

Second Session - Thirty-Seventh Legislature

of the

Legislative Assembly of Manitoba DEBATES and PROCEEDINGS

Official Report (Hansard)

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MANITOBA LEGISLATIVE ASSEMBLY Thirty-Seventh Legislature

ALLAN, Nancy	Member	Constituency	Political Affiliation
ASHTON, Sie've, Hom. ASPER, Linda Riel N.D.I BARRETT, Becky, Hon. Inkster N.D.I BARRETT, Becky, Hon. CALDWELL, Drew, Hon. Radisson N.D.I CALDWELL, Drew, Hon. Radisson N.D.I CHOMIAK, Dave, Hon. Kildonan N.D.I CHOMIAK, Dave, Hon. Kildonan N.D.I CHOMIAK, Dave, Hon. Kildonan N.D.I DEWAR, Gregory Selicirk N.D.I DEWAR, Gregory Selkirk N.D.I DEWAR, Gregory Selkirk N.D.I DEWAR, Gregory Selkirk N.D.I DEREACH, Loanard Russell P.C. DEWAR, Gregory Selkirk N.D.I DRIEDGER, Myrna Charleswood P.C. ENNS, Harry Lakeside P.C. ENNS, Harry P.C. ENNS, Harry P.C. ENNS, Marry RITTER, Edward Gimit P.C. LOEREA, ADD, Jon, Hon. River Heights Lib. Minnedosa P.C. Gimit Douglas N.D. JENNISSEN, Gerard Fin Flon N.D. LATHLIN, Oscar, Hon. LATHLIN, Oscar,	AGLUGUB, Cris	The Maples	N.D.P.
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LEMIEUX, Ron, Hon. La Verendrye N.D.I LOEWEN, John Fort Whyte P.C. MACKINTOSH, Gord, Hon. St. Johns N.D.I MAGUIRE, Larry Arthur-Virden P.C. MALOWAY, Jim Elmwood N.D.I MARTINDALE, Doug Burrows N.D.I McGIFFORD, Diane, Hon. Minto N.D.I MIHYCHUK, MaryAnn, Hon. Minto N.D.I MITCHELSON, Bonnie River East P.C. MURRAY, Stuart Kirkfield Park P.C. MURRAY, Stuart Kirkfield Park P.C. NEVAKSHONOFF, Tom Interlake N.D. PENNER, Jack Emerson P.C. PENNER, Jim Steinbach P.C. PITURA, Frank Morris P.C. PRAZNIK, Darren Lac du Bonnet P.C. REID, Daryl Transcona N.D. REIMER, Jack Southdale P.C. ROBINSON, Eric, Hon. Rupertsland N.D. ROCAN, Denis Carman P.C. <	· · · · · · · · · · · · · · · · · · ·	St. Norbert	P.C.
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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 10, 2001

The House met at 10 a.m.

PRAYERS

ORDERS OF THE DAY

TABLING OF REPORTS

Hon. Scott Smith (Minister of Consumer and Corporate Affairs): Mr. Speaker, I would like to ask for leave to table the expenditures report.

Mr. Speaker: Does the honourable member have leave? [Agreed]

Mr. Smith: Mr. Speaker, I would like to table the Department of Consumer and Corporate Affairs Supplementary Information for Legislative Review 2001-2002 Expenditure Estimates.

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, it would be the intention to call second readings in the order they appear on the Order Paper and then move into Estimates.

Mr. Speaker, would you see if there is unanimous consent of the House to vary the order of Estimates, setting aside in the Chamber Executive Council and considering instead Advanced Education and Training, which will be followed by Consumer and Corporate Affairs, and that is to apply permanently?

Mr. Speaker: Is there unanimous consent of the House to vary the sequence of consideration of Estimates by setting aside in the Chamber the Estimates of Executive Council and considering instead the Estimates of Advanced Education and Training, which will be followed by the Estimates of Consumer and Corporate Affairs? This change is to apply permanently. Is there unanimous consent? [Agreed]

Mr. Mackintosh: Mr. Speaker, would you please also canvass the House to see if there is

unanimous consent to set aside in the section of Supply meeting in Room 254, the Estimates for Conservation and considering the Estimates for the Department of Family Services and Housing? This change is to apply for today only.

Mr. Speaker: Is there unanimous consent to set aside, in the section of the committee of supply meeting in Room 254, the Estimates for the Department of Conservation and consider the Estimates of the Department of Family Services and Housing? This change is to apply for today only. Is there unanimous consent? [Agreed]

SECOND READINGS

Bill 7-The Manitoba Hydro Amendment Act

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): I move, seconded by the Minister of Conservation (Mr. Lathlin), that The Manitoba Hydro (Amendment) Act (Loi modifiant la Loi sur l'Hydro-Manitoba) be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Selinger: I am pleased today to rise on the second reading of Bill 7, The Manitoba Hydro Amendment Act. Mr. Speaker, this utility is referred to by Manitobans as their crown jewel. This legislation will ensure that it stays in the public sector as a resource for all Manitobans.

Last year Manitoba Hydro exported more than \$1 million per day to U.S. markets, a real success story. We have the lowest electricity rates in all of North America, which is a real advantage to all members of our community, business, residential and otherwise. For example, an average industrial customer in Manitoba pays about \$31 a megawatt hour. A similar operation in Alberta is currently paying, as of May 1, between \$80 to \$100 a megawatt hour. This differential was even higher in the winter when Albertans were paying up to \$250 a megawatt

hour, while our rate remained consistent at \$31 a megawatt hour.

As well, Manitoba Hydro employs 4600 people throughout the province. It is a talented and skilled workforce dedicated to the well-being of Manitobans and makes an enormous contribution to the local economies throughout the province.

In February of this year, Manitoba Hydro laid out a PowerSmart program for the residential sector as well as the public sector and private sector. This puts Hydro back on the road to being a leader in conservation efforts throughout North America with benefits, real benefits, right here to people in Manitoba in reducing the costs of their energy bills.

There are many things we could say about Manitoba Hydro. The real point that we want to make is that it is a resource that needs to be guarded and protected for the future while we develop its potential.

This bill has two main provisions. The first one, section 15.3, prohibits the Government from introducing a bill that will authorize or affect the privatization of Manitoba Hydro or a subsidiary that owns a major facility for the generation, transmission or distribution of power, or for the distribution of fuel, unless the question of the advisability of the privatization has been put to the voters in a referendum and it was approved by a majority of the votes cast.

The referendum provisions are modelled closely on those in the Balanced Budget Act. As well, there is another section which creates an opportunity for public debate on any bill designed to amend, repeal, override or suspend the requirements as laid out in the act for a referendum. It requires any such bill to be referred to a committee of the Legislature at which the public has an opportunity to be heard, and is given notice of this opportunity with at least seven days notice. Thank you very much, Mr. Speaker.

Mr. Harold Gilleshammer (Minnedosa): Mr. Speaker, I move, seconded by the Member for Ste. Rose (Mr. Cummings), that debate be adjourned.

Motion agreed to.

Bill 13-The Social Services Appeal Board and Consequential Amendments Act

Hon. Tim Sale (Minister of Family Services and Housing): Mr. Speaker, I move, seconded by the honourable Minister of Justice (Mr. Mackintosh), that Bill 13, The Social Services Appeal Board and Consequential Amendments Act (Loi sur la Commission d'appel des services sociaux et modifications corrélatives), be now read a second time and referred to a committee of this House.

Motion presented.

Mr. Sale: Mr. Speaker, I am very pleased to rise to speak on second reading of Bill 13, The Social Services Appeal Board and Consequential Amendments Act, which replaces and clarifies the appeal provisions established in The Social Services Administration Act, the current act.

This is a very important bill on a number of fronts. In the 25 years since the previous bill was passed, the whole process of administrative or tribunal quasi-judicial law has evolved tremendously. Courts have been quite active in pushing legislation that will clarify and strengthen the due process fundamental justice aspects of administrative and tribunal law.

It is also a bill of which I am very proud because it is a plain-language bill. I want to pay tribute to our Minister of Justice in this regard in that under his leadership we have moved more aggressively towards the notion of plain-language legislation so that ordinary people can read a bill and at least have a fair shot at understanding it.

The appeal process that is laid out in the act makes it much more clear to appellants, as well as to the department respondents, the processes and procedures that are to be followed.

My goal, as a minister in regard to this act, is to have as few appeals as possible, not as many as possible, and so by having clear processes, clear expectations of what is appealable and what is not, and providing opportunities for the resolution of issues prior to the formal

appeal, I believe that we strengthen the accountability of both our social service system and those who use it, so that responsibilities and rights are clearer on both sides of this legislation.

* (10:10)

In terms of the process of appointing people to appeal boards, it has become clear in administrative law that these persons should be beyond the reach of the direct influence of the minister appointing, for obvious reasons in terms of fairness and due process. So there are a number of sections of the new act which will clarify the appointment and holding of office on the part of those who sit on this board.

There are also procedures set forth which standardize such things as time lines, while allowing some discretion to the board in exceptional circumstances to standardize the days allowed for various steps in the process, so that there is less confusion about whether it is 15 days under this act and 30 days under this act and how soon after an appeal you have to respond under this act versus that act.

Members will probably know, but some may not, that this particular board hears appeals under six different acts and so we have also some efficiency here. We have only one body hearing appeals under a number of acts.

I would also want to tell members that in moving to a review of this act, we convened a number of different groups. We got advice from the legal community in terms of the evolution of administrative law. We invited a random sample of those who had been before the board in the last couple of years to give their views as to the transparency and fairness of the process. We asked current members of the board to give input and we asked members of the social services community to give their input. So we got a cross-section of views and it was very helpful to have that kind of process.

Mr. Speaker, with those few words, I look forward to debate on this bill with my honourable colleagues. I think it moves us forward both in terms of the framing of the legislation and catching up to the last 25 years of the evolution of this kind of very important tribunal which deals with fairness and justice for

all people who use our various acts under which this appeal board will hear appeals.

Mr. Glen Cummings (Ste. Rose): I move, seconded by the Member for Lakeside (Mr. Enns), that debate be adjourned.

Motion agreed to.

Bill 16-The Farm Practices Protection Amendment Act.

Hon. Rosann Wowchuk (Minister of Agriculture and Food): I move, seconded by the Minister of Labour and Immigration (Ms. Barrett), that The Farm Practices Protection Amendment Act be now read a second time and be referred to a committee of this House.

Motion presented.

Ms. Wowchuk: Mr. Speaker, The Farm Practices Protection Amendment Act is proposing legislation that will address three areas: first, to provide the Farm Practices Protection Board with the authority to amend previously issued orders; secondly, the term limitations for the members' appointments is proposed to be eliminated; and thirdly, the signing authority of the board orders may be designated to the secretary.

Mr. Speaker, normal farm practice is defined in the act as a practice that is conducted in a manner consistent with proper and accepted customs and standards as established and followed by similar agriculture operations under similar circumstances, including the use of innovative technology used with advanced management practices. As research continues into the effectiveness of innovative technology and advanced management practices, the board should have the ability to amend a previously issued order in the event that an agriculture operation proposed to implement new technology or to change its management practices. Additionally, as the guidelines of the hog, beef, dairy and poultry producers are revised and updated, it is likely that certain board orders will require revisions.

Currently, Mr. Speaker, members are appointed for a four-year term and can be

reappointed, but for no longer than a maximum of two-year terms. This limitation is uncommon to most legislation and is considered unnecessary. As well, the act provides that only the Chair, and in the absence of the Chair the Vice-Chair, may sign the orders of the board. The amendment is intended to allow members to authorize a secretary of the board to sign orders, which reflects the decisions rendered by board members.

Mr. Harry Enns (Lakeside): Mr. Speaker, I move, seconded by the honourable Member for St. Norbert (Mr. Laurendeau), that this bill be adjourned.

Motion agreed to.

Bill 17-The Student Aid Act

Hon. Diane McGifford (Minister of Advanced Education): Mr. Speaker, I move, seconded by the Minister of Education, Training and Youth (Mr. Caldwell), that (Bill 17), The Student Aid Act (Loi sur l'aide aux étudiants) be tabled for second reading and be referred to a committee of this House.

Motion presented.

Ms. McGifford: The Manitoba Student Aid Program was established in the early 1960s. For approximately 35 years, this program was operated by Regulation 120/93 of The Education Administration Act. This regulation includes definitions and provides authorization for eligibility criteria, loans and awards and for financial arrangements to administer the program.

Under the existing Education Administration Act, there is no specific reference to the provision of Manitoba Student Aid including loans, bursaries and other awards to post-secondary students in Manitoba. Student aid plays an increasingly important role in ensuring the fair and equitable access of students to post-secondary education. Therefore, it is in the public interest that the entitlement to affordable post-secondary education is provided for by legislation.

