can have so many widow situations, but they will not be paid as many. There is only one payment of the survivor's benefit.

The retirement pension itself, of course, is the core of the plan. When you reach age 65, or flexibly if you arrange it and apply for it between the ages of 60 and 70, you can receive the pension which is your due as a

member of the plan. Before age 65, to receive a pension adjusted to half a percent less each month under age 65 to a 30 percent maximum, a CPP contributor must have completely or substantially stopped remunerative work. So even if you are 60 and you want to receive it right away, you have to stop working, no earnings whatsoever.

The amount of the retirement pension is equal to 25 percent of the person's average monthly pensionable earnings. On the other hand, a person may choose to receive up to a one-year retroactive retirement payment after the age of 65, but then this will be adjusted up half a percent every month over the age of 65. In 1997, the current year, the maximum retirement pension amount is \$737.

Now, let us go to the other plan they call OAS, Old Age Security plan. Unlike the CPP, the Old Age Security plan is funded from the general tax revenues. To qualify for the Old Age Security, a person must be at the age 65, he must be a Canadian citizen and at least a legal resident of Canada for at least 10 years after the age of 18 up to 40 years residency, because there will be a proportionate amount given if it is less than 40. For example, with a partial pension, it will be one-fortieth of the maximum OAS for each year of residence in Canada. So, if you reside only 10 years here, you get 10 over 40 of the OAS; that is the amount you get.

You cannot receive this outside of Canada if you should move to United States, for example, unless you have resided in Canada for at least 20 years. If you come to this country and you reside less than 20, you cannot receive it in the United States if you leave in the twelfth year, for example. It will stop.

Another social program is the Guaranteed Income Supplement. This is an income-tested program which is an add-on amount to the Old Age Security when the pensioner couple had little or no other income. The basis of old age payment, the OAS, is counted as income for income tax purposes, but it is not counted as income when they are determining whether you qualify for the Guaranteed Income Supplement.

When a couple is living apart by choice, voluntarily, the Guaranteed Income Supplement may be recalculated as if it were single rather than married if

you separate voluntarily. But, when you are living apart involuntarily, as for example when one of the couple is confined to a hospital or a nursing home, both will automatically, without any move on their part, be considered a single person if it is to their financial advantage.

* (1520)

The Guaranteed Income Supplement is not paid outside Canada for more than six months beyond the amount of the departure from Canada. If you want to retire in the United States, you do not get it longer than six months after you leave Canada.

Now let us ask, what are some of the impending changes, because this affects seniors, everybody, including us? We will be seniors soon. What are the impending changes to the CPP, Canada Pension Plan, that are proposed in the draft legislation to amend the Canada Pension Plan, tabled in Parliament last February 14, 1997? What are they proposing, I mean, the present Liberal government in Ottawa?

There is a proposed seniors benefit plan which is scheduled to start in the year 2001. The seniors benefit plan would abolish the Old Age Security plan, the OAS. You know that the Old Age Security plan is an entitlement, meaning every Canadian citizen who is age 65 and over is entitled to it as a matter of right. That will be abolished.

The Acting Chairperson (Mr. Tweed): Order, please. I wish to advise the member that his 30 minutes allotted time for opening remarks is up. Is there leave to allow the member extended time to finish his opening remarks? Leave has been granted.

Mr. Santos: I am grateful because everyone is affected by this, including the honourable Minister for Seniors (Mr. Reimer). So is the minister from Lakeside (Mr. Enns). He was the Minister of Highway in 1977. I had an old map. I saw his picture, good-looking young man.

An Honourable Member: He had dark hair then too. Lots of it too.

Mr. Santos: I am looking for one, just to have a picture of the honourable minister. As I have stated

before, there is a proposed seniors benefit plan. The present government claims it will not affect the rights of senior citizens. Is that true or not? Well, let us find out. The seniors benefit plan, as I said, would abolish the Old Age Security plan. That alone negates the Minister of Finance's (Mr. Stefanson) statement, because the Old Age Security is an entitlement. Every Canadian senior 65 years is entitled to it. They will abolish it. How can they say it will not affect seniors' rights? In addition, the seniors benefit plan will also end what we have been benefiting from when we file our income tax, the age tax credit of seniors. That will go away. That will be gone. Again, there is the pension income tax credit. If you are deriving some of your income to be reported, income tax from pension, you have a certain advantage in the income tax form. That will be gone, too. Therefore, it is inaccurate and false to say that the new system of seniors benefit plan will not affect the existing seniors' benefit under the Canada Pension Plan.

What is being proposed is to change the Canada Pension Plan from its present form, as I described it, as a pay-as-you-go pension system, into a fully funded pension system. How? They will try to do this by three ways. They accelerate the legislated contribution rate increases. There will be a steep increase. And what will happen? That will improve the rate of returns on the CPP account. They will also change the investment portfolio from the low-interest earning long-term government bond to diversified portfolio of securities at arm's length from the government. It means it will earn greater and higher interest to get higher returns. Also by tightening the administration of benefits and changing the way the benefits are calculated, that will save some money and decrease the cost.

Although they will not directly cut the retirement benefit, the proposed seniors benefit plan will do away, more likely than not, with the inflation-protection indexing feature. They will cut benefits to the surviving spouse and reduce the number of years of those deductible low- or no-earning periods of contribution that we can exclude now for our own financial benefit.

From a political strategist perspective and from the analysts' point of view, we ask this question: Why is the federal government doing all these changes and

tabling the legislative changes in February 1997, but they are not scheduled to take effect until five years after, in the year 2001 outside of their electoral mandate?

The so-called CPP crisis—we see that in the papers, and if you analyze who owns all the papers, well, the monied class: Conrad Blacks, Thomsons and all the rest of them. They decry the crisis of the CPP. These people are opposed to the CPP. This so-called crisis will not take place until 30 years from now, and they are decrying it as if it were real, imminent and at present. How is such a discrepancy to be explained? Why is this federal government saying we have no alternative but to address this issue now? How are the proposed changes and the deferred date of effectivity to be explained?

Well, astute observers in the financial circle, those who are in the know, some of us are smiling and saying, well, the key maxim of the financiers is “don't mess up with Moody's bond rating.” That is a warning to all governments coming from the monied class, the financial economic elite. They want most of Canada's retirement dollars to be channelled through the private sector financial institutions rather than through the government. Don't mess up with Moody. And the government, whatever level, whether provincial, federal, whatever political affiliation, is listening, and they are doing what the financiers want the government to do.

According to Murray Smith and others who have studied deeply into the so-called CPP pension crisis, there is an ideological and financial motivation in all these attacks on the CPP.

People in political parties like the Reform Party do not like public sector social insurance plans. Why? Because these individualists of the right believe that the CPP and other public pension social programs weaken individual initiative and self-reliance of individuals. This belief is, of course, consistent with the individualistic philosophy of life. You take the most you can take and you do not worry others. Let the devil take the hindmost.

Financiers and other people in the political services industry who oppose the Canada Pension Plan were

opposed when the plan was instituted in 1966. They have been opposing it since then, and they continue spreading all this doom and gloom about financial crisis of the CPP. Why are they doing this? Why? The financial motive is because they want to have a bigger share of the retirement investment money, which approximately amounts to \$18 billion currently being paid into the Canada Pension Plan. They want all this pool of money to be paid and channelled through the privately operated pension plans or through the Registered Retirement Savings Plan contributions that they manage in mutual funds and guaranteed investment deposits so that these banks and these financial people can earn their commission, their management fees, their means of livelihood and their ways of getting rich quick.

* (1530)

Indeed, the banks and the financiers and the economic elites dream, their fondest dream is that Canada Pension Plan will disappear completely and, if it does so, all those billions of dollars of pension money now passing through the Canada Pension Plan account will have to pass through the private sector financial institutions. That will yield them millions of dollars worth of commissions and management fees and profits on the several billions of dollars of pension contributions coming from Canadian workers all across the nation. That is the financial motivation.

This incessant drive for the privatization of the public sector income security money is their desire to reduce the payroll account and the social security contributions. However, the facts are different. If you look at the statistics of the OECD, economic co-operation for developed countries, the industrialized countries, including Canada, the rate of Canada's payroll and social security contribution is only 14.4 percent of the gross domestic product. The gross domestic product is the total amount of goods and services that are produced in the entire country.

How does this compare to the contribution of European countries in their own public sector social security program? Most of the governments in Europe, industrialized countries, at least, the same level of Canada, they have a rate of 37 percent of their gross domestic product being contributed in the form of

payroll taxes and social security contributions. The United States has a rate of 30 percent of their gross domestic product. Ours is low at 14.4 percent of the gross domestic product. Yet there is a vehement attack on the Canada CPP that provides security to all the workers of the nation.

Indeed, the Globe and Mail columnist Andrew Coyne proposed that the Canada Pension Plan should be converted into a superduper RRSP plan, whereby all contributions will be deducted from the worker's weekly pay cheques. All these deductions, instead of going to the CPP, would now go to the individual RRSP, and the individual RRSP will constitute the superduper RRSP account. The proposed contribution that he is suggesting is 10 percent of the private earnings, and there will be no matching employer contribution. All the contributions will come from the workers themselves.

How could they guarantee then? They could not guarantee that the money would still be there, because the superduper RRSP scheme will be at their control, at their management. We know for a fact that there are Canadians today, if they are lucky enough to save enough money to contribute to RRSP, they have been cashing them out for needed financial support during economic depression, recession and during long periods of unemployment. They cashed those savings.