The new Student Aid Act establishes the Student Aid Program and authorizes the minister to provide loans, bursaries and other awards. The new act gives the Government the authority to make regulations, prescribe the eligibility, amounts, terms and conditions for awards to be paid for bursaries, loans and other awards to students. This act also gives the minister, with the approval of government, the power to enter agreements with service providers, including financial institutions, other corporations, governments, departments and agencies to facilitate the administration of the program.

Mr. Speaker, reductions in federal transfer payments for post-secondary education have contributed to increases in tuition fees at post-secondary institutions. Higher tuition fees, coupled with increases in the cost of living over the years, have resulted in increased loans and higher debt loads for our students. The new Manitoba Bursary, together with the 10% tuition fee reduction, will assist students in keeping their debt loads at manageable levels.

This act is designed to achieve a number of important objectives. The Student Aid Act establishes the Manitoba Student Aid Program, consisting of the Manitoba Bursary, Manitoba student loans and other awards; serves to promote the key principles of accessibility and affordability to post-secondary education for Manitoba students: entrenches the new Manitoba Bursary to ensure that Manitoba students have fair and equitable access to financial aid for years to come; consolidates the existing regulations currently under The Education Administration Act into the new Student Aid Act, which serves to enhance the profile and importance of student aid matters for students and other educational stakeholders; provides for a higher level of program accountability for the Manitoba Student Aid Program through the tabling of an annual report which identifies the number of students who receive loans, bursaries and other awards. This report is in addition to the regular annual report prepared by Manitoba Advanced Education.

* (10:20)

Mr. Speaker, the Government of Manitoba is proud to present a new and distinct student aid model.

Mr. Leonard Derkach (Russell): I move, seconded by the Member for St. Norbert (Mr. Laurendeau), that debate on this bill be adjourned.

Motion agreed to.

Bill 19-The Crown Lands Amendment Act

Hon. Rosann Wowchuk (Minister of Agriculture and Food): Mr. Speaker, I move, seconded by the Minister of Advanced Education (Ms. McGifford), that Bill 19, The Crown Lands Amendment Act (Loi modifiant la Loi sur les terres domaniales), be now read a second time and be referred to a committee of this House.

Motion presented.

Ms. Wowchuk: Mr. Speaker, the amendments in this bill would confer jurisdiction onto the Crown Lands Advisory Committee to hear appeals and render decisions. This is a major adjustment. At the present time, the committee hears appeals regarding the branch's interpretation of policy and provides recommendations to the minister who makes the final decision. The amendment will provide the committee with authority to render decisions on appeals involving the transfer, cancellation and allocation of leases. The committee would continue to provide recommendations on policy changes to the minister.

The legislation is required to enable the committee to conduct appeal hearings and, after deliberations, render decisions. The current legislation does not empower the committee to undertake hearings but limits its authority to making recommendations to the minister. As the consequences of formalizing the authority of the committee to hearing appeals and to rendering decisions on them, the authority of making decisions on leases is given to the director of Agriculture Crown Lands branch. The current provisions in the act vest the authority of making the decisions with the minister. The authority to

sign leases is delegated to the assistant deputy minister, who can sign on behalf of the minister.

Mr. Harry Enns (Lakeside): I move, seconded by the honourable Member for Minnedosa (Mr. Gilleshammer), that debate on this bill be adjourned.

Motion agreed to.

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, I move, seconded by the Minister of Labour (Ms. Barrett), that Mr. 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.

* (10:30)

COMMITTEE OF SUPPLY (Concurrent Sections)

FAMILY SERVICES AND HOUSING

Mr. Chairperson (Harry Schellenberg): 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 Family Services and Housing. Does the honourable Minister of Family Services and Housing have an opening statement?

Hon. Tim Sale (Minister of Family Services and Housing): Very briefly, Mr. Chair. I want to thank our department for a year of extremely hard work in regard to the priorities of our department.

We, I think as our critic knows, will be expanding supports and services for citizens with disabilities. I was very pleased as our Persons Minister responsible for with Disabilities to table our white paper which I have just asked to be supplied to all elected members. I look forward to feedback from the Official Opposition on this paper. I want to extend to the honourable member an opportunity to have a full briefing or discussion on the issues in the paper at his convenience. If he wishes to have a briefing for his caucus, I would certainly make that available as well.

We are proud to be supporting our poorest families to a greater extent by restoring the National Child Benefit for all children aged six and under. We have sought the opinion of Manitobans in regard to the future direction of our child care system through the Vision for Child Care and Development in Manitoba paper, from which we have had over 22 000 responses. It is interesting to put that into perspective. British Columbia put out a similar paper a year or so ago and, as a province of 3.7 million people, it got a little over 10 000 responses. For a province of a little over 1 million people, we got 22 000 responses. So either we have a better mailing system, or Manitobans are more concerned than members of British Columbia. I am not sure which.

We will be implementing a second phase of the staffing stabilization initiative. I think that our Government has recognized that the wages of people who are caring for extremely challenging individuals with developmental delay, sometimes with two diagnoses of mental illness as well as developmental delay, that those wages have been so low that we have not been able to retain staff in many cases. I know that the Member for Ste. Rose is aware of the Touchwood Park issue in Neepawa. I think that was an example of where the wages really were not adequate. So we will be implementing a second phase of that staffing stabilization issue.

I am very glad to report that our work on the expanding of the mandates for Métis and First Nations communities is going very well, not without difficulty, not without stress and strain, but hundreds of workers and board members, senior staff across the province, are working on this initiative. I think it has moved from a kind of debating in-principle question to the hard issues of actual implementation, how that is going to take place. I am very grateful to Manitoba's Métis Federation and the Assembly of Manitoba Chiefs, the Southern Chiefs Organization, and the Manitoba Keewatinowi Okimakanac of the North, MKO, for the hard work that they have done in continuing the dialogue towards implementation.

We introduced today for second reading Bill 13. Again, I have offered the critic a spreadsheet,

full briefing on this act. I think it brings up to date a 25-year-old act.

Our Family Violence Prevention services are being increased again this year by some 13 percent. We are finally enabling staff of that system, many of whom have worked for more than a decade and some for as long as 25 years without any pension benefits and without any significant benefits in addition to quite poor wages in many cases—we finally enabled that system to begin to have a more adequate wage structure as well as a pension system.

Just Monday and Tuesday of this week, numbers of our staff, in concert with staff from MKO, the Northern Association of Community Councils, NACC, the Manitoba Métis Federation, the Assembly of Manitoba Chiefs, the northern urban industrial communities and our department, worked together to develop a strategy for enhancing housing opportunities in the North.

In particular, I was really pleased with the commitment of the partners to stay together as a working group over the long term. So this is not just a one-time event, but has evolved into a framework of partners that will work together over the years to come to develop strategies that will get some private sector money, will free up private-sector mortgage funds, as well as public sector commitments to improving the housing stock in Manitoba in the North. I think all of us on all sides of the House know the close, close linkage between poor housing, poor health, poor education, poor family structure. Profound overcrowding in housing is the precursor of all kinds of problems which we have to deal with, but it would be so much better to deal with the underlying problem of housing adequacy and, I believe, also so much cheaper.

I am proud of our work in Brandon and Thompson and Winnipeg to work in core areas where housing shortages and deteriorating neighbourhood conditions again provide a seedbed for unrest for youth who have no sense of purpose or hope, for those who would do vandalism or arson, and more importantly, in all three cities if the inner city assessment base declines then those taxes have to be paid by somebody else because there is no free ride. I

think citizens of all three are recognizing that vibrant downtowns, communities where all those who need housing can be housed safely not only pays social benefits but pays economic benefits as well.

We will be moving towards 80 units of supportive housing in parts of Winnipeg to take advantage of some vacancies in some of our older seniors' blocks and to also fill the need that is created in that gap between independent housing, full independents, and personal care homes. So we think this makes sense in terms of independence, it makes sense economically, and it gives older public housing and assisted housing or rather sponsored housing blocks the opportunity to fill a real need for supportive housing.

Finally, I hope we will find a way to work with the federal government in regard to housing policy. I am sure that all members know that Canada alone in the developed world does not have a housing policy at the national level. It is quite astounding that we are the only developed nation in the world that does not have a housing policy at the federal level. I think as we are in the other areas of our work, we are attempting to develop respectful partnerships with the federal government so that Canadians can see their governments working together. The fiscal imbalance between the capacities of provinces and their duties under the Constitution can be mitigated by having a federal government that understands how to use its spending power under the Constitution to enhance all Canadians' sense of well-being in whatever community they live in across their country.

So with those remarks, Mr. Chairperson, I am quite prepared to begin. There are many other things here, which have been carefully and thoughtfully written out for me by our staff, but I think that we could begin discussion at this point.

Mr. Chairperson: We thank the Minister of Family Services and Housing for those comments. Does the Official Opposition critic, the honourable Member for Ste. Rose, have any opening comments?

Mr. Glen Cummings (Ste. Rose): Mr. Chair, my comments will be brief. I think the minister

and I have established a reasonable working relationship, and I want to begin by saying that any time I have had an issue brought to me from a constituency basis or from a critic basis, your staff has been most helpful in responding to those concerns and that is appreciated.

Secondly, from the overview of the department, there are a couple of areas that will be of ongoing interest. Of course, one is the devolution of the service into the Métis and First Nations community, and I will be interested to have more discussion on how that is proceeding. The department has undertaken a number of initiatives, obviously some to which I have a somewhat different philosophical approach. But in the main, I do not think anybody is questioning the intentions and, in fact, the good intentions of the policy decisions that the minister is making. I think there will be a good deal of opportunity for us to explore some of the rationale that goes into that direction, and I am sure the minister would anticipate and enjoy that discussion. We are moving through Estimates, not only in this department, but across government, rather rapidly, so I will keep my remarks brief and ask the minister if he wishes to bring his staff up. We can get right down to looking at some of the specific areas.

* (10:40)

Mr. Chairperson: We thank the critic for the Official Opposition for those remarks. Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item, and I will proceed with consideration of the next line. Before we do that, we invite the minister's staff to join us at the table, and we ask that the minister introduce his staff present.

Mr. Sale: Thank you, Mr. Chairperson. Joining me is Tannis Mindell, our Deputy Minister, Drew Perry, Assistant Deputy Minister of Admin and Finance, and Grant Doak, who is the Director of our Planning and Research department. All of the other really nice people are sitting in the back of the room, and they will come forward from time to time.

Mr. Chairperson: We thank the minister. We will now proceed to line 1.(b)(1) Administration

and Finance, Executive Support, Salaries and Employee Benefits, \$618,200 on page 73 of the Main Estimates book. Shall the item pass?

Mr. Cummings: Well, I am looking at the Supplementary Information and would like to proceed through there, if we could.

First of all, in the minister's office I see the numbers are approximately the same. Are there any contracts or other contracts or additional personnel changes that may have occurred in the last year?

Mr. Sale: No, there are no current contracted staff, nor have any actual persons changed in the past year, I do not believe.

Mr. Cummings: Looking at the department in the overall, looking at Schedule 5 of the summary, I see the total number of dollars for salary expenditures—and full-time equivalents is pretty much the same. In fact, it is down by a portion of one FTE—but there is \$2.257 million additional salary. Can the minister indicate if that reflects anything more than the regular adjustments?

Mr. Sale: No, Mr. Chairperson, it is simply the agreed on salary increases under the contract which have now been allocated to the department from the central pool that is set aside in anticipation of contracts. The answer is that this is general salary increases.

Mr. Cummings: Has there been any significant number of reclassifications?

Mr. Sale: No, there have not been any significant number of reclassifications in the past year. There have been a few, if the member wants details, but they are minor and I would class them as routine.

Mr. Cummings: That is fair, but that reflects something close to four, four and a half percent change in salary, is that correct?

Mr. Sale: I would think it is somewhat less than that. Total salaries, if we are looking at the same line, Mr. Chairperson, on Schedule 5, \$86.4 million versus \$84.8 million. I think that

would be roughly \$1.6 million on a base of 84 which would be more like 2 percent.

Mr. Cummings: I am looking at the Schedule 5, page 12, of the Supplementary Information, and it is 2.2 out of 46.

Mr. Sale: On that particular subgroup, the member is correct. That would be more like 4-and-a-bit percent in that area. I was looking at the total on the other side, which is the whole department, and is about a 2% increase.

Mr. Cummings: Is there anything that has driven that in that particular appropriation?

Mr. Sale: I am advised the answer is that we had a number of staff who, under the MGEU framework, had been classified as contract, but they were entitled to be full-time employees, essentially improperly held as contract for longer than they should have been. I am not saying this in a partisan way, but it started under the previous regime. We inherited it, and we had to regularize it.

That bumps up the cost of benefits, in particular, not so much the wages but the benefits, and that is the explanation in that particular area. It really is under the area of the Manitoba Developmental Centre—[interjection] I am sorry, primarily Regional Operations where we had some contract term employees who should have been converted and were converted.

Mr. Cummings: Looking at the department as a whole, what is the current vacancy rate?

Mr. Sale: It has varied over the year, but currently it is about 6 percent. It has been higher than that at various points during the year. It is currently at about six.

Mr. Cummings: Does the department intend to maintain that vacancy rate, or is it actively recruiting?

Mr. Sale: We find that in some particular areas, we have a high turnover or at least a modest turnover, so we are often, in, for instance, Income Security, filling positions because of vacancies, and that is largely because our salaries are lower than jobs for which people

who do those kinds of jobs find out that they are qualified. So we train them and get them functioning really well, and then they go get another job.

We are finding it a challenge in some of our areas, particularly in some of our rural communities, to recruit staff to vacant positions that are very important positions, and that is largely a salary competitiveness issue.

Mr. Cummings: So is there a mandated vacancy rate, or is the objective to stay as close to fully staffed as recruitment can normally make it be?

Mr. Sale: Mr. Chairperson, the fairly carefully observed guideline is 4 percent.

Mr. Cummings: I thank the minister for that. I did not quite catch what the minister said, an area where they often had difficulty recruiting. Would he care to expand on that a little?

Mr. Sale: I had mentioned two areas. One is that we do have turnover in some of our social assistance offices, people who find that they can get a better job elsewhere in terms of money primarily. So there is a continuing filling of positions in that area.

But, more particularly, I am advised that we have difficulty in some of the child welfare staff of our rural and northern services where the department is the direct deliverer of those services north of approximately Dauphin, and other areas where we have specialty positions in the department, we find it difficult to recruit. They tend to be the more specialized, or northern, or that inner city income security office which often has a number of vacant positions.

Mr. Cummings: Yes, just so I do not appear to be jumping all over the place—and I do not want to or intend to—but if the minister is in agreement, I have been looking through the Supplementary Information and I have some questions based on that. That is where I am.

Mr. Sale: We may just have to pause for a moment while we bring in the appropriate staff

to answer a question, which I may not have the answer to directly.

* (10:50)

Mr. Cummings: Mr. Chairman, I have another page that I had earmarked here. We have touched to some extent already—I want to move to page 25, 09-1B, Sub-Appropriation. There is very little. Now I have asked the general question, so perhaps this question could be redundant. My intent is and the minister could probably save himself a lot of questions, if I ask it in a broader sense as opposed to each line.

Had there been any particular changes, or can he give me an understanding of what might be available, current contract positions within the department? He had indicated there were a number of contract positions that have now become full time and that is understood. I wonder are there, are there a particular number of contracts, contract workers that are operating within the department now?

Mr. Sale: If I am not answering the question that the member has asked, I would ask him to clarify. I hope I am answering the question that he is asking.

He may know that there was a system called the Manitoba Support Services payroll. It was essentially a computer program that allowed us to have casual and hourly paid staff primarily in our regional operations. I think also with Manitoba Developmental Centre, we had some people on that payroll. That staffing over time grew to be essentially people who are working full hours and so they, under the contract, needed to be converted to basically permanent positions.

There was also a technical problem with that Support Services payroll piece. It used to be administered under our Health Department when it was centralized and it no longer is because Health is regionalized. So that caused a fair amount of problems as we tried to deal with that. The member may actually remember that as an issue that was coming up when they moved to the new SAP system centrally. It caused all kinds of grief.

The other, we do have people who are on secondment. They are not technically contract, but people who have been seconded to the department will go back to their positions or other jobs for the most part. If he is asking about those positions, I can get him that information, but there is a very small number of people and I do not want to use words to mislead here. They may sound like contract because they are not permanent, they are seconded, but they are not technically contract. It is a small number of people.

Mr. Cummings: How are they reflected in the numbers? Are they reflected as full time equivalents or do they fall under another designation?

Mr. Sale: They are included in all the dollars that are shown, but because they are not permanent, they are not occupying a staff year; so the dollars are here, but they will go back to wherever they were at the end of the secondment.

Mr. Cummings: I think that gives me some idea of the numbers, or some understanding of the numbers that I was looking at.

Moving to page 26 of your Supplementary Information, the Advisory Committee. Can the minister give me an understanding of who would be referenced as part of this Advisory Committee? Then I have some questions about some of their responsibilities.

Mr. Sale: Mr. Chairperson, is the member wanting a list of names on the board, or just examples of the kind of people who are on the board?

Mr. Chairperson: I would like to have your attention. We are currently on line 1.(b)(1). Leave is required to skip ahead and ask questions in other areas. Is there leave? [Agreed]

Mr. Cummings: Give me an idea of who the lead person might be on the committee, how the committee is struck. I do not need a list of members at this point.

* (11:00)

Mr. Sale: The acting director of the board is with us, Judi Moxley. She has joined us at the

table. In terms of the board Chair, David Schellenberg, you might know him. He was the former director or CEO of a Child and Family Services agency in the inner city. He has held many positions: treasurer of the Association of Social Workers; current representative on the faculty council at the University of Manitoba Faculty of Social Work; he is a member of the Board of Trustees Pension Plan; the United Way Agencies Benefits Plan; board member of local community groups like the Orioles Learning Centre in his own community; past president of an alumni council and so forth.

The Vice-Chair is Jan Chaboyer from Brandon. She is purchasing officer with the University of Brandon and lots of background in the Brandon community.

Other people are people such as a retired school principal working in the area of special people who have had extensive needs: experience working with groups like the Metis Federation; the Manitoba Association for Rights and Liberties; people who are nurses' aides with some social work background; people from the First Nations and Métis community with experience in addictions work; a United Church minister from a rural area, northern area; people who are at work in the inner city as outreach workers; former staff who have worked in the unemployment benefits area, so people understand the interface between employment assistance and income assistance; people who have worked in the agriculture field in rural Manitoba; people with disabilities. That gives you a sense of who they are.

Mr. Cummings: I would be interested to know how the projected number of 900 relates to previous years, let us say the previous three years, if they happen to have that number available.

Mr. Sale: I will give you the last five years and then the projection. In '96-97, there were 1201; '97-98, 1073; '98-99, 893; '99-2000, 858; our actual count for the year just ended, 895. So essentially we are projecting it being flat.

I just add what I said in the House in introducing the new act, that our goal is to bring that number down. We think that we can bring it

down by giving clearer information to both sides, by having clearer procedures, and by attempting wherever we can to either mediate or at least talk with appellants and the department to clarify what the issues are. Many times we find that of that, say, 895, last year about 400 were sorted out before they actually came to the appeal board, some of them by being withdrawn, some of them by the department recognizing that it made an error, a variety of ways. But that is the total number of filed appeals. If the member wants more statistical information about the disposition, I would be happy to supply that.

Mr. Cummings: Well, that in part answers my question of how many of them actually resulted in hearings. There were close to half settled before they made that stage. Did the rest all result in hearings?

Mr. Sale: Actual hearings that took place were approximately 260; 66 were allowed; 196 were dismissed, in other words, not allowed; 491 were withdrawn, of which a majority were resolved. That was why they were withdrawn; 62 did not show up; 19 appeals were deemed to be outside the jurisdiction of the appeal board; and 61 were still underway at the end of the year.

Mr. Cummings: In some respects, I see this function as a bit of a barometer of how the system is working. It is probably my own weakness. What possible involvement would this committee have with the Adoption Act?

Mr. Sale: It is a very good question, and I did not know the answer. I do now. The answer is that it is on the question of licensing of private adoption agencies. An agency may appeal—presumably they would appeal the not granting of a licence but not in regard to the actual adoptions which are processed. Those are handled through the other sections of our acts.

Mr. Cummings: Something tells me I should have known that answer. I did intend to ask a question or two in that area. I could leave it for now or, if you are agreeable, I would—

Mr. Sale: Do it.

Mr. Cummings: In terms of the private adoption capacity, I am interested in the numbers or

whether there has been a trend. Does the department have a record or a trend that they can share with us about whether or not that is growing, holding flat or doing anything?

Mr. Sale: Mr. Chair, can I take that as notice and get back to the member? I do not have a number currently. Our staff will attempt to get an answer to that question and get back to you as quickly as we can.

Mr. Cummings: That is fine. I think I have outlined what my interest would be. That is interesting. What grounds would—or if someone did not meet—let me rephrase this carefully. If someone did not meet the standards to manage a private adoption—there is a known standard, I believe, is that correct, for a private adoption agency?

Mr. Sale: Again, if I am not answering the question, please ask it again. The requirements to adopt, I do not believe, are different whether you go through a private agency or public agency. I think the requirements remain the same on the part of the adopting parent and in terms of a home study and whatever else might take place. If the agency does not meet the requirements of the act in terms of what the relevant provisions of the act are, and I would have to get that act and review it, then it would not receive a licence or, if it was investigated, it would have its licence withdrawn for failing to comply with the standards for that.

Mr. Cummings: My next question can be taken as notice because it is probably an obscure fact somewhere in the department, and then I will leave this bone alone. Is there a known number of private adoption agencies in the province?

Mr. Sale: I believe the answer is two, but we will verify that, and if it is different from that, we will get back to you.

Mr. Cummings: It does not matter if it is two or five; it is not fifteen or fifty, so, okay, thank you. Can the minister give me a bit of a breakdown where the majority of the appeals would have come from to this committee? Would they be on the income assistance side? I am particularly interested in how many of them might have been with vulnerable persons.

Mr. Sale: I can give you a breakdown, let us say, for the year just past. There are 895 total appeals received, and you will remember that only about 260 proceeded to hearing. This is a breakdown of the source of the 895: 45 were to municipal assistance; 793 were to the provincial system; 55 plus, there were six appeals. There were 42 appeals on daycare subsidies. There were two appeals on licensing and terms and conditions for daycares; that is, daycares who appealed, saying that the licensing process was in some way unfair, or whatever. There was one appeal under Licensing for Residential Care. The member probably knows we license all the residential care homes, both in the group-home area and for persons with mental illness in the community. Close that section.

* (11:10)

There were two under the vocational rehabilitation of disabled persons act. There were none under our homemaker program, and there were four under The Vulnerable Persons Act. So, as the member suspected, the vast majority are income assistance. Approximately 838 of the 895 were on income assistance.

Mr. Cummings: The board meets across the province for hearings. Can you give me an understanding of the various communities that it would have attended?

Mr. Sale: Thank you. I think the minister heard the answer. The answer is all over. We have a lot of hearings in Winnipeg and a lot of hearings in Brandon, but we hear in Thompson, Swan River, Dauphin. Pretty much we go to where the appeal is, within reason, and that is the practice.

Mr. Cummings: Thank you. Then this is predicted to be pretty much of a flat line for this committee in terms of costs and I think we can move to the next appropriation if the minister is ready.

Resource Services on page 28. If moving this way causes any grief for the staff that are available, I am prepared to be flexible as well, but it would appear that this section is pretty much status quo.

There are not any contract employees over and above what is listed on the FTEs?

Mr. Sale: I just would introduce JoAnne Reinsch, who is our new HR person, shared with Health—I guess not shared with Health, but she does them all. She handles all of us.

The answer is no.

Mr. Cummings: That actually raises a second question. The money that is listed here, is this then an attribution separate to each department? This is just this department's costs and the other half of that section would show up in Health?

Mr. Sale: That is correct, Mr. Chairperson.

Mr. Cummings: Easy question when I ask the obvious, is it not?

In the Policy and Planning section, again, are there any vacancies in this area that need to be filled?

Mr. Sale: Mr. Chairperson, there is one at the current time that is unfilled.

Mr. Cummings: I would suggest this has probably been a pretty busy department since change in government. Who is the lead person in this department, if I might ask without being too personal?

Mr. Sale: Mr. Chairperson, I did introduce Grant Doak earlier. He is the Executive Director of the branch and the branch does great work. They are very busy, and it is mostly our fault.

Mr. Cummings: This does not quite fall under classified information, but I am getting close, I presume. This department obviously provides for the minister a fair bit of background for policy decisions. Very often this type of branch gets assigned all sorts of interesting projects. Is this department closely involved with the devolution of the CFS project?

Mr. Sale: No, it is not. They have been deeply involved in the design of the Healthy Child component, Healthy Babies, and the income security issues around disability. It does a great deal of research that relates to income security and disability and to early childhood. But no, it is not involved. I do not think it is actually involved at all in the devolution. Staff is saying,

yes, there is one person involved, but they are essentially seconded to the team that is working on the devolution.

Mr. Cummings: Then I guess my interest, in that respect, is that the devolution is more of a mechanical nature as opposed to a policy. I understand the policy of why it is being done, but, in terms of developing programs, that will be a devolution of operations as opposed to any change in management style.

Mr. Sale: I just direct the member to page 61 in the Estimates book. It is sub-appropriation O9-4A. The way we are handling the devolution strategy is to have a small team of people who are working with Peter Dubienski, who is the Assistant Deputy Minister in that area. It certainly does involve a lot of policy work. For example, if we are going to talk about mandate transfer, which we are doing, we have to think about what kind of an act we would want to write that would enable that to have full accountability and retain the constitutional responsibility the Province has for Child and Family Services, at the same time recognizing a meaningful transfer of authority to operate under a mandate.