There are people who cannot even afford to invest in RRSPs. Why are they are not able? They fail in their contribution; they are laid off work. Women would take time out of paid work to raise children. They take out some of their working time. They cannot contribute. What would happen to them under a privatized pension system? They will have no social security protection whatsoever in the dog-eat-dog world of the economic survival of the strong and the elimination of the weak by the powerful and the rich. That is the kind of belief that the individualists of the right are promoting.

In a presentation to the Public Affairs Forum sponsored by Bernard Betel Centre for Creative Living in Toronto in August 1996, Monica Townson, vice-chairperson of the Pension Commission of Ontario and chairperson the Ontario Fair Tax Commission, writing as an independent economic consultant, stated that a

cap on the indexing of pension which is a protection against inflation would be politically difficult for the government in Ottawa to do. Why? Because the government in Ottawa cannot—it will be politically risky for them to tell the future seniors that they cannot have indexed pension benefits while the current seniors are continuing to have their pension benefits adjusted to inflation. That will be applying different rules to the same set of recipients.

The adverse impact on the female seniors who would retire would be much more severe, because women seniors start out with lower benefits in the first place. They had to raise children before they can go to the workforce. Generally they receive lower pay compared to the males, and generally they live longer. Therefore their benefits stretch out for long periods of time, and by definition it will be very minimal. Virtually all proposed changes to the Canada Pension Plan will have adverse impacts on women seniors, because they have lower level of earnings, shorter contributory periods due to raising children, and they live longer than male seniors.

Now some of the arguments they create seem to be logical. The rhetoric of the intergenerational conflict will be raised as a justification for cutting and tightening CPP benefits. There is some general public perception current among all the current public nowadays that the seniors have never had it so good than now. They are now drawing pensions. Jealousy. Therefore it is time for them, they say, to make more sacrifices so that our society can redirect the pension money to the members of the younger generation in terms of better security for the future of this coming generation, sometimes known as the X generation. The nonseniors now, who will become senior in the next generation are called the X generation.

In a public hearing on the proposed Canada Pension Plan changes, there was a young man who is a member of the so-called X generation, who stood up and pointed out to the representative of the seniors group and the representative of the people with disabilities—he stood up, and he said boldly: You old and disabled people, you are sitting around here with your hands out. Why should I contribute to the Canada Pension Plan to pay for your benefits? What have you ever done for me? There was a stunned silence for a moment until a

feisty senior lady stood up and said she deeply resented the comments. She continued, I have paid taxes all my life, and I am still paying taxes now. Who do you think paid for your education?

We must, therefore, strive to find more innovative solutions rather than simply lowering the benefits from CPP, because if we lower the benefits we simply increase the level of poverty. We simply increase the number of destitute among our seniors. Particularly hit are women who are unlikely to be covered by a private pension plan, who are unlikely to be able to afford adequate private savings. They cannot even afford to buy RRSPs for their future.

Perhaps some progressive future federal government—maybe in the distant future, I hope, the NDP will come to power in Ottawa—may require workers to contribute on earnings over and above the year's maximum. You know that if you are earning a salary, let us say, \$100,000—and there are deputy ministers here who are earning that much, more than the ministers themselves—your contribution is limited only to \$35,400. That is the limit. The rest is free. If they require any earned amount beyond the maximum to be contributable also to the CPP, what would that mean? For example, there are people with huge amounts of salary. Let me give you some concrete examples. The chief executive officer of the Bank of Montreal makes \$2,511,953—\$2,511,000 annual salary. That is how many times more than what the Premier (Mr. Filmon) of this province makes.

* (1540)

Mr. Reimer: A lot more.

Mr. Santos: Yes, chief executive officer of the Toronto Dominion Bank, \$2,154,000—salary, annual. President of the Royal Bank, \$2,281,192. All \$2 million annual. If all of those would be subject to CPP contribution, there would be lots of funds in the CPP. But who are the rule makers? Oh, they are the same people. They make the rules in favour of themselves, so they exempt all the salaries. This remedy, of course, will transfer some of the wealth from the higher income earners to the lower income earners if this progressive change comes to be realized.

I want now to conclude because people seem to be fed up with what I am saying. If the rich could transfer some of their wealth to the poor worker, then we have truly answered positively the classic question I posed at the beginning: Are we our brothers' and sisters' keepers? Yes or no?

I do not see the representative of the other political—oh, it is unparliamentary to refer to them. I would like to give opportunity to the Liberal Party representative to give his opening statement. I am done, Mr. Chairperson, with those lengthy introductory comments. I hope it is helpful.

The Acting Chairperson (Mr. Tweed): We thank the critic from the official opposition for those remarks. I would now ask the minister's staff to enter the Chamber. Is the minister prepared to introduce his staff to the committee?

Mr. Reimer: Thank you very much, Mr. Chairperson, yes. With me today from our Seniors Directorate is Kathy Yurkowski and one of our executive directors, Dorothy Hill.

The Acting Chairperson (Mr. Tweed): I thank the minister. I guess we will proceed with the review of 1. Seniors Directorate (a) Salaries and Employee Benefits \$349,600.

Mr. Santos: I was looking at these figures, and I noticed that in the organizational chart on page 4 this flow chart of positions, I counted the number of positions involved of the professional staff. There is one Managerial position, there are two Administrative Support positions, secretary and accounting support, and four Professional/Technical positions.

The managerial position makes \$63,900. The average salary—I just averaged them because I do not know what they really are—of the Administrative Support staff averages \$30,800. The four Professional/Technical positions, there is an average salary—I just averaged all three—it averaged \$47,600.

Why is there this discrepancy in the salary level?

Mr. Reimer: I think the discrepancy can be noted towards the seniority of some of the staff and the

functioning of some of the staff but, mainly, some of the staff are of senior nature and some of them are relatively new in the position. So there would be adjustments in salary according to that type of classification more than anything else.

Mr. Santos: On Schedule 3, as I understand the schedule there, the estimate of expenditures in terms of salaries and employee benefits with the details on Schedule 4, there is, between the estimate in 1996-1997, which was 345.8 in terms of thousands of dollars, a difference of 3.8 percent.

Mr. Reimer: You subtract the lower number from the bigger number and you get the difference.

Mr. Santos: Yes, subtraction. Then you divide it on the base from which you started, so you find the increment or the degrees. There seems to be a change of 1 percent. Why 1 percent, Mr. Minister?

Mr. Reimer: I have been informed that because of maternity leave of one of our staff, I believe just one staff, it made a discrepancy or a difference in the salaries and also with the backfilling of that particular position. So this would be the main reason why there is a discrepancy in the salaries between the two.

Mr. Santos: On the Operating Expenditures category, the estimate for 1996-97 was higher, 181.6. The estimate for 1997-98 is lower, 175.8. That means from the last fiscal year to the current fiscal year, 1997-98 there is a decrease in Operating Expenditures of approximately 3 percent. Can we have an explanation for this? While everything is going up, why is the operation of the department's Operating Expenditures being reduced?

Mr. Reimer: In doing the budgetary considerations between the two, the '96-97 and the '97-98, a lot of factors are brought into consideration as to where expenditures can be saved or better efficiencies realized in the performance on the operating end of our directorate. So it is more or less reflected in that type of philosophy and thinking of efficiencies and of better accountability of the expenditures. The difference would be attributable more or less to that philosophy that has been put forth, not only in this department but I believe in all departments. So it is consistent with the

philosophy right across government to look at better efficiencies of expenditures.

* (1550)

Mr. Santos: Overall, is it true or is it not true that we have a surplus?

Mr. Reimer: In our department, we are not showing any surpluses. No.

Mr. Santos: Why is the Seniors Directorate not sharing some of this surplus?

Mr. Reimer: I think it must be recognized that this department is not a source of generation of wealth, if you want to call it. The Seniors Directorate is a service-oriented department that gives of itself to supplying a service. We are not in a position to generate wealth other than through some very minor activities that the department can get involved with, but in general we rely upon a certain amount of money that is put forth by the Treasury or through the Minister of Finance and we work within those parameters. We do not have the opportunity to generate wealth or to generate any type of surplus to offset any of our operating expenditures or our salaries.

Mr. Santos: This is true of almost every regular department of government, except for the Lotteries Commission and the tax collecting agency. All of those are service departments. They are not generating any revenue, but they are sharing in the general revenue funds of the government. Why is this Seniors Directorate not sharing in it?

Mr. Reimer: I do not know how to clarify it more than to say that I guess the monies that are allocated through the expenditure program and through the budgetary process—my government has always been fairly consistent with our funding towards the Seniors Directorate. It is a department within government that is unique in a sense that Manitoba is the only one of the provinces in Canada that has a Seniors Directorate that is part of a cabinet position and is recognized as such, and has the opportunity to participate and has a type of ability to make the decisions that affect seniors. So the allocation of funds that is brought forth by government towards the Seniors Directorate has always been

consistent and has been of benefit in reaching our goals that we set out in dealing with seniors and in dealing with the various other departments of administration, of legislation or rules or our regulations that are brought forth, so it just becomes one of the parts of government.

We share in the so-called surplus to the extent that we are still able to provide the benefits that the director and the staff are able to achieve. But, as to increasing or taking part of the surplus and being directly earmarked towards the Seniors Directorate, or to have it specifically designated towards the Seniors Directorate, I do not think that any—or I should not say it that way—but I think there are very, very few departments in our government that have a direct access to the generation of revenue, as was pointed out. There are only a couple of departments; the Finance department and Lotteries, I believe, in general are the only ones that generate the revenue for this government to spend.