So there are quite a lot of very detailed, difficult, lengthy policy discussions about how to walk that line of accountability and yet granting real responsibility. That is what that Strategic Initiatives reference is primarily to. It is not the only thing that that group is working on, but it is a big part of their work.

Mr. Cummings: We will leave that until we get to that page then. I appreciate that, but obviously there was a reason to ask what the involvement was of this section. What is the connection then between the Strategic Initiatives unit and Policy and Planning? It seems to me there has to be some overlap between the two.

Mr. Sale: The department has an executive management team, of which Mr. Doak is a member, and so when you are talking about the broad steering of department priorities, he would sit in on all of those meetings.

* (11:20)

In terms of this specific initiative, because of its complexity and the large number of meetings

with the Manitoba Metis Federation, the Southern Chiefs, the MKO and Assembly, as well as the existing agencies that are out there—the now, I think, 12 First Nations agencies, 3 general mandate, we are calling them agencies—and the department itself, which delivers services in the North, we decided the best way to handle that was to have a unit called the Strategic Initiatives unit. Mr. Doak's area contributed one person to that team, but the team works directly under, and reports directly to, Mr. Dubienski, who is the Assistant Deputy Minister.

So the linkage is in two ways. One is through the person who has been seconded, but that person, for the purposes of this initiative, reports to the Strategic Initiatives team. The other linkage is through the senior staff mechanism that meets on a weekly basis under the tender care and guidance of the deputy minister.

Mr. Cummings: Thank you. With a 19-person section, will the minister give me some breakdown within that. Are there specialists in that area in terms of the professional leadership? My experience with policy branches, and it may be the limitation of my experience, but there may well be various expertise that is brought to bear within that branch.

Can the minister give me some indication of not necessarily the names but the expertise that is brought to the table within this branch?

Mr. Sale: The type of people who are working here would be people with a background in statistical analysis who would be able to, for example, examine a cross section of a caseload in income security, look for characteristics which might help us to do a better job of getting people back to work, look for characteristics that would enable us to evaluate the effectiveness of a program; for example, Opportunities for Employment which was started under the previous government and is a very successful program.

We evaluate those initiatives on an ongoing basis. We gather information on Taking Charge!, for example, and look at the type of people with whom they are effective versus the people that they do not appear to be very effective with. Some of the things that are involved in this Policy and Planning branch are activities. We are very, very deeply involved in the development of the Healthy Baby Prenatal Benefit which involved policy, administrative and statistical systems, benefits systems, regulation development, evaluation which is a very important component of that. We are still hoping to have the federal government as a partner in that evaluation, and we will be using also the skills of the Manitoba Health Policy Research and Evaluation Centre to do some data matching, so we can see whether what we are doing actually has an impact. We are very committed to finding that out.

They have provided representation for Manitoba on the National Child Benefit working group at the national level, the benefits for persons with disabilities working group, the employment assistance for persons with a disability working group, the early childhood development working group.

I am sure the member knows that in spite of the fact that we are a separate province under the Constitution, we work extremely closely across the country with other provinces. For example, New Brunswick partnered with us in introducing the prenatal benefit as well as some of the postnatal programs that we are also involved in, but they specifically partnered with us on that one. We did that as a joint demonstration, in effect.

The branch assisted in the review and renewal of The Social Services Administration Act. They participated and supported community consultations with organizations representing people with disabilities towards the formation of the white paper. One of their staff members, Jim Doerksen, whom I am sure the member knows, led in the development of the white paper, did a fantastic job in doing that. It developed options in regard to the funding of child daycare.

It is a long, long list of things. If the member would like to have a sense of the kind of staff qualifications in the Professional and Technical area, there are eleven and a half staff years, and they would be people with degrees in economics, statistics, Master's of Public Administration. That would be the type of staff.

Mr. Cummings: Has there been any significant change in staff in the last couple of years?

Mr. Sale: I am informed there are approximately five people who have come and gone from this branch in the last two years and that some of these are in the nature of a secondment, where people would come to do a task or would leave to do a task and come back.

It is the kind of resource that is invaluable to a department because we can find somebody with a particular skill, and if the project is being done elsewhere, we can assign them to that place, and then they can come back home when that project is over. But that is the approximate number, five, in and out over the last two years.

Mr. Cummings: This probably falls into the category of a restrained compliment, but I firmly believe that secondment for people into various responsibilities is a good work experience and helps expand their capacity, so I am interested in hearing that.

* (11:30)

The other question, and I cannot remember now if I asked when we opened this page. If we have already answered it, then tell me. Are there any additional contracts from this area?

Mr. Sale: No, Mr. Chairperson, there are not.

Mr. Cummings: I would like to go to the sub-appropriation 9.1 Administration and Finance (f) Financial and Administrative Services. I note, under this section, that responsibility for responses to freedom of information is one of the areas. How many outstanding requests does the department have, at this point, if that is not inappropriate?

Mr. Sale: Can we take that as notice and get the answer for the member as soon as we can?

Mr. Cummings: That is fine. Can the minister give me some insight into, where there is a client of one of the contracting agencies who may be seeking information under the Freedom of Information Act, how is that handled? What is the relationship between the department and the agency and the management of the information?

Mr. Sale: Mr. Chairperson, if I could just introduce Sheila Lebredt, who is the Director of this particular branch. Could the member ask that question again? I am not sure I understood what it is that he is after.

Mr. Cummings: If a request comes into an agency, very often people turn to the ministry when they have a problem with an agency, seeking another what they may well view as the Government's general responsibility, ask for information, for example, about their personal file. To boil it down to the smallest denominator, is the agency responsible for its own freedom of information access, and is there an involvement with the department's freedom of information responsibility here?

Mr. Sale: I am still not sure I completely understand the question, but let me try a response. The Freedom of Information Act covers larger agencies that government has a more or less direct control over, such as Child and Family Service agencies, where we appoint members to the board, or we fully control them under an act. Smaller agencies that provide service, for example, Touchwood Park, would not be covered under FOI. That is, someone could not come to government and say we want information about something in Touchwood. That would not be covered, I understand.

I just thank my deputy for clarifying that. We could be required to, and the Provincial Auditor would have the right to financial information. If we had a sense that there was something amiss, as we did with Lions, for example, we could have an audit. The Auditor has the right to do that. But the kinds of things that typically come under freedom of information request are not usually of that nature.

I am still not sure I am answering the question, because I really am not sure I understood it, but maybe I have provided some information that is useful.

Mr. Cummings: Well, occasionally I get requests from people who would be clients of one of the child-family agencies indicating that they have an outstanding issue with the agency. Part of it is that they believe something is in their file that is working against them, and the agency is there for holding an ace, if you will, or

a club to managing their file in a way that they do not agree with, obviously, or they would not be complaining. I am doing the easy way to do my research here. I could probably go and research the act myself, but I would like to know: Is there a relationship between the ministry's responsibility and the agency's responsibility?

You, in part, answered that when you said you appoint the board, so you have some responsibility as being the appointing authority. But under Freedom of Information, how is that handled?

Mr. Sale: I think we are really talking about two different things for the most part. If a client of an agency or someone who has an interest in a case in regard to a child welfare agency, for example, wishes to contest information that they think might be there or wishes to see information that might be there, that is not a Freedom of Information issue. That is covered under The Child and Family Services Act in terms of how information is handled. There are appeal procedures, there are mechanisms in that act to deal with how people interface with that agency around a dispute of one kind or another. Unfortunately, it is not uncommon for those to go to a judicial process, where someone gets a lawyer and essentially goes to court with the agency. I also get those kinds of things. But those are not Freedom of Information-type events.

Mr. Cummings: The minister probably shares my frustration when it comes right down to it. Or looking at it from the other end of the pipe, if you are a parent who feels that somehow either your ability to parent has been questioned, or your ability to support your child—and, therefore, you end up with a child in custody. Other than going to government resources to have lawyer assistance to deal with their case, they feel, as rightly they probably should, sometimes rightfully or wrongly, that the system is working against them, in terms of being able to understand why they are in the position that they are in. Are we saying that the only recourse they have is through the legal system?

Mr. Sale: I am now understanding the question much better. The answer is actually no. We have

regional teams in the department, in the directorate, for which Director of Child Welfare, Dennis Schellenberg, directly responsible. He reports to Peter Dubienski, the ADM.

It is not uncommon for me on behalf of someone like yourself, as a member, to raise a particular case where a family feels aggrieved for whatever reason, and to ask our staff to go and meet with the agency and investigate from our perspective what the facts are here. Whether we have used all the reasonable avenues of mediation, sitting down and clarifying the legal or the case facts that are there, has everybody had a chance to have their say before we go any further? What might the next step be-going to a court of law or contesting the agency's actions? I do not mean there are a whole lot of them, but it is not at all uncommon for us to ask staff, or for staff on their own initiative-because they have been approached on an issue-to sit down with a child welfare agency and say that we have got to look at this case and do a review of it. So that is probably the most effective way.

Once you have been fully frustrated by the agency, the next step is that we do have a compliance branch and regional teams that sit down and try and solve some of these problems. As you have said, some of them are extremely difficult. Sometimes people get a stubborn idea about something, and it may not be factual. We have to have a way of dealing with that. That is one of the mechanisms we have for that.

Mr. Cummings: I understand the answers, but that still leaves some questions. Of course, the only time the minister or I or someone in our position would hear about these situations is if they have already developed to the difficult stage. If it is not under FOI, let us just say, under a person's right to know: Do they have a right to know what has been put on their file?

Ministers never like to answer hypothetical questions, but it is the only way I am going to be able to explain this situation. I am not talking about a particular situation, but a number of circumstances that seem to have been raised over the years that I still do not have a good grasp on, but I very often hear people who are, for example, having one or more of their children taken into custody, for various reasons. Do they

have a right to ask their caseworker to show them their file?

* (11:40)

Mr. Sale: Mr. Chairperson, I am advised that the direct answer to that is that people ought to be able to have access to information about themselves, but most of these files have extensive third-party information in them and that would be severed.

I do not want to have a long discussion about this, but I am sure that the member is probably at least as aware as I am because he has been at this a lot longer. These are probably among the hardest, most complex judgments that we are called to make, where you have two parents who are at war with each other over something else and they take that war out through the kids. Or, you have situations where there are allegations of physical, emotional, sexual abuse that are extremely difficult to sort out because we know that children very seldom lie about this kind of an issue; but for older adolescents, it is a real problem sometimes to sort out truth from fiction. We know that spouses will use very serious and very hurtful allegations in the process of nasty divorces.

So who gets information and under what circumstances? There is no cut-and-dried answer to that question. There are ongoing investigations where, for reasons of potential risk to the child, the parent has to be separated from the child. Yet, what are we to say at the end of a month or six weeks or two months, when the investigation turns out to be the product of another parent's attempt to wound someone that they used to be a partner with? So we have separated people from their children and set up all kinds of emotional dynamics. These are ugly and difficult situations, and in those kinds of situations, the sharing of information will probably not be very easy.

I am not sure that we have answered the question, but I know it is an area in which I have had many personal involvements over the years trying to mediate a reasonable solution to very difficult judgment calls that our workers have to make.

Mr. Cummings: In part, that is my question, but there is another element of that where it is not a dispute between a pair of parents but where a person believes, very often a single parent, that there is more in their file, and they believe that there is a third-party charge, which is similar to what the minister just described, although it may not be coming. They are not sure what it is, but it is being alluded to. The question I am asked is: Why can I not see the basis upon which they are making these accusations?

If we can assume that they are entitled to see everything except something that would be damaging to another party—an accusation by a third party falls under confidentiality, that the caseworker is unable to reveal, is what I often understand. Even if it is not between two parents, it seems to be a situation where parents who are fighting for the custody of their children are driven crazy. Look, I understand this is probably the most difficult part of work that is done on behalf of the public good. This is not in any way to reflect on any of your workers within the department or within any of the agencies, but it is a question that needs airing from time to time.

Mr. Sale: Well, I do not take any offence at the question because it is one I have asked too. A person has a right to information about themselves, but they do not currently have the right to know the source of that information. So they can see the allegation. They have all of the rights of any of us to attempt to refute it. The difficulty is the nature of many of these allegations is extremely hard either to prove or to refute. So it comes down to a kind of balance of probabilities process in which-Solomon is not around, unfortunately, and sometimes we get it wrong. A lot of the time we get it right, but the member is right. It is a very difficult issue. The revealing of the source of allegation sets up another set of dynamics where the person who, either out of malice or out of honest concern, then becomes essentially another potential target. We are often dealing in these situations, as the member knows, with people who are pretty upset.

Mr. Cummings: Well, I preface this again in the context that I just said a moment ago about it not being intended to be any reflection on anyone working in the field. But then it is correct to assume that a third party allegation, the source of that allegation, as the minister just said, is not necessarily revealed. Would it be revealed if it went to court?