It is through this process that it is allocated to not only this department but to all other departments for expenditures, whether it is through my other two portfolios, Housing or Urban Affairs. The allocation of funding is dictated by the budgetary process. The budget and the allocation of funds through the Seniors Directorate are directed in the same way. So it is not unusual that for the funding allocation and the expenditures that are under review right now to be taken in any other type of characteristic than the normal process of government.

Mr. Santos: Mr. Chairperson, if you look at it overall, the budgetary process is simply a division of the revenues of the government to all the various, different service departments in terms of their expenditure or budget. You could see that the amount of allocated money is related to the importance the government in its perception gives to the function being performed by any particular department. If it is the case that the Health department is taking the lion's share of all this revenue, it is because the health is a high priority in the scale of values of the government.

If Education is next, it is because education is next highest. If the Seniors Directorate has a higher place of

priority in the scale of values of this government, would it not be logical that it should be receiving a little bit more money than it is receiving now?

Mr. Reimer: The measurement of importance has various degrees of measurement, if you want to call it. I guess you can put to the fact that if it gets more money, then it is more important. However, I think that a lot of times it is the utilization of money within a department and the quality of the individuals who are in the department that has of more value to bringing forth policy and direction that government is going.

I think that within my department, I measure the quality of the people that I have in the department, and their output as more of a benefit and as more of a positive initiative than as if there was just money involved. I would think that if I could say that if I had more money in my department, my department would be more efficient or would be able to perform to a higher level, I do not know whether that would hold true.

I think that the dedication of the staff at the Seniors Directorate, their involvement with the various community endeavours, their willingness to participate in community, their willingness to go that extra mile—if you want to call it—in dealing with the seniors is something that you cannot put into a dollar figure and say that because the amount of money that went up to my department is an indication that the quality of dedication or the output of results is more. I have the confidence in the staff that their dedication is there because of the commitment that they have to this particular job or service that they are providing, and that money is naturally a part of it, but to tie in total reliance on funding allocations or the increase in funding to make things on a higher output, I do not know whether that would be of benefit. So I think that it is the old adage, I am getting good bang for the buck out of the Seniors Directorate with what is being allocated there right now.

* (1600)

Mr. Santos: I am not even talking yet about the efficiency or lack of efficiency of the personnel of the Seniors Directorate. I am talking about the priorities of government. If the government has placed a higher

priority for the interests of seniors of this province, do we expect this government to give more or less money to the Seniors Directorate compared to other departments?

Mr. Reimer: I think that the Seniors Directorate does play a very, very significant role in the government and its direction that we take forth regarding legislation or regulations in pertaining to seniors. As I pointed out in my opening remarks, the seniors are proving to be a very large component of our population in Manitoba. In fact, as pointed out, over the years the percentage is going to increase to whereby, as I pointed out, by the year I think 2015 they will almost be up to 25 or 23 percent of the population. So they are recognized as a very important segment of our population.

The allocation of funds towards the Seniors Directorate, it is hard to speculate as to what the budgetary considerations may be. As we go into the process later on after we are finished with this year and go into our next year, I can only say that I know that through the Department of Health the expenditures in health, which is related a lot to the aging population, has increased. Our budget now in Health is almost \$2 billion. So there is a recognition of health care.

The Seniors Directorate in some of their mandates is dealing with a lot of the people who are not into the health care field but into the growing of the population into the aging population—if you want to call it. Retirement now, sometimes we talk of 55, sometimes we talk at 65. It is all a matter of interpretation as to when people retire and they become seniors. The classification of seniors now is becoming very broad. At one time when we talked about seniors, we usually talked about people that were fairly old, in their late 70s or 80s or even older than that, and they call them seniors. Now we have people who are 55 years old, and they are so called, classified as seniors. There are even places where they even talk about 50 years old.

So the broad spectrum of seniors and the catering towards the needs of seniors is in degrees of need. Your early seniors, if you want to call them, there is not that much of a need for the supply of services, information or the direction of help that they may require. As they get older the needs increase, and they flow into other various service sectors within

government that possibly have more allocation of funds and more direct response to their needs.

They get into possibly the social service aspect involved with that department. There is a certain amount of funding that will flow through that. They come through my other department which is Housing, and they can become part of budgetary consideration as they flow into my Housing sector. They become more and more a part of my Housing portfolio. Right now seniors occupy almost 65 percent of my portfolio. As they are aging, the senior then comes into possibly the nursing home or the PCH, the personal care homes. The health care starts to take hold, and they become more and more of a budgetary consideration at that time.

We, as the Seniors Directorate, are gearing not primarily to one sector. We will try to be aware of the various components of seniors in a broad sense as they age. A good illustration is the so-called baby boomers, as we refer to from time to time. Now it has been estimated that every day there are a thousand of them celebrating their 50th birthday. That is a lot of birthday parties. They are starting to get into the aging spectrum too. Yet a lot of them are just as active and more active than when they were so-called younger people. Seniors nowadays, just because a person is in that so-called classification of seniors, a lot of them are very, very active, very contributory towards various sectors in life here in Manitoba. They are tremendously involved with volunteerism.

The senior centres, I get a chance to go around visiting them, not only in the city but in the rural area, are very active. A lot of them have tens of activities that they list. They go on a continual basis sometimes right from nine o'clock in the morning right through until eight or nine o'clock at night with some of these activities.

I have had the opportunity to visit some of the seniors' homes in Boissevain and Killarney last year. I was amazed at the participation that they draw not only from the small area around there but also from some of the areas in around. The seniors will drive in for some of the events; they get involved with the events; they participate in the events. They serve as a valuable resource for volunteerism. More importantly, too, I

believe they serve as a mentorship for a lot of young people who possibly need some help from time to time in the community, and seniors can serve to help them in guidance or advice in trying to help them.

So seniors is a very broad spectrum. When you put the classification of senior, you just cannot pinpoint it and say that now that person is a senior, they fall into this category because of that designation. It is all a matter of interpretation. We feel as government that it is important that we recognize that continuum and that requirement of involvement, so that as a Seniors Directorate with a senior staff, they are out in the field, they are talking, they are bringing back information to this government. They have the ability to contact other jurisdictions right across Canada. Because of this funnelling of information through the Seniors Directorate, we have access to a lot of information that other provinces may not have, because I have the ability to or we have the ability to direct staff to try to find out what is going on in New Brunswick or British Columbia or Ontario. We can take forth these ideas that they are doing there, bring them back to Manitoba, bring them in to be part of our legislative package or changes that we feel that we may want to implement with the seniors. It makes for a better understanding of how we can address the seniors, some of their problems and what we feel is important. So the classification of seniors becomes quite tricky, in a way of saying it, you know, that you are a senior now and you are expected to perform or do these types of things.

Mr. Santos: Of course, Mr. Chairperson, there is the popular, colloquial way of understanding the term "senior" and there is the legal way by which you can define who belongs to the seniors group. Let me give you an example. When there was a blizzard I could not take my car out of the yard. Naturally, I had to walk to the bus station where all the buses are running, and I asked the driver: How much do I pay? He looked at me. I have white hair, glasses. Do I pay the seniors rate or not? He said: Are you 65 or over? I said, I am not yet. Then you have to pay the regular rate. That is the legal definition. Again, there is the colloquial way. If I exercise every day, I walk every day like the honourable minister, he runs every day, the chronological age does not coincide with the physical age. You feel good. I shovelled a lot during the blizzard because it gives me some kind of pep. Of

course, I have to watch myself. You know, there are people who are shovelling who had attacks because they overexerted themselves but, generally, it gives you that good feeling when you do some physical activity.

What I am saying is: Who does the minister consider senior and the recipient client of his department, those people who are sick but not yet over 65 or those who are 65 or older but are very healthy? Who do they cater to?

* (1610)

Mr. Reimer: Thank you. The member brings up an interesting commentary in regards to definition of when is a senior a senior, you know, and age-wise seems to be a general criterion.

(Mr. Peter Dyck, Acting Chairperson, in the Chair)

Just as he mentioned 65 at the bus to be eligible for a senior, I guess, and I do not know his age, but if he went to Country Kitchen and he was 55 he can get a senior's discount there and get a meal for less. But within our senior centres and our housing we generally indicate that 55 is the age of being classified as a senior. The housing, like I mentioned, under my portfolio we use 55 as a classification and in the senior centres they use 55. So the Transit may use 65, and some other places I understand even use, I have heard, 60. You know, they use that as a classification sometimes for seniors. So I do not know whether there is a legal definition. I know that the member earlier alluded to CPP, and I believe there they say you are eligible at 65, but you can still get it at a discounted rate at 60, I think the member was referring to. So there is your, I do not mean the member, but is the definition of seniors being 60 by the federal government or is it being 65 by the federal government? So circumstances seem to dictate interpretation.

Mr. Santos: If you ask Country Kitchen, they are not giving the discount because they want to benefit those people, they want to use their business. It is a form of promotion. They can even give it to 50 if they wanted to, so that the clientele will be wider and their volume of sales will increase.

Why this discrepancy? When 55 Plus says you can apply for this supplement when you are 55, and yet the

city which is also under the honourable minister's jurisdiction as Minister of Urban Affairs, is he the Minister of Urban Affairs, why are they insisting on 65? Why is there no consistency?

Mr. Reimer: The member brings up a very interesting topic. It revolves around the so-called definition of when age dictates when someone is a senior. I guess with the City of Winnipeg and their Transit philosophy, they are taking guidance possibly from the federal government where the federal government has said that retirement age is 65, and Transit is using that as their guideline. It has been pointed out to me that in the United States sometimes they even go down to 50 years old as a classification of a senior in some jurisdictions.