Mr. Sale: The member is essentially correct in what he is saying is that under a variety of acts, Vulnerable Persons Act, child welfare act, the identity of people making a complaint or of making an allegation is protected. This may not be an appropriate parallel to draw, but we have other lines, Crime Stoppers for example, where you are not required to reveal your identity. It then is up to the police as the authority to investigate whether the information provided is valid or not. So the case has to be proved on its own merit, not on the merits of the source of the information that started the investigation in the first place.

We are in a somewhat analogous situation that we have to satisfy ourselves as to the validity or invalidity of allegations on the evidence that we can see directly and develop from the investigative process, not on the basis of the identity of the complainant.

Mr. Cummings: That is the answer I was hoping I would get, because if there is a concern, people feel somewhat powerless in the face of a seizure of a child for whatever the reasons might be. It is comforting to know that on the basis of a third party, possibly even an anonymous tip, that has to be substantiated. I would ask the minister to confirm this. That has to then be substantiated by—investigation might well be triggered by an anonymous tip, but it then has to be satisfied by an investigation that would substantiate it.

Mr. Sale: Mr. Chairperson, I would be glad to supply the member with the protocol that is mandatory for all child welfare investigations. There are steps and procedures. In fact, we just approved a new one that we hope is strengthened in terms of due process. I would be glad to supply that to him for his review. Essentially, yes. I would only make one qualification. If the allegation is of a serious nature, the test in the child welfare act is the best interest of the child. That is the overriding test.

The children are vulnerable and if an allegation is made that a child is seriously at

risk, then action will be taken to protect that child while an investigation takes place. The dilemma, of course, is that somebody's child is apprehended and they do not know why, necessarily. That will be resolved through the use of the protocol which I would be happy to supply the member.

Mr. Cummings: Yes, I would appreciate an opportunity to review that and just leave this thought on the record. I certainly know the number one responsibility is the safety of the children. I would hope also, in reviewing the protocol, that there is an opportunity to see that there are benefits to a child being reared with a natural parent, or a loving family, even though it may be flawed, provided safety and the health of the child is not being compromised. That is a fine line that I am sure your agencies have to walk and the department has to walk every day in this area. Interestingly, that does reflect the types of concerns that come forward in the main outside of the unemployment and assistance area.

* (11:50)

I would also say for the record that, by and large, of the complaints that I have received, I find that the department and the agencies have acted in good faith. I have only one or two files where I might have some further questions in that respect. The concern, just for my own edification, the Freedom of Information Act does govern the mandated agencies, the larger agencies the department has under their control.

Mr. Sale: For administrative information, yes, it does, but not for case records. Case records, those are all covered under The Child and Family Services Act and the Adoption Act in terms of how information is handled and then in terms of the protocols of how complaints are investigated, and so forth.

I would just want to reassure the member that the goals of Child and Family Services have not changed from the time that his Government was in place in terms of family preservation, family reunification, keeping a family together. Page 67, there is a short statement: To plan and develop a comprehensive continuum of child and family services throughout the province

designed to support, supplement, and where necessary substitute; but the goal is support and supplement. Those are the priorities.

Just in response to an earlier question, there are three FOI requests currently in process in the department.

Mr. Cummings: Before we leave this page-

An Honourable Member: Which page?

Mr. Cummings: Sorry, 32, where I took off on Freedom of Information Act. [interjection] That is right, it was a wide curve. The Better Systems Initiative and Information Management, because this is such a huge file and with so many interactions keeping track of particularly children who have been in care: Can the minister tell me how the Information technology and management is progressing in this area?

Mr. Sale: Perhaps we could invite Brian to come and join us. I introduce Brian Konopski who is the information technology director for our department.

The major projects underway currently involve the completion of the child daycare system, which is a high, high priority system for us because the old system is not much of a system at this point. It is a very important development because it is a template in effect for other systems which we will be able to develop much more quickly once that one is in place. A number of elements of it are already in place and operating. For example, the subsidy calculator; the online application for daycare was announced a few weeks back. That system will continue to roll out in various components over the next about, what, nine months or so, roughly.

We have a number of high priority areas where we frankly do not have the resources to proceed. Our SAMIN system which runs our income support areas is, I guess in information technology terms, a robust system. It works but it is an old batch processing system. We do not have live information, for the most part, although there are little bits of it that we have had re-engineered so that we can have fairly easy access to pieces of it. But it is a very old system. It runs on very old technology.

Our CFSIS system, Child and Family Services Information System, is not fully rolled out to First Nations remote agencies because of the problem of getting information technology into remote communities, bandwidth, the slowness of dial-up modems, or the unreliability, or even just unavailability of numbers of telephone lines into some of the remote communities. Ultimately, it is likely that satellite will be the way that we will finally have to go. We are working with the Department of Health Department the of Justice across government on a broadband strategy that will help us in this area, but in the meantime, our CEFA system has a lot of users-I think around 1200-1500 users, 11-something users-but that still does not include numbers of our remote communities where there are Aboriginal agencies. So there are a large number of systems. Our department deals with a whole lot of people. I would say we are not on the leading edge of new information systems, except in the area of daycare, which is a very important component to us, because it will allow us to develop other systems to serve the other programs in the department much more easily. It embodies a bunch of core technology and it is Web-enabled, so it is much cheaper to update, for example, because you do not have to run around with disks updating the system, and so forth.

Mr. Cummings: I thank the minister for that answer. Are there plans to upgrade the CEFA system? Is there—I am tempted to say CFIP because there is a farm program by that name. But the concern I have is that, and the minister touched on it, and we will get to it later, but we could deal with the technology side right now. Is this going to be a problem in the rollout of the devolution of the Family Services?

Mr. Sale: Mr. Chairperson, it is sort of going to be no more of a problem to that than it is to us now, because we do not have that capacity now in all of our rural and remote areas. So we are dealing with the accountability and compliance issues through our regional teams that I mentioned earlier. So it does not really change the problem that we have, put it that way. We are spending about a million and a half dollars this year to upgrade CEFA in some areas, which will bring it into compliance with various

currently mandated case management standards. We have strengthened our case management expectations. The information system has to support that. The detail is incredible, but, you know, when you change the forms, you have to change the information system to accommodate the different fields and the new forms. So that has to be done.

Mr. Chairperson: The time being 12 noon, I am interrupting proceedings. The Committee of Supply will resume sitting this afternoon following the conclusion of routine proceedings.

TRANSPORTATION AND GOVERNMENT SERVICES

* (10:30)

Mr. Doug Martindale, Acting Chairperson, in the Chair

The Acting Chairperson (Mr. Martindale): The section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates for the Department of Transportation and Government Services. As has been previously agreed, questioning for this department will follow in a global manner, with all line items to be passed once the questioning has been completed. The floor is now open for questions.

Mr. Harold Gilleshammer (Minnedosa): I think the minister wants to make a statement.

Hon. Steve Ashton (Minister of Transportation and Government Services): In response to a couple of questions that were raised yesterday, we promised to get back to the critics. Hangar T5, the Province leases 48 411 square feet of space at hangar T5 to accommodate the Air Services division. This base is leased from the Western Canada Aviation Museum, WCAM. The lease expires April 14, 2004.

Stonewall, Manitoba Crop Insurance Corporation entered into a new five-year lease agreement, beginning November 1, 2000, for 936 square feet of office space at 373 Main Street in Stonewall.

The Member for Gimli also asked a question involving Teulon, Manitoba Agriculture and

Food. Manitoba Agricultural Credit Corporation continue to occupy lease premises at 75 Main Street in Teulon on a month-to-month basis. Manitoba Government Services issued an invitation for proposals April 26, 2001, for 3069 square feet of office space in Teulon, directly to four proponents, including the existing landlord. Proposals are due May 22, 2001.

Mr. Gilleshammer: The minister referenced the South Indian Lake project in his comments a few days ago. I would like to ask him about the arrangement that the department has with Manitoba Hydro to proceed with this project.

Madam Chairperson in the Chair

Mr. Ashton: We are funding the engineer, and they are funding the capital.

Mr. Gilleshammer: So would another way of putting this be Manitoba Hydro is flowing upwards of \$23 million to the Department of Highways, and the Department of Highways just includes that in their normal capital projects?

Mr. Ashton: We approve the invoices, and then they pay the invoices.

Mr. Gilleshammer: What is the basis for the Hydro paying for this project, which should be part of the Manitoba highways budget?

Mr. Ashton: There was an agreement signed by the previous government in 1992, the Northern Flood Agreement. There was a commitment to extend all other road access to South Indian Lake within 10 years. That is what this does. It lives up to that agreement, which does relate to the impact that flooding had in South Indian Lake, flooding from Hydro development.

Mr. Gilleshammer: Can the minister indicate which flood agreement this came under?

Mr. Ashton: Article 5, the Northern Flood Agreement indicated that, as part of its normal programming, Manitoba shall construct, and specific reference to an all-weather road to the west shore of South Indian Lake, now is across from the community of South Indian Lake, with an all-weather ferry connection from that road the community of South Indian Lake. That was,

I believe, signed in 1992 by the then Minister of Northern Affairs, Jim Downey.

Mr. Gilleshammer: There were four northern flood agreements that were signed by the previous government. Can you tell me which of these flood agreements this was encompassed in?

Mr. Ashton: I believe it was a settlement with South Indian Lake. As the member will know, there is the overall Northern Flood Agreement and there are individual settlements that have been agreed to with different communities. I can provide the member with detail on that. It would probably be a question more for Northern Affairs in the sense that they were the ones that originally negotiated the agreement. Obviously it was negotiated by the previous government, so they would have a better sense of the background.

But the bottom line is, there was an agreement to construct the all-weather road. As I said, our role as a department involves the engineering work. To give the member a more specific breakdown, the total cost of the extension of the all-weather road into South Indian Lake is \$23.3 million; \$2.2 million of that is through the department; and \$21.1 million is through Manitoba Hydro.

Mr. Gilleshammer: Madam Chairperson, just to clarify what I think the minister said, that he was prepared to provide more detailed documentation on this agreement for me. If that is the case, I would appreciate it.

Mr. Ashton: That is correct. I have read from the section here, but I will see if I can get the actual agreement, recognizing that our role as a department is to construct the road. We were not involved in the negotiations of the actual agreement, but that being said, I do know that when I became minister of this department, I was surprised to find that even though this was signed in 1992 that there really had been very little, if any, movement on it. We are, quite frankly, going to be constructing the road right within that 10-year time frame.

It is very much late in the day and would have put in jeopardy agreement with South

Indian Lake, which I am sure the member would not want to have seen happen. So we are certainly proud, this department, and I have been fairly active in working with my colleagues to make sure that we lived up to this agreement.

* (10:40)

You know, I think that has been the history of the Northern Flood Agreement in the sense it is very important not only to move to agreements, which there has been some progress on in the last number of years, but to implement the agreements. South Indian Lake, by the way, is a Northern Affairs community, primarily First Nations members of the Nisichawayasihk Cree Nation in Nelson House and one of the original flood communities back in the 1960s and '70s. The member will probably remember some of the debates that took place at that time. They have seen the negative impacts of flooding. This was one of the ways of mitigating that. While I was not involved with the agreement, I certainly believe it deals with a historic obligation of the Province. I am very pleased that our department is going to be able to make a real difference to the quality of life in South Indian Lake.

Mr. Gilleshammer: Is the minister indicating that this was encompassed within the agreement with the Nelson House band?

Mr. Ashton: No, what I am indicating is that South Indian Lake, the majority of the members, the residents of the community are band members of South Indian Lake. It is a community that split off from Nisichawayasihk Cree Nation a number of decades ago. So it is a separate community. It is a community that is moving to reserve status, to its own reserve status, but has a unique relationship with the Nisichawayasihk Cree Nation, but the agreement itself deals with South Indian Lake. As I understand it, there is a separate agreement that was signed in Nelson House, which is in the Nisichawayasihk Cree Nation, a number of years later that dealt with items specific to Nelson House.

For the information of the member, I probably have a highways map hanging around somewhere, but South Indian Lake is on a separate river system, and the flooding that

impacted on the Nisichawayasihk Cree Nation was—the flooding took place in the Burntwood in the early 1970s, which I remember very well as a teenager in Thompson at the time the impact it had. It deals with two separate incidences. The reference I made was the fact that there is a unique relationship between the two communities in the sense that most of the residents of South Indian Lake are Band members with Nelson House, but the agreement with South Indian Lake is with South Indian Lake. It is a separate agreement from the Nelson House agreement.

Mr. Harold Gilleshammer (Minnedosa): Can the minister indicate what the title of that agreement is?

Mr. Ashton: It is under the Northern Flood Agreement, Article 5 and, once again, I can get more detailed information. I will seek to provide that. I have the specific section here, but I do not have the full agreement.

Mr. Gilleshammer: Thank you. I look forward to the minister conveying that information to me.

Mr. Edward Helwer (Gimli): Madam Chairperson, I just have a couple of questions on Highways and then just a couple of questions on Government Services also. Then, I believe we will be able to pass these Estimates before noon.