That is too early in my opinion. It is too close, too early. It is not something that has—no, I should not say that. I think that we could debate it quite at length as to what is the merit between considerations of 65 or 60 or 55 and even 50 as to where certain things end. A lot of times it is tied into, as the member alluded to earlier, some sort of economic indicator because the age will dictate an economic advantage or disadvantage and that seems to be more of the determining of a definition of age. Is it at 65 you pay this or you do not pay this? At 55 you pay this or you do not pay this? So it is an economic indicator and not an age indicator of what are the ramifications of being a senior.

I think the member has pointed out in his opening comments that we revolve around the economic indicators of definition. This seems to be more apropos with exactly what we are talking about now when we say that at 65 you get a discount on the bus, that at 55 you get a discount at Country Kitchen, and in the United States you get a different classification when you are 50. So economics are dictating the thing more than possibly the need as the person grows older. Interesting comment.

Mr. Santos: The two are not exactly unrelated because the amount of wealth in your control and possession is related to your degree of need, not your chronological age. So, if we are to be very logical in the formulation of public policy, let us ask ourselves: who are the riders of buses? Are they the people who are the possessors of wealth, or are they the people who are on the margins of society who have to take the bus to go to

the place of work or to go to some place they want to go?

Now, if it is the case of the facts before us that it is the needy who are the ones who are riding the bus, then it behooves us to make policy consistent with need. Therefore, the 55s should be the ones who should be defined as seniors for the purpose of riding the bus because they have fewer resources at their disposal, and not 65. The greater the need, the greater the benefit that we should accord as government and as society to our own citizens. Is that not correct, Mr. Minister?

* (1620)

Mr. Reimer: The direction of reasoning on that is actually age should not be a criterion. If the member is saying the criterion should be need, that would supersede the fact of people having to prove age. That way you would have to prove a need to be on the bus in a sense of, because of possibly social connotations. Then that way age should not be a factor if you pursue the reasoning of the member that need becomes a criterion, and it does not necessarily mean that, just because a person is of a certain age, they need certain things. A person of a younger age may be having more needs because of their social circumstances, their physical or fiscal situation. Their needs may be even more than that person who just happens to be 65 or 66. Because of that position, they are in a position to take advantage of a discount or something.

(Mr. Mervin Tweed, Acting Chairperson, in the Chair)

Maybe the member's comments regarding the need factor could be brought into the scenario of consideration when people are looking at riding the bus. When the need situation becomes more than a person that is a senior possibly—because of their financial situation, they may have more money, and they can afford a full fare. But the definition of need comes at 65: they need to pay less than a person that possibly is 20 or 24, but their social needs may have dictated that they are in more of a need. So it makes an interesting balance.

Mr. Santos: Of course, need is another factor in itself recognizable. But may I ask the honourable minister,

the older you get, are your needs increasing or decreasing as an individual in terms of your requirements for government services?

Mr. Reimer: Well, I think there is a fair amount of definition that can be brought forth on that, because I think that it depends on the person, his or her lifestyle, attitude towards life and how they feel that they would like to make their way through the journey. It can be quite fulfilling because of their legacy that they have accumulated as they grow older, whether it is through wealth or through family or through personal achievements and accomplishments, and those all become measurements of satisfaction.

As the member will, I think, agree with me, the more that a person builds up these inventories of satisfactions and accomplishments, the better the person is as a whole person. As they grow older, because of those inner accomplishments, they can satisfy themselves in a sense that possibly they do not have to have as many needs as someone who is still trying to fulfill certain obligations. As the person ages, with a lot of people—I will agree with the member—their needs actually go down, because they have finished their goals of life, in a sense, with their family and the raising of their family. Their children have left them, and their children have accomplished or have gone on to their own source of living. The person may have more time to enjoy his or her self-worth, accomplishments, goals, recreation pursuits, ability to interact on volunteerism or to interact, and those are the types of inner satisfactions that help that person continue on his or her journey.

These types of satisfactions also make the person of a healthy mind, and that will, in a sense, a lot of times help them dispel sickness because if a person is in a frame of mind that is of a positive nature, a lot of times that is the biggest factor in fighting diseases or some sort of debilitating situations that that person may have experienced. So, as the person starts to grow older—again, if we talk about growing older—their needs possibly will dwindle because they have achieved these satisfactions, and they are still growing upon the other goals that have come up and they have been able to participate more, possibly, in the community. The weight of decision making that they had within a growing family with children has gone off their back, and the satisfaction of accomplishment that they have

when they look back on the joys of their family or their accomplishments, whether it is through the family or through business or something like that—these are some of the things that will make them a better person.

On the other hand, other people, maybe not of the same disposition, and as they grow older, bring on more so-called burdens upon themselves, and these people, as they grow older, will require the needs and the facilities of our health care. They will need the facilities of our social fabric and the social safety net that we set up through our Family Services and our various other governments. Those people then have this safety net that this government has provided for them. So, hopefully, as the person goes through their journey of life, they can rely both on the positives and the relinquishings of a lot of the things that government can provide for them. So there is a balance between the two. I think that there are more people of the accomplishment nature that have realized a lot of their goals, that have realized their achievements; we can see that in a lot of the seniors groups that are so active now. So many seniors are a part of seniors groups and seniors centres and resources centres now. I have talked to some seniors, and they say I have never been busier since I so-called retired. They are involved with more things now. They are actually saying, I have got to put my phone on an answering machine, because I get too many calls from people wanting me to do things. They do not say that in a derogatory manner. They are just saying that the circumstances have swept them into places where they are enjoying even more their life as a so-called retired person. So the definition of “burden on society,” I guess, depends on the individual and his or her lifestyle.

Mr. Santos: Should we not distinguish between, for purposes of simplification, those who are well endowed—have lots of savings and lots of resources at their command—and those who do not and have nothing, because they did not plan for it or had other things to think about or were too sick? Where would the services of government be most relevant to cater to those who are satisfied in life, have lots of achievements, lots of accomplishments and lots of free time? They are the ones who are active in seniors groups. Or, those who are sick, debilitated, cannot go from place to place, because they cannot afford the regular rates in transportation, because they have to be

65 to get the discount? Which ones should the government, in the minister's mind, really extend its services and its benefits to?

Mr. Reimer: I think actually we have the benefit of both worlds, in a sense. We have the benefit of an active and a contributory section of our society that is contributing back into the mainstream of volunteerism and help and, to a degree, even paying taxes. The idea that they are able to contribute and be part of it will mean that if they are earning income, they will be taxpayers. As taxpayers, that money will go back into the system which will help the person on the other side of the spectrum that the member is referring to, the people that are in need.

That becomes a benefit that government does not have to be the sole provider on that side of the spectrum. Because of the fact that the seniors that are still participating in the workforce or possibly the fact that they have been shrewd investors and have been able to realize an income off of their investments, they will pay taxes. They will continue to pay taxes, and they will be a source of revenue that indirectly will go to offset some of the needs that the other side of the senior spectrum is in need of.

* (1630)

So we as a government will still have the responsibility to provide that safety net. If through the allocation of funds or the generation of funds through all the other sectors that the seniors are going to need on the one side of the spectrum with the provision of a safety net, we will be able to do that. It is because of usually the prudent management of government and the fact that we were able to do the prioritization of where we feel that the health care has been a very, very large part of our budget. We will continue to fund it that way, and the seniors will be able to benefit on both sides.

They will be able to benefit because of the small catalyst funds that we may have for them in one end through the Seniors Directorate, helping seniors to be more actively involved with their community or actively involved with volunteerism. They in turn, will be able to help the seniors on the other side that are in need of a little bit more or that help up. The fact that,

as the member mentioned, when they get to be 65, they will be able to get the seniors' discount on the bus, those are things that they can enjoy a little bit better. Until they get to be 65, they will still have to pay full fare, for buses anyway.

Mr. Santos: I would like to be generous and suspend myself, because the member from the other opposition party would like to ask some questions. So I will give them all the opportunity they need to do so.

Mr. Kevin Lamoureux (Inkster): I appreciate the thoughts from the member for Broadway (Mr. Santos), as he has proven over time to be a very considerate individual.

I had a couple of questions, and I was listening to the opening remarks of both the minister and the member for Broadway, and they spoke eloquently in terms of some of the projections with everything from seniors, numbers into the future, to programs that need to be made available and how much we as politicians have to be very sensitive as we have an aging population in the province of Manitoba. There are, indeed, a number of services where we can enhance, other services that we need to possibly look at in terms of change, not necessarily to avoid change. A change can be a positive thing, and when I think of the change, one of the things which this government did was to strike the Seniors Directorate, which is something we had supported.

We had hoped and believed that through the Seniors Directorate, and this goes back to the '90 provincial election, when the then leader Sharon Carstairs had talked of the benefits of having, through a ministry, some sort of a co-ordinated approach at dealing with issues facing seniors. Having said that, I have a few very somewhat specific questions. First is: Does the department today offer the handbook which clearly demonstrates the services that are available for seniors?

Mr. Reimer: The member is alluding to a publication that we do have that comes out. It is a seniors handbook that is available. I can make sure that I get a copy to the member. What it does have in that handbook is a listing of all the services that are provided by the Seniors Directorate. It has the listing of the handouts, the guides that are available from the

Seniors Directorate, the phone numbers and the programs that are available, that can be provided through the seniors by other organizations by the Seniors Directorate.

It has been updated. It is updated every two years. We are into a process of updating it right now. I can get the last issue for the member and then when the new issue is printed, which would be about in the fall of this year, we will make sure you get the updated version of it too.

Mr. Lamoureux: I would appreciate to get a copy of the handbook. I know that in my office downstairs there seems to be a number of different books that facilitate senior services, and having a handbook or a resource book that makes reference to the different organizations that are out there would definitely be of some benefit. It is quite possible that at some point in time I might have even received one of these books from the department but have obviously handed it out, because I was not able to find one from the Seniors Directorate, so I would very much appreciate to get one of these books even if at all possible sometime this week would be nice.

From what I understand, the Seniors Directorate is also coming up with fact sheets on different issues. I can recall a press release that the government had issued in which it talked about things which seniors can do to make themselves feel safer—not only feel safer I trust but also be safer—in their homes and on their person as they walk about the broader community. I am wondering if the minister can indicate what sorts of these so-called fact informative type of sheets and the issues they have accomplished to date, again, if I could be provided a copy of each, it would be appreciated.

Mr. Reimer: Just to give you an example of some of the brochures that are being developed and have been developed, there was one on purse snatching. There is one on the loss of ID, if a senior loses his or her ID, identification, I should say. There is one on safety and homes. There is also safety and security, just to give you an example of some of them. I believe there are some other ones.

What I can get for the member is a listing, and not only a listing but a sampling of all our brochures that

are available. Maybe, as a suggestion, he can use them in his constituency library for seniors that do come in, and that if there is an inquiry we can make sure that if he gets a hold of our department, we will give you the brochures. Then your constituency has a supply of these brochures so that if you do get—

An Honourable Member: That is what you call service.

Mr. Reimer: That is what you call service. Then we can get those for you.

Mr. Lamoureux: Mr. Chairperson, to show how efficient at times the minister and his staffperson, in particular, Vern, can be within the office, I have already been provided the Senior Citizens' Handbook. I know there is a chance that Vern might be listening, and I thank him for having sent it up. I do welcome the opportunity to get that. That is in essence what I am looking for is to be able to have some sort of a resource within my own office, as all MLAs have a seniors population, to be able to service them in a better way.

The minister made reference to the fact, in his opening remarks I believe it was, that the government, or the Seniors Directorate, is going out into the different communities, and then listed off some rural areas. I am wondering, if he can indicate, what is the primary reason for this?

* (1640)

Mr. Reimer: The idea behind it is actually through the Council on Aging. The Council on Aging was set up as an advisory board to the minister and to the Seniors Directorate to literally go out into the field and have meetings, have public consultations, on a regular basis to find out some of the localized concerns. What it does is gives us a better feed and a reading on some of the concerns that are in the local constituencies.

For example, I recall the Council on Aging being up in I believe it was Flin Flon. One of the concerns that they brought forth which we would have never known about was the fact of disrupted bus service through some of the towns in the rural area, and how it affected seniors that wanted to travel between Flin Flon, The Pas and from some of the surrounding areas. So the

Council on Aging was able to relay this type of information to the local bus line. I am not sure whether it was Greyhound or Grey Goose, one of them anyway. They were not aware what their rescheduling had done to a lot of the seniors in the area in their ability to do some town-to-town travelling. From what I understand, they readjusted their bus schedule to try to accommodate the seniors.

Some of the resolve came about just because of the fact that, if we had not held that meeting, and if we did not have this forum for the seniors to come together to talk about things, that problem may not have been solved. It was a lot of to do with just because it was brought to the Council on Aging's attention, brought to the directorate's attention that we were able to facilitate them in giving them some sort of direction and to try to come to their problem.

We have held meetings in other towns like Beausejour, and some of the other ones that I mentioned. It does give the chance to set up this idea of communication. With those meetings, we set up workshops. The Council on Aging will have people come in to talk about elderly abuse, some of the retirement options that possibly some of the people are thinking about. The Council on Aging gives the seniors in the area the opportunity to get information from us. They use us as a source of information and also as a catalyst to get more information. I feel that it is an excellent way to outreach by this government, through the Council on Aging, to get more involved.

We will continue to stress going out of Winnipeg. We do hold them in Winnipeg too, the Council on Aging meetings. But I am of the opinion that they should go out, and I recommend them to go out into the rural areas to hold meetings. They have been invited to go to Brandon, Winkler and other areas to set up these types of seminars and meetings. I think we have had some very positive results from it. It is mainly because of them getting out there and talking to the seniors, other than strictly Winnipeg. We do not want to be accused of Perimeteritis by just being always in Winnipeg.

I think that in the last year, we have had about half a dozen meetings out in the rural area, out of a council that sits once a month. So, out of the possibly 12

months of the year, we have had over half of them out of the city, and we will continue to do that.

The board is composed of representatives from Winnipeg, from Brandon, from the rural area. It is composed of individuals that have been from the various sectors of Manitoba. It is a board comprised of 15 people. The chairperson is a Dr. Stuart Hampton from Brandon, a very well-noted and well-known individual. I think, we are very fortunate to have him as our chairperson. He brings not only the perspective because he is a senior, but he is a doctor that specialized in—he is a geriatrician—so it brings a very close relationship within the board. I am very fortunate to have the quality of people that I have on the board. They do a good job in outreach for this government.

Mr. Neil Gaudry (St. Boniface): Mr. Chairperson, just a quick question here before I go into the other committee room. This probably would have been a better question during Question Period because this way the minister could have skated more around the question. But this way I figured I would bring it in this committee here so that I get a straight answer. I rely on the staff very much because he has got such a great staff, and I would like to congratulate them at this time. Any time we need information, they are very competent in giving us the information that we require. As I was saying, this booklet here, I have had them before and have passed them on to seniors in my constituency, and which are very good for the seniors home.

My question to the minister is, I look at the new booklet that has come out on safety and security. It is a very good booklet. Then I look for the French side of it, and I cannot find it. I think that, if you look at the French policies of the government that have been established here, anything to do with the public has to be in the two official languages of the province or the country. I asked when it was delivered, because, as the minister is aware, probably 60 percent to 70 percent of my seniors in my constituency are Francophones, and I am sure he has quite a few in his own constituency. Why is it not printed at the time in both languages? It would cost a lot less, as far as I am concerned, if you did it the one time. You could reverse the booklet and you have got it in French, and you have got it in English on the other side. I think it would save in the cost of producing these booklets for the community.

Mr. Reimer: I can assure the member that it is of concern and a priority in trying to establish a presence in the French community, and the brochure is being translated into French right now. As to the availability, I have been told that it will be coming out fairly shortly. I will make certain that the member will get a supply of copies as he needs, you know, for his own constituency office. He will get some, and as mentioned, I will need some for my own constituency because I do have a French component of mine and French seniors in my constituency. So we are addressing that.

Mr. Gaudry: I thank the minister for his reply, but I have already provided his department with a list of the seniors homes in my constituency, with the numbers of booklets that should go out. If there is any further required, then they have advised me that they will forward them directly.

My concern is the fact that, like I say, when it comes out, why would it not be done then at a cheaper cost in printing, for example, when you are doing one run of these booklets? That was my concern. I know they have advised me that it is coming in a week or so, and I appreciate that very much. It is the cost factor, because when you hear the people, they say, well, you know, they want it in French. Again the cost, and I think if it is done in one printing, it would save the dollars.

* (1650)

Mr. Reimer: I guess one of the considerations is the volume. There is no doubt about it, the member brings up a good point in possibly dualing it with the French and English in the same booklet. In regard to the numbers, the proportion of need in English is about 25 to one. The consideration of printing is the economics of printing 1,000 in French, for example, compared to 25,000 of need in the English sector is of a savings to the government. The double printing of the total amount that is used, say a number of 25,000 or 30,000, is a lot more of a cost in dual printing it than just printing the demand of about 25 to one. So there is a saving by just printing solely a French copy.

Mr. Gaudry: So there is a comparison that has been done in regard to that, because you have got other documents like, for example, the Estimates book is

available in French and in English or other documents that I have seen where you reverse it and you have got it in French and English. Therefore, what you are saying to me, like on a small booklet like this here, it would be cheaper to print 25,000 than 1,000 for the French community?

Mr. Reimer: It is based upon—we have the ability to look at the demand of our other brochures and things so we can fairly accurately depict how many we would need. We would always add a certain percentage more because of perceived demand because of the fact that it is a new publication and a publication that may have wider appeal, plus the fact that there is a growing segment in the market. It is not necessarily that it would always be the same amount. It would be adjusted because of not only the demand but the perceived demand and the anticipated demand.

Mr. Lamoureux: There are just a couple other questions that I had. One is with respect to, at one time you needed to be 65 before you actually received any sort of real entitlements. What we have seen is programs over the years such as 55 Plus, which dates back no doubt a number of years. We see the Shelter Allowance Program or other forms of nonprofit housing where that age has dropped to 55. I am wondering if the minister could comment in terms of to what degree we receive the lower end of 55. Are there more people that are retiring at 55 today than there were before and for him possibly even to speculate as to the reason why? Is it a question of lifestyle or is it a question of health, why we might actually see that sort of flow if, in fact, that is the case.

Mr. Reimer: I think what has to be considered is a number of factors as to why there is the perception that 55 and from 65 and a lot of it has to do, I guess, to a degree of, as the member mentioned, with lifestyle. People are retiring earlier because they have possibly the ability to retire earlier. The economic situations sometimes will dictate that companies will go through various forms of restructuring and they look at it as an age category or age placement as when they want to change or make different directions in their company, and they use an age of 55 or 60 as their benchmark for retirement. Some of those things are brought into consideration.