I want to thank the minister, first of all, for his replies and I especially want to thank him for the letter yesterday regarding the airport improvement set-up that went out to the various municipalities, and am especially pleased that Gimli could receive some assistance for their airport improvement, \$60,000 improvements but cost-shared between the municipality and the Province. So I think this will certainly help them improve their runways there and keep the airport operating there for quite some time yet, so it will help with the maintenance.

On Highways, we talked about some improvements that are being made in the Interlake. For example, there is a project on No. 8 this coming year, and No. 7, just a little west there. Number 519 was rebuilt some time ago, and there is just the actual surface treatment on that one. It is about three miles of road, but it is

kind of a residential highway there between No. 9 and No. 8. It runs right along the Sandy Hook golf course, and there are a few businesses there, the Sandy Hook post office, as an example. It would be nice if the Department of Highways could widen that out to include some shoulders for bike paths.

When we built Highway 9 right from Gimli to Winnipeg Beach, including in the town of Winnipeg Beach, they widened the asphalt, the surface, to more than the regular 12 feet or whatever it is and made a bike path on the side. Because of the tourists there and the local people who either walk or use that for bikes, it would be a great improvement if 519 could be included in that type of project whereby it could be used for bikes and walking and things of that nature. Is there anything in your department, Mr. Minister, that you could include that in your present budget?

Mr. Ashton: If it was of interest to the municipality, I mean, we could certainly discuss with the municipality. This would not normally be something that is directly attached to a highway. Usually in terms of the shoulders on a highway, there are certain traffic levels in which we consider that. But if there was an interest in a municipality of perhaps constructing this type of shoulder enhancement, we could certainly discuss it. As the member knows, we are faced with enough pressures on the highway system that there are a lot of requests that we would obviously like to be able to do but we are unable to do. Given the circumstances this spring, of which the member may be aware, this could be one of our worst springs in terms of the spring freeze-thaw cycle and some of the frost boils and potholes that are on the road.

My wife drove in from Thompson yesterday so I got a good report on Highway 6, and I am getting good reports in my office from elsewhere in the province. So given some of the immediate focus, I think the member will understand that we will be focussing on those types of issues along with our ongoing capital requirements. But if there is an interest in the municipality, we could certainly discuss it with them if they are interested in putting in that kind of an enhancement for the residents of that community.

Mr. Helwer: I appreciate that. I think what I will do is speak to the council there and see if they will write you a letter and request that. I believe it is only a short distance there really, up to from probably No. 9 to the railway is where the majority of the cottage area is, and that is the most important part probably. We are not looking at a big cost there, I do not believe, but it certainly would be an improvement in that.

One other thing, on Highway No. 8 north of Gimli actually to Hecla, it has not been rebuilt or there has been very little done on that road for many years. Some of it is in the Gimli constituency and some of it is in the Interlake constituency. Because of the traffic going up to Hecla-it is narrow and there are no shoulders basically on it—what is the plan or what is the time schedule for widening that to include the shoulders and possibly a new top on?

Mr. Ashton: I am anticipating being able to make a number of announcements over the next few days. This is a highway that I have checked out. The member is quite right. The Member for Interlake (Mr. Nevakshonoff) has also pointed out that this is a concern. I actually went to Riverton last year to talk to the mayor and council about the Riverton Main Street, which is proceeding. That is already in the budget.

* (10:50)

I can indicate that the member may wish to watch very closely in the capital announcements over the next few days because certainly this is an issue we are more than aware of. I thank the member for raising it along with the Member for Interlake and the former Member for Interlake too who raised this issue, I believe, and also happens to live in Riverton. So I would assume he knows quite a bit about this highway.

So we are more than aware of that, and I will make sure that as soon as we make our capital announcement the member is aware of the specifics. If the member is sensing a subtle hint here, yes, there is a subtle hint in that, but until I make the announcements obviously I am not in a position to give the detailed information.

Mr. Helwer: I appreciate the minister's response, and I look forward to his capital

announcement coming in the near future. One thing on the highways, and then the Member for Lakeside (Mr. Enns) has a couple of questions. Just one question, though. On the railway crossings where some of the railways are only used once every two weeks now, once every week in some cases, sometimes once a month, in some cases they still have Stop signs where railways cross highways-as an example, there is one just south of Winnipeg Beach there where the Gimli line comes in. I know that the Gimli railway line will be staying for some time, yet, as far as I know, because of Seagram's being there, where the railways cross the highways, some places there are stop signs, some there are not. What are the criteria for that? Is that up to the municipalities, or is that the Highways Department?

Mr. Ashton: It is very similar to the traffic signals on the highway. It is done on a warrant system that looks at the movements of both traffic and train and goes through much of the same process. It goes through the capital analysis as to whether there is funding, if it does meet the requirements. Obviously if it involves a railroad under federal jurisdiction, there is an effort to get federal money put in place for it as well.

If there are any specific crossings the member is concerned about, we can certainly respond on a case-by-case basis as to why or why not they do not have or do have the appropriate crossings. As I said, it is done in the same manner that traffic signals are.

I know that the member will be pleased with the recent announcement in his area on traffic signals earlier this week. So I had to throw that one in. It seems to me the Interlake has been quite well represented at all these committee hearings. I am just wondering if there is an all-party effort here to push road issues in the Interlake. It is the one area of the province that has been consistently at these committee hearings.

Mr. Helwer: Yes, I certainly appreciate the fact that the lights were turned on at Gimli on Tuesday, I understand. So they are all in working order now, which is a great benefit then, a real safety factor there, because it was always very difficult to turn there on Centre Street. Those lights will certainly make a big difference and are certainly appreciated by everyone in that area, especially the people in Gimli. It is a lot easier to get on to Centre Street now and a lot safer also. Its timing is ideal, because we are coming up to the long weekend in a couple of weeks. That is when the tourist season starts, mainly in the tourist areas. That is when traffic gets heavier, so it is very timely, and I certainly appreciate that.

Perhaps I will defer to my colleague from Lakeside who has some questions here.

Mr. Harry Enns (Lakeside): Through you to the minister, it is just a few questions on a highway that I know the minister is fully aware of, one of our most important north-south highways, No. 6 Highway leading to the North, and travels through the length of my constituency of Lakeside. The minister will be aware, certainly the department is aware of the fact that there has been for a number of years now an active committee of municipal officials concerned about No. 6 Highway. I am speaking specifically of the southern portion. The concerns are relative to some curve corrections in the communities of Grosse Isle, Warren, St. Laurent, Woodlands, maybe even. I know that there has been surveying work done in that area.

Has the department got any immediate plans for work on some of these projects in the coming construction year?

Mr. Ashton: I certainly want to indicate that I do know every corner of that highway. I suppose if I was driving now I would probably know every pothole on it too, because I want to acknowledge that there are some difficult circumstances there which were related to the excess moisture. The Highway 6 committee, actually, is one of the committees that we are seeing in a lot of areas of the province. One of the, I think, more effective committees, and I do not mean that as a criticism of other committees. But they have done a lot of work, and have really put some effort into putting forward their priorities. That is very helpful to me as minister and to the department when local communities can get together; and in this case, a fair number of municipalities that are involved with Highway

6, and get together and indicate what the priorities are to the area. Because in a lot of cases that can make a real difference.

We have prioritized their priority, which was the Steep Rock Junction. That was something that was raised in the first meeting I had with the Highway 6 committee. In terms of the curves, the member is quite correct. That has been an ongoing concern.

I know the member was the Minister of Highways a number of years ago, and he may know a bit more of the history of some of the highways, but I have often wondered as to some of the reasons for the particular type of construction that did take place on some of the highways. Certainly we are saying that whatever the reasons behind the particular configuration of, take Highway 6, which the member has referred to, a lot of the standards that were put in place at the time of construction no longer apply, and we ended up with substandard curves. Now, in the case of Highway 6, one of the reasons was the former rail line. That of course does open up a new situation now in the sense that when you have a rail line you have to have certain approaches crossing over a rail line. So it can lead to some rather difficult curves.

The No. I area that is a problem on Highway 6 in terms of curves, in terms of accident rates, is at St. Laurent. We have been working with that. There have been a number of open houses. I know there is some debate, some agreeing with the configuration, some not agreeing with a new configuration. One thing I do want to stress, whether it is on Highway 6 or any highway in the highway system, and the member will know this, having been a minister, when you see a significant safety hazard, a significantly higher accident risk, it is something that you cannot ignore. St. Laurent does have a significantly higher accident rate on the curves. As the member is aware, there is already a speed restriction in place.

One thing I want to stress, as well, on the record, because this is fairly important, a lot of times I hear people say: Well, you know, this accident was human error or that accident was human error. The fact is when you have an unsafe situation it compounds the risk. When

you are dealing with St. Laurent, for example, we know that curve does not meet the standards we will construct today. We have a real opportunity now that the rail line is gone to correct that. So it is something we are looking very seriously at in the CAMPA [phonetic] program. We will continue on other curves on that highway to do it. There are a number of other highways in the province which have similar situations which I am looking at now.

***** (II:00)

It is always difficult, because you have all sorts of competing priorities in the highway system. When you do get curves or any stretch of highway that is demonstrated to have a higher safety risk and you know why-and in this case you know it is, because of the type of curve constructions there-it really is incumbent on you to act. It is one thing not to have a choice. When we do have a choice now this has to take priority. So I can assure the member that this attention to curves will be a priority on Highway 6, particularly on the section the member is talking about in the Interlake. It is important to note that Highway 6 is an important part of the highway system. There has been talk, not just because the minister uses Highway 6, by the way, but if we are able to extend to Nunavut, it really supports Highway 6 being included in the national highway network. It already is, along with Highway 10, the main north-south artery that cuts right through the middle of the province and extends all the way up to either Lynn Lake or Gillam at the terminus. It is a highway that does have some huge strategic importance, and there are significantly growing traffic counts on that highway as the member is aware.

I also, before I finish on this, want to acknowledge that one of the other pressures in the Interlake is east-west. The Interlake right now is an area where there has been a significant amount of agricultural development. I look up around Arborg, some of the new operations that are in place. Increasingly, the people in the Interlake too are not looking at the north-south links as being the only links they have. They are not looking just to Winnipeg. They are looking to their other communities in the area for social contact, for business contacts, et cetera, and that is something we are very cognizant of as well.

So, in addition to focusing on some of the needs on Highway 6, we are certainly looking not only at the 6, 7, 8 and 9, north-south arteries. There has been some significant work on all those arteries in the last number of years, going back to the previous government as well. We are also looking at some of these east-west contacts, and I know that is a priority also for the Highway 6 committee as well, dealing with some of those east-west areas.

I really do want to flag that the Interlake is really developing in a different way than perhaps had occurred before. I know the member, with his long-standing involvement with the ranching end of it, with livestock, knows that this is something that is happening more generally. In fact, it does create a real challenge for us because, in some cases, areas of the province that were not prime agricultural land—and not that the Interlake does not have some very good land. It does, in terms of grain and other production, but we are now starting to see more pressures that did not exist a number of years ago, with livestock obviously moving into other types of areas.

It is not just the Interlake. I have met with the R.M. of Stuartburn, and there are a lot of areas where 10, 20, 30 years ago they had very little, if any, significant agricultural production, now have really significant agricultural production in the Interlake, which has always had an agricultural sector. It is starting to really diversify, and that puts a real challenge on us for roads.

So I apologize if it was a slightly longer answer, but I am sure that the member would want- especially raising this on the context of Highway 6 committee, for the people on the Highway 6 committee-to know that we are listening as a department. I think they are a model for other areas as well. I will just put this on the record. For example, the Steep Rock junction, I have driven by that a thousand times. It is not something I would have immediately thought was a priority, but in this case the Highway 6 committee got together and put this as their top priority. Most of the municipalities that are part of that committee, the people in that municipality do not drive on that section of Highway 6. I think that is real leadership, when you can sit down, and it does not affect you and your municipality, but you can say, well, this is a priority because we know that there are no turning lanes, there is heavy traffic there.

That is important for all municipalities. In the Department of Highways and as minister, I really do take seriously committees that sit down together and come up with a set of priorities that is consistent and reflects not necessarily the immediate interest of each municipality but the better good of the general area.

Mr. Enns: I thank the minister for that response. The minister is correct. In the Interlake, by and large, we are well served north-south with the major highways beginning on the shores of Lake Winnipeg, No. 9, No. 8, No. 7, No. 17 and, in the western portion of the Interlake, No. 6.

There is a need and there is a growing demand for east-west connections. We have 68 connecting Eriksdale across to Gimli. It was always my hope to have, as a mid-corridor east-west route at 229, which the Highways Department has been doing some work on and, on the southern east-west connection, 415. When my good colleague was pressuring me as a former Minister of Highways, he was able to get 415 upgraded and paved part of the way from the eastern portion, from No. 7, I believe it is, going west.

I would encourage the department to look, if we are talking east-west corridors in the Interlake, on behalf of both my colleague, Mr. Helwer, and myself, those would be the three routes, 68, 229, 415. I am pleased that the minister is sensitive to that requirement, and I thank him for that response.

I want to just, in a general way, close off my questions to the minister on highways. Certainly the minister and the department are aware that this spring has caused unusual circumstances. The other day the minister acknowledged this by a ministerial statement in the House. The combination of a wet fall, the combination of weather factors have, at least in some districts—I cannot speak for all, but certainly the southern Interlake, a good portion of my constituency. I imagine the same thing is true in portions of the west lake side of up Amaranth way. Perhaps in

the southeastern part of the province, where the rivers like the Roseau and others have acted; where the conditions, roads went into winter under very wet circumstances have created a massive headache for the department.

I am really appealing to the minister and to the department to look at the situation, and with relatively modest dollars, consider looking at some of these specialized areas for a marked improvement in the maintenance styles. These roads will require whatever the maintenance formula now calls for. They will need an extra 100 yards per kilometre to bring them back to some resemblance of half-decent shape.

Quite frankly, I will cut a deal with the minister. I know all these other deals. I would defer, with the greatest respect, to some of the capital projects that you have on your list, such as some of the curve improvements, which have to come on number 6.

In some instances where I have been, in my immediate surrounding areas, at least three areas where provincial roads are still closed have been cut to allow water passing through. It is hard to convince users of those roads that that road cannot get attention, when we are doing very expensive curve correction maybe at the town of Warren, which admittedly today does not meet the standards of today's highway standard traffic—but to most users of the road appears to be okay. I drive around those curves, have driven them for the last 40 years, 35 years to the Legislature.

I accept what the minister says. Regrettably, when one does the research on the accidents, all too often there are human error, human factors involved. That cannot be used as an excuse for not bringing the roads up to the best modern safety standards possible. An unsafe condition can be a contributing factor to a serious accident.

I put that on the table to you, Mr. Minister, and to the department, a genuine plea for recognition. You are aware of it, but I think there are certain highway districts, or portions of highway districts, that your staff should have the flexibility to provide an additional level of maintenance in order to bring these badly damaged roads back up to shape.

* (11:10)

Mr. Ashton: I certainly appreciate the member's comments. Just finishing up the previous topic, I do want to acknowledge the member mentioned 68, and a number of the other east-west links, Interlake, we are certainly looking at those. Once again, the increase in traffic volume, I tell you, there is something going on in the Interlake here. It seems on some issues Interlake comes before party affiliation.

Anyway, I want to finish off by saying that we are focussing on a number of the east-west links, which are increasingly being driven by the simple fact of traffic volumes. The traffic volume is still the driving denominator force as a department, which is, I am sure, the case it was back in the 1960s and '70s, and '80s. The member has been here through various different governments, but that has been the driving force.

In terms of maintenance, I can indicate that we did address the maintenance deficit. When I first came into government, the maintenance budget was \$59.59 million. That has been increased now in our second budget to \$65.63 million. I want to acknowledge that you can always do more, and that will be something we will certainly look at. I can indicate in the context, for example, the licence plate fee that I did point out, when that was raised to Saskatchewan levels, it is still lower than Ontario. We have traditionally spent what we raised on the gas tax. But in this particular case, rather than looking at the gas tax, when gas prices are obviously fairly high right now, you know, we froze the gas tax. We did have something of an increase. I just think it is important to have that. I mean, the last couple of years before I became minister, this was underbudgeted, and once again it is an area of focus.

The member, being a former minister, will know that everybody looks at your capital budget and nobody looks at your maintenance budget. There is a fine line between the one and the other. I mean, it is really a question of degree. I will be up front here. When you have an older system, it is like an older car. The less that you invest on the capital side, the more you invest on the maintenance side. That is what our

system is; it is an older system. I think that while certainly, as minister, I would have got more kudos if I put that \$5 million on the capital side, the bottom line is, it is being put on the maintenance side, where there is probably still more need. I think that was the appropriate thing to do, particularly this year, where we have the Grain Roads Program, where there is an increase in the capital budget because of the fact the federal government is putting money in here. We did not take out their share. We did not reduce our budget. I think we have dealt with that.

I want to indicate on the spring situation, we are still assessing what the damage is. I mentioned this early in the committee, and I will state it on the record: we have probably got one of the worst springs, if not the worst spring. The Interlake is a particular problem because there it was not just a normal spring cycle of freezethaw, it was also the significant overland flooding—the R.M. of Siglunes, the St. Laurent area. I am sure the member is aware of that. He mentioned the roads had been cut.

What I want to indicate again, is whatever we are looking at on the capital side, is really not going to come out of getting those roads back in shape. If it requires a number of million dollars to do it, we are going to have to find the money. I will be up front here. It is going to be a priority. Part of the difficulty—and I hope the travelling public will bear with us a bit, and that is until this cycle finishes, we are going to continue to have this develop.

As I mentioned, my wife drove down yesterday. It was snowing in Grand Rapids. Now we are used to that in Thompson, but if you consider Grand Rapids and the thunderstorm yesterday in the Interlake, which resulted in significant addition to the moisture and the ground levels, it is going to be a challenge. I do not know, somewhere along the line, global warming left us this spring. This is not the kind of spring that is very helpful in this situation.

So I want to acknowledge what the member is saying and indicate that we will put a priority on getting those roads back to the condition they were in before, but we cannot do it until the moisture levels go down. What we can do, in the meantime, is fix them up temporarily, which we

are doing, and encourage the public to be very careful in those particular areas. Those signs that request people to reduce speed are there for a reason, because with some of the moisture levels, you are getting significant potholes. They are hard to predict, and they can come up very quickly. Even though the department is very quick at response, it is not immediate.

I just want to mention-I mentioned this earlier in the committee hearings and with the member for the constituency here-I actually was up at St. Laurent during the initial stages when the water was being directed across the highway and saw the dedication of a lot of the staff. Certainly the highways staff, along with Conservation, standing in a 60 kilometre an hour wind coming off the lake, -7 temperatures, spring in Manitoba, and they did a tremendous job. I want to give credit, not in just that area, by the way, but throughout the province. It has been a challenging spring for our people as well. There have been a lot of extra hours put in along with Conservation, our companion department that deals with a lot of these issues, and my own staff through EMO. So I just wanted to indicate that it could not happen without the dedication of our staff, and particularly wanted to put this on the record knowing that one of the areas of challenge was the Interlake and, particularly, in the member's constituency. If he can pass on to his constituents who were working there, I think it is certainly appreciated by all Manitobans.

Mr. Enns: I just want to acknowledge the presence of the Minister of Industry and Technology (Ms. Mihychuk) here, because I discussed the condition of our roads with her mother-in-law at the post office in Woodlands. So that kind of adds to the pressure that you are under.

Mr. Ashton: So she is part of the Interlake conspiracy.

Mr. Enns: I do not know what her relationship is with her mother-in-law, but she is a very fine lady. She commiserates about the problems of 518. That has a particularly bad pothole just in front of her driveway. So I am pleased to see her coming and joining the committee here.

On the question, you are wearing several hats, of course, Mr. Minister, including the

Minister for Government Services and emergency support. I appreciate that Manitoba was spared the ravages of the major flood like we had in the flood of the century a year ago, but, nonetheless, there will be considerable flood damage. I would like to think that there is going to be a cost-sharing arrangement with Ottawa to repair some of the municipal structures that were torn, some of your roadways that were torn.

You know, I would encourage the minister to be as broad as possible, as inclusive as possible, as I understand that formula ratchets up, depending on what the bill is, as to what share of contribution you are eligible for from Ottawa. So I assume that you are looking at places, not just the Red River Valley, but we have had difficulty with the Whitemud Rivers and other areas. Wherever possible, any time you can get Ottawa to help share the costs of replacing a culvert or replacing a cut in a roadstick it to the boys in Ottawa is what I am saying, Mr. Minister, and get a few bucks back for us.

Mr. Ashton: I do not like to quite express it that way, but the sentiment is shared. I can indicate going back to November alone, we are looking at least \$400,000 worth of damage, preliminary estimate. One of the obvious questions will be whether that is treated as one event or part of what is happening now, because what we are seeing right now is very much a cumulative impact.

By the way, I mentioned about Highway 6, that we are still pumping water across Highway 6 as of today. That is quite remarkable for this time of year. I know Westbourne, they were here the other day. Because of Estimates, I was unable to meet with them, but I have gone out with the Member for Ste. Rose (Mr. Cummings) and taken an aerial tour with the municipal council. It is a real problem out there. They are weeks away from clearing up. So we are faced with significant problems.

The member is quite correct about the federal role. It is essentially not that complicated a form if it does fit that 90% federal funding down the line. We will certainly be putting forward a proposal once we are able to assess the damage, because it is very clear that the degree

of damage that is out there is going to be fairly significant.

* (11:20)

To put it in perspective, in some municipalities that I visited, Stuartburn, for example, there were washouts on every municipal road in the municipality. I think a lot of you have to remember the population density of a lot of the municipalities. You are often dealing with 1500 residents, 2000 residents. The reason you have disaster assistance is because, quite frankly, the local residents just could not afford to deal with this kind of significant event. What is really important to stress as well, and I think it is echoed in the member's comments, is we often tend to think of the Red River rising and overland flooding of that nature.

What is particularly challenging this year is the Red River, as it often does in the spring, provided us with a few surprises. I toured southeast Manitoba, and the Minister of Intergovernmental Affairs (Ms. Mihychuk) and I decided that we should meet people in the Red River Valley, not that they were going to be impacted, but we should meet just out of courtesy and just in case something happened. Well, two weeks later, we were looking at rapidly rising levels on the Red River. We came that close to having to close down the highway because of the situation in Morris. So when we flew back in again, I commented to people in the town of Morris and the R.M. of Morris that I guess you can never underestimate the Red River in any year. But what is more difficult with what we are dealing with is, in a lot of cases, overland flooding. It is much more unpredictable. It is more unpredictable in the Interlake. It is more unpredictable in Westbourne, and it has a longer lasting impact as well. We can predict the peak levels, and you are seeing what has happened with the Red River Valley, but when you have a combination of some of the tributaries that are out there or in the Interlake, a lot of it is nature returning to its original configuration, if you follow the lake structures and the glaciation that has taken place. We have swamps that are now lakes this spring. It follows a natural course, but when it does do that it is a lot more difficult to predict the specific flow.

Absolutely, I agree with the member. Actually, the Prime Minister, I think, is going to be here in a couple of weeks. I guess we will not be able to get him to throw any sandbags, but I am just trying to think. Can we get an equivalent event? Perhaps we can get him up on Highway 6 helping pump the water across the highway, for some compelling evidence that we do have a problem.

I want to stress, too, just to finish, to people in the affected areas, we take seriously, as does the member. Flooding is not just overland flooding from a river situation. It can be from other sources as well. We saw that last summer with the heavy rains. We saw it in the fall. We had a thunderstorm in November in southern Manitoba. Who would have expected that? We are seeing that again this spring. It is going to be a real challenge.

We anticipate, by the way, more instability of weather patterns over the next number of years. It is interesting watching the evolution at Manitoba EMO and its combined activities, going back to the amalgamation a couple of years ago. We have increasingly moved there from casual staff, to the point where we now have term staff and they have more of a full-time capability, because we have recognized we have to be ready. We may not call it that, but emergency preparedness is really one of the themes of Emergency Management Organization.

So I appreciate the member's comments. If he can pass back certainly to his constituents and others in the Interlake, I would hope that it would be that we are going to look at the damage and apply for disaster assistance coverage, if it is warranted. I suspect we will be looking at some fairly significant damage this spring.

Mr. Enns: Thank you, Mr. Minister. A few questions on another subject matter, municipal airstrips. Can the department indicate whether or not they have received a request for an improvement, expansion of the Lundar municipal airfield?

Mr. Ashton: I can indicate we announced just a matter of days ago, I think, that Lundar will be

receiving \$42,400 for their application under the MACAP program.

Mr. Enns: What program is that?

Mr. Ashton: That is the Manitoba Airports Capital Assistance Program, MACAP program. Once again, the Interlake did quite well. Gimli received \$60,000 as well.

Mr. Enns: I appreciate that information. Is that a very new application, or is this a general grant going to municipal airports across the province?

Mr. Ashton: It is a grant program. It is not their ongoing capital.

I can just give the member an idea of some of the other projects that were approved, some of which may be of interest as well: Piney, \$6,500; Treherne, \$27,518.70-pretty specific here, 70 cents-Somerset, \$17,532.50; Steinbach, \$45,833.33; Matheson Island, \$13,315.29; Swan River, \$4,275; Altona, \$3,375; Winkler-I understand today is the opening of the Boundary Trails hospital-\$12,581.25; Lundar, \$42,400, so it is actually one of the more significant projects; Lac du Bonnet, \$17,000; Gimli, \$60,000; Warren, as well, is \$3,508.42; and Virden, \$30,270. Those are the applications that were approved this year. A total funding of \$284,110. There are some ongoing projects as well. I believe there is some work ongoing with Eriksdale. So we will certainly be working with that community and looking at them in upcoming programs.