The member knows that we are into what they call the baby-boom generation, the huge amount of people that were born after the Second World War. Canada has more of a baby-boom population than the United States. It is an interesting study of demographics. The book *Boom, Bust & Echo* written by Dr. Foot has a very good explanation as to why Canada has such an abnormal amount, more of baby boomers; part of it has to do with when Canada went to war. There were more people that came back earlier, and there were more babies born per capita in Canada than there were in the United States. Our baby boomers are coming to the point now here in Canada, and I mentioned a little earlier that almost over 1,000 a day are turning 50 years old. So that is the fastest growing segment of our population. If you look in a bell curve, the biggest bulge in our population is the population that is just coming into the 50s. So we are going to see a tremendous influx of people into that category between 50 and 60 in the next few years.

In fact, by the turn of the century, as I pointed out, we will have more people in the so-called seniors category than any other province in Canada. By the year 2015, I think it is, we will have almost 23 percent of our population as seniors, which is going to put a totally different perspective of needs of satisfying this segment of our population by government. As people get into the senior years, not necessarily but to a degree, more allocation of funding for health care is directed towards that segment of our population. On the other hand, because of lifestyles and activity levels and nutrition awareness, sometimes they are in better shape as seniors than they were as younger people, because they have the ability to do better possibly in nutrition planning and physical planning and mental planning, because they are coming through a stage of their life where they do not have the burdens and the responsibilities and the pressure of raising children and possibly their mortgage is paid for. They have been able to do some prudent savings or investment, and they can enjoy their lifestyle which affects their health. So it is going to be an interesting scenario of weighing the expectations and the needs as this segment of population goes through the system. So why there is this type of reliance or these expenditures and this type of category and how it is going to be calculated is going to put a lot of governments to the test as to satisfying these requirements. It is going to be an interesting time

not only for within this particular portfolio but in the Health portfolio and some of the other portfolios as to how it is handled. Government is going to have quite a challenge on its hands in recognizing some of these needs.

* (1700)

Mr. Lamoureux: Mr. Chairperson, that is in part the reason why I bring it up. You know, today's mind-set appears to be moving more towards the early retirement. I have often commented to Cathy, my wife, saying, gee, you know, would it not be nice to be able to at 55 retire, have somewhat of an income coming in and be able to enjoy the wonders and beauty of Canada by travelling across it? It seems to me the more people I talk to, more and more people are starting to look at it in that sense. Now, if you look at the future and you say, well, we have this bulging seniors population that is not too far around—you make reference to the year 2015. I would be somewhere around 52-53 thinking about my retirement and start wondering, well, gee, am I going to be in a position in which I am going to be able to retire, like many other Manitobans or Canadians when they look at it, and they say, we have 23, 24, 25 percent of the workforce or potential workforce is in retirement, and these social programs—and that is why we should not necessarily fight change.

We should be opposing government if it is not moving towards change, because change is absolutely essential in order to ensure social programming, good solid social programming in the future. But what I see is, on the one hand, the population currently looking at this more that the earlier the retirement, the better it is going to be. Then when I look at that year 2015 when we have that bulge, that there is going to be a relatively small percentage of the population that is actually going to be contributing taxpayers, if I can put it in that fashion, which does cause a great deal of concern.

I think the real challenge in governing, quite frankly, could be, not today, but in the next decade or so. Because if we are not successful at changing or managing those changes, especially in our social network, in working in co-operation with the government, that we could see a very serious change in lifestyles for seniors that are expecting to be able to have good programs, are expecting to be able to retire.

The reason why I bring it up in the fashion that I have, I would think that the Seniors Directorate within the government of the day requires a great deal of attention from within the cabinet. Because when we start planning the economic future of the province of Manitoba and the types of jobs that we are currently getting, the type of jobs that we want to be able to attract, and the type of, you know, mindsets that we are feeding into, that we have got to be very, very careful in terms of the way in which our population demographically is growing.

That in itself, Mr. Chairperson, is one of the reasons why I am a fairly avid supporter of a small-Liberal, if you like, policy on immigration. Because that is one of the things, along with more babies I guess being born in the province, or more people coming to the province from other provinces, that we are going to need to be able to secure the long-term survival in some cases of some of these very worthwhile projects. Because if we are not prepared to do some long-term thinking with respect to this, I could see in the future some areas in which user fees will become a part of everyday life for someone that is 65, 66 years old. I do not believe that we are too late today, that if we take the actions that are necessary that we can forgo some of those negatives that could be there in the future. Because there is very little doubt in my mind the top issue for seniors today is health care, followed very closely with respect to crime, personal safety, and being secure within their own premises.

I bring it up, for what it is worth, and hope that the minister responsible for seniors—and I see him nodding his head in an affirmative—acknowledges the importance of this particular directorate at getting some very strong, tangible, I do not know if you want to call it evidence or policies put into place that can be articulated so that the cabinet looks at that more long-term vision for the province of Manitoba. I appreciate the member for Broadway (Mr. Santos) being so generous with me in being able to say a few words. Thank you.

Mr. Santos: I would like to resume, Mr. Chairperson, by going back to the topic that I left, namely, the transportation of senior citizens.

If it is the case that those people who have less resources are the ones riding the bus, is it not

unreasonably unfair and unequitable to maintain the concept of senior at 65? We should lower it and be consistent with the 55 Plus. Because if they can apply for 55 Plus at age 55, why are they being forced to pay the full rate after age 55 when they take the transportation bus system? The honourable Minister of Seniors, being also the Minister of Urban Affairs, there should be consistency in our policy.

Mr. Reimer: The member brings up an interesting comment because it is an area that has become more and more a part of defining when there is a certain eligibility for people to enjoy some of the benefits of either a reduced bus fare or possibly even getting into the movies at a cheaper rate. I think at movies they have a seniors fare for movies, to enjoy some of the movies that are playing in the city of Winnipeg. They can go to the movies.

The bus fare itself is something that I think the member realizes is set by the City of Winnipeg in their deliberations of their budget. As Minister of Urban Affairs, I do not have any direct authority over the City of Winnipeg in how they set their fares. That is within their jurisdiction in their budget deliberations.

Our association with the City of Winnipeg through Urban Affairs for funding in the Transit Department, we do fund just over \$16 million a year to the City of Winnipeg Transit Department for part of their operating budget. It is not a small amount. It is a big amount of money that we have allocated consistently over the last years to the City of Winnipeg for their bus and their transit operating expenditures. As to the charging of actual fares, they have the authority to dictate the fares.

I guess where the member is referring to is the category of interpretation of age as to whether 65 is the proper cutoff and whether it should be considered at a different age. Whether it is 50 or 55 is something that possibly the member, through his contact at City Council, would be able to bring some pressure as to when they are considering their setting of bus fares. I am not too sure whether the bus fare has been increased for seniors or what the differential is. I think, as pointed out by the member, a lot of people found out for the first time what bus fare was during the blizzard, because I think they were saying on the radio that one of the most often asked questions during the blizzard

was, how much is the bus fare? People had never been on the bus for years, and the blizzard made people take the bus.

I was fortunate. I was able to get a ride with someone with a four-wheel drive, or otherwise I would have been looking for the bus too. But I was able to contact somebody and get a bus ride. My car was stuck in the back lane with snow for three days, so even though I was Minister of Urban Affairs, I still had to wait for the tractor to come down my back lane. I was in with everybody else in having to walk. It was an experience that everybody partook in.

* (1710)

Mr. Santos: Certainly the City of Winnipeg enjoyed some autonomy in setting the rates in the public transportation system. But the province is providing grants to the city for transportation. Certainly the province can influence the decision, and the province will appear very, very consistent and logical if those who are eligible to apply for 55 Plus should also be eligible to have the reduced fares for seniors at 55. There will be no questioning about it because these are people who need the services.

Let me point out the benefit, Mr. Chairperson. As the minister said, there are many people who can take the bus. Then the bus system will be more used; there will be more economic opportunities because these people will spend money on movies, on shopping, and it will be for the good of the city itself. Maybe Eaton's will not close if the transportation system is available to, as the member for Inkster (Mr. Lamoureux) said, the bulging segment of our population, if they can move around. But they cannot move around because they are hampered and restricted by this discriminatory kind of treatment. They are eligible to apply for additional supplement under the 55 Plus program. I do not know how many of them did. Maybe I should ask the minister how many actually succeeded in applying for this kind of provincial benefit.

Mr. Reimer: The member is right when he alludes to the fact that Urban Affairs, through the provincial government, does provide funding to the Winnipeg Transit to offset some of their operating losses. I would think that with the blizzard that came a couple of weeks

ago, that with the ridership they were saying they were at an all-time high during that time period, that maybe some people benefiting from the transit for the first time are going to be converted to riding on the buses because they realize that it is a good deal. It is going to be an interesting case study to track now the ridership numbers between, you know, just before the blizzard, then during the blizzard, and then as we continue over the next four to six months to see how that recognition factor is related to the amount of money that is collected in the fare box.

It may mean that if the transit system does start to show a more positive cash flow, they may be able to look at, you know, adjusting the bus fares, and this is something that should be brought forth to their councillors and the fact that there may be an opportunity to pass on some of the benefits to the seniors and possibly lower the age requirement down to the ages that the member referred to. What we can do—when I say we, I mean through the Seniors Directorate. This could be a very excellent topic of discussion for the Council on Aging to tackle. I can get some insight from the Council on Aging and ask them to put that on their next agenda for discussion, and see what type of recommendations or directions they feel they would like to come up with. So what I can do is, I can give the member the assurance that the Council on Aging will, maybe in the next meeting or two, it depends—I think that I would wait until they have a meeting in Winnipeg to discuss it because it is more apropos to Winnipeg—have that as an agenda item for discussion.

Mr. Santos: I thank the minister for that qualified commitment to bring this issue to the Council on Aging. I suggest that if you are a businessman and your product is not selling, what you do is you lower the price. When you lower the price you increase the volume. When you increase the volume you make margin, you make profit. The same thing with the transportation system. If it is easily accessible and there is a lower rate for the majority of citizens—in the minister's opening statement they will be increasing tremendously by the year 2016. They will be 23 percent of our population in the province, you said. If that is the case, there is a social experiment here right now. Lower the rate, see how it affects the income of the city transportation system, and if it does, then that

is a good direction of policy. And it will be for the benefit of our senior citizens because they can be mobile, they can walk anywhere. There will be less need for a special Handi-Transit because they will take the regular transportation system, and there will be, as I said, more economic opportunities. There will be more buying and selling, and that will be good because then all the merchants in downtown who are complaining will no longer be complaining.

Let me now leave that transportation or mobility needs of seniors and go to another basic need of seniors, the housing needs. I have listened sometimes to Question Period, and I learned that there is a thing called Shelter Allowance for Elderly Renters, SAFER. What was the minister's explanation why there was a cut of \$250,000 on this seniors accessible program?

* (1720)

Mr. Reimer: What the member is referring to is what they call the SAFER program, and that is the Shelter Allowance for Elderly Renters. The acronym is SAFER. What that is, is a program that is set up to help seniors in their rental accommodations and to pay for some of their rent. It is a subsidy that goes towards their rental allowance. Now, when we are doing our budgetary Estimates, we look at previous history from the year before as to the applications that are submitted, and we base our budget on and make an evaluation as to how much money we are going to need to fulfill these applications.

Under the SAFER program, to give you an example of how the applications have come in and the budgetary considerations, in 1993-94 there was approximately—well the number was 3,656 applicants for an expenditure of \$4.6 million. In 1994-95, there was almost exactly the same amount of applicants for an expenditure of \$4.644 million. In 1995, there were 3,600 applicants, a decrease, for an expenditure of just over \$4.5 million. So, when you get into your 1996-97 Estimates, you have to look at putting in a budgetary figure for it. So we budgeted for 3,750 applicants in our '96-97 budget, but actually only just over 3,500 applied. So we had a budgetary projection of \$4.65 million that we based our budget on thinking that we would have over 3,700 applicants. We only had just over 3,500 applicants, so our budget came in as an

actual expenditure of \$4,343,700. So there is a difference of, as the member mentioned, around \$300,000. Now, that does not mean that there was less money spent. What it means is there were fewer applicants that applied for the program. So if there are applicants that are available that have the ability to apply because of the criteria and they are eligible, they will receive the shelter allowance.

It is a program that is generated by applications, and as the applications come in, they are processed. If they are eligible, they will get the shelter allowance. But, when we go to our budgetary considerations, naturally we have to try to project as to what we feel is going to come in. So we budgeted for one number. Fewer actual applicants did come in, so naturally our allocation of funds and our expenditure of funds was less than what was anticipated.

So now, when we get into our 1997-98 budget, we go back to what the actuals were in '96-97, which I pointed out to the member were 3,548 actual clients. So what we are budgeting for in our '97-98 budget is 3,590, which is actually a little bit more than what we had from before, even though historically the numbers are going down. We still added just a fraction more than what was actually the take up last year. So our budget for this year is \$4.4 million, which is more, in a sense, than what was actually spent last year. Last year we spent \$4.343 million. This year we are budgeting \$4.4 million. So, in essence, our budget expenditure and our projection is up over the last year. This is why it is not a decrease but it is an increase.

It is generated by clients, the number of clients that apply. The more clients, the more we are going to have that are eligible, the more monies would be spent. So it is not a decrease in actual dollars that is taken away from the program. I think I explained that properly to the member.

Mr. Santos: Obviously the number of applications, if used as an index for budgeting, will depend upon the degree of familiarity of the clients with the program. May I ask the minister what his Seniors Directorate is doing so that the program will be known to those people who are eligible to apply for the renter for the elderly program, their allowance program?

Mr. Reimer: Applications are made available through the social services agencies, like social work offices. There are applications there so that when clients come in there, they are made aware of the shelter allowance. We also, through our Seniors Handbook that the member for Inkster (Mr. Lamoureux) was looking at just the other day—there is reference to the shelter allowance in the handbook with a phone number that they can access to get information. So these brochures are available through our Manitoba Housing. We have them in our housing complexes. Like I say, the social agencies do have them in their contingency of brochures. So there is the availability to the general public to access this type of information.

Mr. Santos: If that is so, the one medium which is available to the directorate is the Seniors Handbook because that is directly published by the directorate. Is that not correct?

Mr. Reimer: Yes, definitely, it is the Seniors Handbook, yes.

Mr. Santos: Okay. How many of these handbooks have been published this fiscal year?

Mr. Reimer: I have been informed that we have published about 50,000 copies of the handbook, and we are just going into a new printing very shortly because we have just about run out of those. In that handbook it does refer to the fact that people can access the SAFER program and applications are available, like I mentioned before, through our Housing department, through the social services agencies, and if they specifically ask us for the application, I mean the Seniors Directorate, why then we will mail it out also.

Mr. Santos: So the new edition will be coming this new fiscal year? What is the time frame on it, Mr. Chairperson?

Mr. Reimer: I have been told it will be available this fall. They will be ready for distribution.

Mr. Santos: Well, if that is the case, then they will not know the SAFER program until the fall.

Mr. Reimer: No, no. The program is alluded to also in the old book, and we still are sending out old books.

When I mentioned 50,000, we are not out of them. We still have books available, so books will go out continually and in the old Seniors Handbook it is referred to. In the new book it will be referred to also, so there should be no disruption of supply to people that have inquiries.

* (1730)

Mr. Santos: The honourable minister stated that some of this information also disseminated through the service agencies. That does include the United Way and all the related agencies?

Mr. Reimer: It was just pointed out to me, you know, the brochures that I am referring to are these here, the SAFER books. These are the ones of Manitoba Housing. We are the ones that print these and distribute them and make them available. I should point out to the member that through my Housing portfolio, we have initiated a marketing team, if you want to call it, and these are people that—we are concerned about the vacancies in our Housing department here in Winnipeg. We have a fair degree of vacancies in some of our units. So what we have initiated is we have initiated a team and these are two ladies, and I cannot remember their exact names right now, who are assigned to various projects in certain areas. Their directive is to try to make people aware of the social housing and the public housing that we have available in that particular area and the eligibility criteria. One of the things that is pointed out to them is the fact that if they are eligible, they can take advantage of the SAFER program to get into some of these units.

A good example is Fred Tipping Place, which is just over here on Osborne Street. When we assigned the marketing team to that particular complex, there were 37 vacant units in it, and within a span of, I think, it was six weeks to two months, we were able to fill almost all those units other than about three of them. They then moved over to another unit on Carriage Road, and they are doing that same type of marketing in that area. One of the things that is made known to the people in speaking groups, and the group goes and speaks at seniors organizations and seniors centres, is the fact that they can take advantage of shelter allowance and get into our units.

We are having some fairly positive results from it, and it is an initiative through my Housing department that indirectly is benefiting my Seniors Directorate and my Seniors department by filling in some of the needs for seniors because, as pointed out earlier, the seniors component of public housing now is growing to a point where it is upwards of 65 percent to 67 percent of the occupancy is seniors, and they bring forth a new awareness of the needs and the new directions of trying to fulfill some of the obligations that we have as a government to look after the seniors.

Our Housing component has grown from a public housing sector to a social housing sector and to the fact that we are able now to cater to seniors in certain areas. Some of our seniors homes have support services such as kitchens and meal programs that they are running out of there. We have tenant-counselling services set up to a degree in trying to help some of the seniors in the area. We have programming that goes into some of these seniors complexes. A good example is the seniors complex on Smith Street, 185 Smith Street, where we have Age and Opportunity that works out of the second floor in that unit. We do not charge any rent to Age and Opportunity in that unit, so they are able to provide a sense of community within that complex for the seniors to get involved with arts and crafts and paintings. I have had the opportunity to be in there a few times to see some of the endeavours they have performed and whether it has been weaving or crocheting or needlework or painting, they do have the opportunity to participate. Age and Opportunity provides a very, very beneficial service to the aging population. The volunteers that work out of Age and Opportunity—I had the opportunity to tour their offices very recently with the director, Hilda Hildebrand, and she is able to draw on literally hundreds of volunteers to help seniors, and this is an example of seniors helping seniors. So it grows to be quite a system of co-operation, and we are very, very fortunate here in Manitoba that we have these types of groups that can grow.

I am very interested in forming partnerships of some sort with groups such as Age and Opportunity in building some other type of programming or direction or needs that they may pinpoint for me. They have come forth with their problems of how they are approaching aging. They want to be part of not only

recognition but possibly even contributing in suggestions as to how we can better service the seniors population.

So the relationship is very positive that I enjoy with some of the groups. I use Age and Opportunity as an example, but other ones we co-operate very closely with in trying to come to a better understanding of which way the seniors are going and what type of direction we can help them with.

As I mentioned, the SAFER program is an excellent opportunity for seniors to get into housing. It is a rental supplement program. It is not an income supplement. It is geared towards the rent that they are paying, and it is based on the criteria of income that the renter is categorized in and the supplement is adjusted accordingly. If the person is making more money, then their rent supplement goes down. If they are making less money, their rent supplement goes up. So it makes it quite an equitable formula that can work and benefit for the senior to take advantage of.

So it is a program that we are—like I say, we have got a team, these two ladies, this marketing team that is going out, trying to fill our housing component and get more usage out of the program. We have had good results from it, but as I pointed out earlier, it is based on applications and, historically, the applications have been going down. Whether it is an indication of better economy because of our fiscal policies that are starting to come into effect—because I notice it seems to have coincided a lot with just in the last few years when we have sort of taken our government on a more prudent management of our fiscal responsibilities and the generation of wealth within the community so that these people can possibly enjoy a better way of life and that possibly they do not need to use the shelter allowance. We have found that it is very beneficial and that if people are willing to partake, it is there for the uptake.

Mr. Santos: More likely than not this supplement to rent will be much more needed now given the lower interest that seniors will be earning on their savings, and they will probably need more supplement. It makes more sense for the government to fill up the vacancies in public housing than making this generally well known and available.

Now, I still ask the question. Why cannot these brochures go to those social agencies that are related to United Way?

* (1740)

Mr. Reimer: The member is referring to the brochures available through the United Way. United Way, in a sense, does cover some of the areas that we already do have brochures in because of the funding agency that United Way is involved with. We do have a fair access to areas that we, as Seniors Directorate, do have our applications in. The seniors centres, there are about a dozen or so seniors centres that would have these brochures in them. The resource centres, there are about 63 or 65 resources centres that would have these brochures in them. Age and Opportunity, which does a lot of out-sourcing has availability of these brochures that they hand out. Also, through the Seniors Directorate, we send out what is called a seniors source newsletter. It goes out every two months, I believe it is—twice a year, pardon me, that is what it is. Within the last year, one of the articles dealt with the rent supplement program.

The word is getting out there to the affected areas. Then in combination, as I pointed out earlier, with our marketing team to try to fill our public housing, we are making it well known that way. They are also talking to seniors groups, seniors organizations and gatherings about the SAFER program. The program is fairly well known by anybody that is involved with renting their accommodations, that they can make application. We encourage them to make application.

Mr. Santos: As I have indicated, Mr. Chairperson, because of low interest rates on savings for seniors, their income naturally will be going down, decreasing. But there are certain changes in our health care, medicare, drug coverage and Pharmacare system, with increasing deductibles, all those increasing costs. My question is, if this is true and there are some changes going on, let us say in the case of institutionalized seniors, they are now probably shifting in greater number into the community away from an institutionalized setting, into the community-based care. Maybe some of them will be going back to the family home. Is there any plan or projection whatsoever? They will probably be needing more home care from

the government. What is the Seniors Directorate doing in planning for this?

Mr. Reimer: The member is right in his assumption that the communities are becoming more in tune with their responsibility to seniors and the adaptation of seniors into the community. The member is right, if a senior can stay in the community or stay within his or her home or apartment or possibly even living with their relatives, it does switch and shift the burden of financial costs away from the high end of providing for health care for the seniors. To keep a person in hospital is very, very expensive compared to having that person into a home care situation or providing some sort of assistance on a daily basis or a visitation basis so that that person can still be part of the function of the community. That does realize a saving to the government. It is through this type of initiative that a lot of times there is the reallocation of funding from the high-end cost of health care down into the community, and this is one of the reasons why home care has become more of a function of this government in providing funding that way.

I do not have the exact funds available as to how the shifting has gone from home care. I do know that it has become a very, very big component, and I believe the last figure I heard, without verifying it through the Health department, I believe it is something around \$90 million that we spend in home care right now. I would have to double check that through the Minister of Health (Mr. Praznik), but that figure sticks in my mind.

That has been a growing figure. We have recognized that if we can keep the seniors in the community, keep them possibly even in their own home, provide a home care visitation, whether it is on a daily basis or twice daily basis or maybe every second day or something like that, it gives that person a sense of being part of the community, and he or she has the ability to still be a contributory force. So the shifting, without knowing the exact numbers, I cannot speculate unless I had closer contact with the Health department. I think that when the Estimates for Health come up, these are questions that can have a definite answer come forth from the minister at that time.

Mr. Santos: If that is the case and the government is saving money by this shift in the location where the

seniors would be, because partly also if they have decided to die at home, you know, along with family circles and support groups, why is this government privatizing home care, thereby losing control of the operation of the home care services of the government?

* (1750)

Mr. Reimer: I guess the question of privatization of home care the Minister of Health was alluding to earlier is the fact that it was a small component of home care that was being privatized. I am not sure exactly what the percentage was. I believe it was about a quarter of the requirements. I would have to get more detail from the Minister of Health to give a more definitive answer, but the idea of privatizing a portion of it was done to set up a system of comparisons, I guess, but as to the—I cannot be too specific as to the amounts and the savings because our Seniors Directorate, we do not have access to the decision making that the Department of Health has. I think that maybe those questions might be more apropos to give to the Minister of Health (Mr. Praznik) when his Estimates come in, whenever his department is called.

Mr. Santos: Throughout the years I notice that all the services required by our senior citizens are inextricably bound up with activities of the Health department, because the older you get, the more health care you need. Unless the Seniors Directorate takes some of these activities, it probably will lose some of its function to this mammoth department called health care. People are now finding that after they reach their deductible, for example in the coverage they have for prescriptions, because they are capped and some of the changes are not known to them, they simply run out of money. Some of these marginal people who have savings, who depended on the interest on their earnings, can no longer pay for those prescriptions that they have to pay for themselves.

In addition, if this is being thrown out to the profit-making sector in the private sector of home care business, you double their problem. How can this government then say that it is caring for seniors? I am not being political here. I am just trying to analyze what is going on. Because those private operators have to make profit, they have to pay a lower rate, they probably will have to cut some of the services and yet

the services are increasing as far as seniors' needs and demand for services are concerned. Given the minister's population projection about the number of seniors in this province, the increase will be tremendous. If their income is dwindling and the demand for services increasing, and the government is handing out and dumping all these services to the private sector, where will the senior be? And we are all getting old.

Those are my concerns, Mr. Chairperson. Last year's Estimates, Pharmacare decreased their funding from \$57.3 million to \$37.6 million. This is 40 percent cap. In addition, out there in Ottawa, they are passing this legislation that extends the patent rights exclusively of all these multinational pharmacare sellers of drugs. Naturally, the price costs will escalate. If the seniors' sources of income, even those who have some savings for themselves, are decreasing, we are compounding the problem of our senior citizens in this province. Are we planning for this? Is the directorate studying this somehow or having this at least discussed by their Council on Aging?

Mr. Reimer: I should point out to the member that when we had our ministerial conference, down in New Brunswick I believe it was, this is one of the things that we wanted to bring up, the fact of the escalating drug costs and the fact that some of the seniors and hardships that are brought forth because of the addition of drug and costs regarding brand name and generic drugs. Generic drugs right now account for approximately 40 percent of the prescriptions that are handed out, which represent about 15 percent of the sales dollar-wise in regard to the medication that is handed out. Generic companies make the claim that their drugs cost upwards of 40 to 60 percent less than the brand names. I believe that there has been active lobbying for and against Bill C-91, I believe it is, with the federal government. I believe our minister went down and made presentation. We have been in contact through publications and through information gathering as to the implication of C-91 here in Manitoba. Our Council on Aging has talked about these applications from time to time in our meetings. There is a concern there. There is a tremendous cost involved both ways, savings and/or increases because of the fact that they are using generic drugs or brand name drugs.

So it is a situation that the federal government has now said that for one, I understand, are granting the patent protection, or a continuation of it. So things like that implemented by the federal Liberal government are going to have a negative effect on our drug cost. This is why we are very concerned.

Mr. Santos: Elderly, as the minister has alluded, sometimes live alone. Of course, if they are already in a state where they need some help—how many minutes away?

Mr. Reimer: Did you want to pass the department today?

Mr. Santos: I do not know. I just want to ask this question.

Mr. Reimer: Sure, a fast question and then you can pass it, Mr. Chairperson.

Mr. Santos: I understand now some of the seniors are going back to school because they have to be mobile, they do not want to stay home. I understand that Red River Community College is charging them full tuition fee even if they are seniors. Is that true?

Mr. Reimer: I think that is something we can certainly look into for the member and get back to him. I was not aware of that.

Mr. Santos: The telephone rates are another requirement. When you are living along and you are a senior, you need a telephone. You need to contact your family. You need to contact somebody when you are in trouble. The phone rates since privatization have gone up \$4 a month since MTS was privatized. MTS now in the private sector will apply for another rate increase in June as we have predicted. Is there any planning here? How can we ever change the situation now? Their income is decreasing and their costs are increasing?

Mr. Reimer: Here again, the regulatory authorities are what the CRTC and we—unless there is representation made to the CRTC, that is the only availability of any recourse that lobby groups have.

Mr. Santos: I would like to talk about elderly abuse but we probably are running out of time. I would like a commitment from the minister from now on that I get all the brochures that they ever issue so I can follow up

all these concerns of seniors. I would agree that there should be an end of everything, and we should end these Estimates.

The Acting Chairperson (Mr. Tweed): Item 24.1 Seniors Directorate (a) Salaries and Employee Benefits \$349,600—pass; (b) Other Expenditures \$180,800—pass.

Resolution 24.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$530,400 for Seniors Directorate for the fiscal year ending March 31, 1998.

This completes the Estimates for Seniors Directorate.

The hour being 6 p.m., committee rise. Call in the Speaker.

IN SESSION

The Acting Speaker (Mr. Tweed): The hour being 6 p.m., as previously agreed, this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 21, 1997

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