Mr. Enns: I appreciate that information, Mr. Minister, and I am sure the recipients of these grants will put that money to good use.

I would like to alert the department and the minister to a request that likely will be coming in the next relatively short little while from Lundar. Lundar is planning an expansion to their airport. The community of Lundar is a fine community, as the minister is well aware. It is one of those communities that is struggling to maintain its place in the sun. One of the major employers in that area, the Sigfusson construction people, who are no strangers to the department and no doubt to the minister, are a major user of the Lundar airfield, flying people to the various construction

projects, notably to northern Ontario where they do a lot of work. My understanding is that they intend to be opening an office in the Thompson community in the North shortly. That kind of indicates to me that they are looking northward for future construction work as well. All in all, for the little community of Lundar, they employ upwards of up to 150 people. Many of them, they fly home on weekends back to Lundar, which is great for the town of Lundar. So I am speaking very, very strenuously in support of that projected expansion at the Lundar airfield when and if the department receives it.

Another little bit of trivia, I would not want the minister to hold it against Lundar if a certain young Mr. Doer, who lobbied me a couple of weeks ago on behalf of this expansion—the mere fact that he is the Premier's brother should not be held against the town of Lundar or this particular project. I would assure to my—

An Honourable Member: The Premier's brother. The minister's mother.

Mr. Enns: Well, Mr. Minister, you see the business of maintaining longevity in politics is to remain well-connected, you see.

* (11:30)

An Honourable Member: And to know everybody's relatives too.

Mr. Enns: I put that on the record on behalf of the Lundar municipal airport. It is an extremely important facility, particularly in that community. In some communities, certainly in the North, these are lifesaving airstrips in terms of bringing in emergency supplies and so forth. In other airstrips, like the Warren one, it is a great convenience for casual users. We have the light aircraft club with a hangar there who use that facility for recreational purposes, something like that, but in the case of Lundar, it really is an extremely important economic factor for that community and for the maintenance of several hundred employees who work with the Sigfusson people, who use that facility on a very regular basis.

They apparently have purchased a larger aircraft and are necessitating an expansion of the

runway. My understanding is that Sigfusson construction, recognizing that they are a major user of the airport, is prepared to put up some of the costs on their own. That is fine, but they did approach me several weeks ago in Lundar whether I would be good enough to bring this claim forward, press this claim forward with you and your department. With those few words on record, I leave it in your hands.

Mr. Ashton: I want to thank the member. I understand the Chair has a family member in the Interlake too, so I am starting to wonder here. I should warn the Minister of Finance (Mr. Selinger) he has walked into what some are looking at as the Interlake conspiracy here in Transportation and Government Services.

An Honourable Member: We will call in the Auditor.

Mr. Ashton: Call in the Auditor, that is right, but they all meet the requirements of the department, as I mentioned earlier. I am wondering, just with the indulgence of the Government Services critic, there were a couple of questions he had raised. I could give a brief update on a couple of those which I now have further information on.

One is mould remediation. Considerable mould remediation assistance was provided, going back to the '97 Red River flood, the member had indicated that, and also the '99 flood as well.

Actually, quite frankly, before 1997, little was known about mould and its impact on health. We have gathered a lot of information on that through EMO, and as homes repaired in 1997 have recurrences of mould, a similar, separate program component was approved under the Canada-Manitoba cost-shared 1997 DFA program to allow for mould remediation.

I can indicate the program component received 766 applications, 331 of which were eligible. A number of claims involved write-offs when damages exceeded property values. There was a total of \$8,044,600, by the way, an average of \$24,300 per claim. It is very significant damage.

The 1999 DFA program included mould within the basic program. It is known that of 1486 DFA claims, 303 had indications of mould damage, which was eligible under the disaster assistance program in '99.

I referenced before, too, that we have taken initiative within Government Services in terms of mould. We have an established mould program now and will be proceeding to provide that service, as we have done on a pilot project basis to a number of facilities, and I hope eventually into housing, because mould is a problem in flood areas, but it is a huge problem in many northern communities, quite frankly. It is a huge problem that really impacts on housing stocks.

If I could, for the highways critic, there was a question of Brandon eastern access, and I believe there were questions with regard to land acquisition. Expropriation was initiated for 20 parcels involving 19 owners. The deadline for application for the land valuation and appraisal commission hearing was May 3. One owner has indicated he will be intervening. There will be a hearing in place. So that is ongoing. I hope that information helps the member.

Mr. Helwer: I just want to thank the minister for that information. I certainly appreciate that. This mould really is a problem. I can appreciate the problems they have gone through with that.

Just back on highways, I appreciate the minister's comment on the north-south roads in the Interlake. I think those are very important, because when we have two paved roads across, the one at Stonewall and the one at 68, then it goes all the way back to 68. There is nothing in between, other than gravel. So that is important and I appreciate the minister looking at that. Hopefully we will see some improvements there in the near future.

He also talked about diversification, agricultural diversification in the Interlake area. That is a major factor, and that brings me to another point. As you know, in the Gimli area, Teulon, Fisher Branch, Arborg area, as a matter of fact, there are a number of hay operations, timothy operations, whereby they export the timothy to Japan, Korea and China, and different

things of that nature. Gimli also ships a number of containers. All this has to do with the underpass, of course, at Kenaston. I know it is not your department only. Actually, I am glad to see the Minister of Finance (Mr. Selinger) here. It is surprising I have had calls from a number of industries, Seagram's is one, the two hay operations, one at Teulon, one at Fisher Branch, whereby they ship containers on both CN and CP. The ones that go to CP, of course, through the intermodel there, get tied up by trains at all times of day and night because truckers work any hours of the day or night, and they get tied up by trains there that delay them. It is a major factor for freight moving in and out of Manitoba by VIA Rail, and also the containers that are loaded and shipped through there.

So this not only affects the city of Winnipeg and local traffic of those people commuting to work, it certainly affects the traffic, the freight and also the exports to other countries. So it is a major, major factor that this underpass at Kenaston would be a major construction project that would certainly help, not only the people of the city of Winnipeg, but all the people of all of Manitoba that do use this for shipping purposes.

So I just want to emphasize the importance of this, and hopefully you and your Premier (Mr. Doer) and the Cabinet can have a good look at this again maybe through, I do not know, infrastructure or some other program. I know it is not only Highways, and it is located in the city of Winnipeg. I appreciate that, but I just want to emphasize the importance of this, and hopefully you will have another look at it.

Mr. Ashton: I certainly appreciate the views of people in the area and other users of the highway in that area. It is not within my direct jurisdiction. Obviously, it is within the city of Winnipeg. I would stress and I assume that the previous government dealt with the decisions related to priorities and did not proceed on this before. I am not arguing that you cannot change your mind on things. Obviously now they have determined it is a priority. I am not sure after yesterday whether this is going to be the priority for infrastructure funding. It seems there has been a bit of a conversion on the road to the underpass here, so I am not sure what is happening there.

I did want to stress again that I think it is important to look also where we are going to be in 5 or 10 years in terms of rail within this city, what may or may not happen. There is speculation of a merger between CN and CP. Would that impact on train movements? So I think we have to on this particular issue-I am just focussing on one perspective I have as Transportation Minister-look at some of it, not just the short-term situations, but the medium- to long-term situations of what is happening in rail. I think that is fairly critical as well because obviously, if you are going to make any kind of major capital investment, you want to make sure it is not only going to be useful for the next 5 or 10 or 15 years.

Once again, it is not within my department so it is not a decision that I have to make, other than being a member of Cabinet, a member of Caucus, a member of the Legislature. I just stress again there are a lot of other needs out there. There are a lot of other needs in rural Manitoba. I realize the debate's focus, because infrastructure is separate funding. That is legitimate. You have to then set the priorities, and it is not necessarily directly transferable.

There was a song a few years back, Barenaked Ladies, If I had a Million Dollars. I tell you, if you look at the needs in the highway system, in my case my theme song would be If I had a Billion Dollars, Actually in this case, if I had \$37 million. There are a lot of things you can do for \$37 million, a lot of very important things in the highway system, a lot of very important things, not just in rural Manitoba, but even in the exurban area. I just stress, for example, the work we are doing on Highway 59 in the Capital Region. Our single biggest project last year and our single biggest project this year is the four-laning of Highway 59, something I think is long overdue.

* (11:40)

There are still needs within the city of Winnipeg as well. What I think, and I will just maybe leave it at this because this is a debate for another place, another time. What I would suggest to members opposite—and I think the Highways critic has done this in some of his comments certainly, comments he referenced

yesterday—quite frankly, the way to get out of this huge deficit we face in terms of infrastructure is to get the federal government to put money back into transportation. The money it takes out, it takes out \$3 billion a year, used to subsidize it by about a billion. There is 10 cents a litre gas tax. There is the GST on top of that. I will give you an example of just what a difference that could make. If they were to give back every last cent of the gas tax that they take out of this province, and they do not spent it on transportation, it would be between \$140 million and \$150 million a year over and above what we have now.

Now the Member for Lakeside (Mr. Enns) talked about maintenance needs. You know, we could put some of that into maintenance. We have talked about some of the capital projects. It would make a huge difference if we had a capital budget and a maintenance budget that was \$40 million to \$50 million more right now. In this case, if you added the whole thing, \$140 million, it would make a huge difference on our ability to do things. I am not saying that it would necessarily go to the Kenaston underpass, but it would certainly give us more options in dealing with all the transportation needs. So I just want to stress that again, because the previous government and this Government face the same dilemma. I am not just saying this because the Finance Minister is here, because he is the one, you know, that is where the buck does stop, at the bottom line. There is a lot more that we need out there in the way of projects.

On the one hand, we want to spend more money on transportation, and, I mean, there is pressure for lower taxes. Actually, the Member for Lakeside (Mr. Enns) reminded me of Abe Kovnats, who said that when you are in opposition you cannot have it both ways. In government, you cannot. In government you can only have it one way. You can combine various different things-and quite frankly, until we get the federal government to get a vision again of Canada as a country-that you invest in in terms of transportation, the vision that Sir John A. Macdonald had when we extended the rail network from coast to coast-until we get that back, I think that being the first step and then the funding that will flow from there, we are going to fall increasingly behind the Americans. I will tell you, they are increasingly not only our major trading partners but they are also our, quite frankly, biggest competitors. So if we do not want to do it for altruistic reasons and nation-building, we are going to have to do it because we have to keep up with them.

Mr. Helwer: I appreciate the minister's response and I understand some of the criteria behind this, but I think there are priorities and I think this underpass should become a priority. I do not think it is either the arena or the underpass. I do not think that is the case at all. I think there is an infrastructure program in place that hopefully can do both, and I think that is the key. I realize that there are a lot of demands on this money, but I would hope that this infrastructure would be used wisely and this project certainly would be looked at.

Just maybe one or two more questions before we have to pass that. We need about 10 or 15 minutes to pass it, I realize. Just one question. In Ontario just recently they were talking about new regulations dealing with people talking on cell phones while they are driving, and I know that is an important issue. I commute back and forth every day to my home about 70 kilometres away, and I see this all the time. I talk on the phone myself quite often even. It is distracting. I can see people being distracted by cell phones and doing different things while they are driving and commuting to and from work. Has the department looked at any regulations or use of cell phones while driving, or use of other devices while driving?

Mr. Ashton: We are reviewing the scientific information that is coming forward. Some jurisdictions obviously have moved in this area. One of the difficulties is the information we have seen thus far, and certainly what I have seen as minister, indicates that any distraction can create some greater degree of risk in terms of accidents, including even talking. There are even some suggestions that talking—so I mean, I suppose someone might come up with an idea that you cannot talk when you drive. So it is something we do take seriously, but we are not working on any immediate regulations.

Quite frankly, our main focus has been on graduated drivers' licencing where there is a

clear and demonstrated safety enhancement that will happen from that. So we are not actively looking at regulations, but we are certainly aware of the growing concerns in that area.

Mr. Helwer: Thank you. I appreciate the minister's comments there, and hopefully, we will see how things work out in Ontario. I am pleased that the department is looking at it, and we will see what is what.

Before we pass this, and start on-I realize our time is going-the winter roads program, whereby you increased the spending by about \$800,000 this year mainly, I guess, primarily due to the Tadoule road system. Will this be ongoing, an increase in the budget every year for these winter roads?

Mr. Ashton: Yes, we extended the winter road into Tadoule Lake, Brochet and Lac Brochet. We also extended the winter road network into Granville Lake. So we now have a winter road into every Manitoba community. This is ongoing, cost-shared with the federal government, significantly more money than we have spent in the past. We also moved to put in a bridge structure to ensure even better service on the winter road with Brochet. One of the advantages of what we have done is, when you move to a land route—rather than a lake route—you can have much longer access during that period. So yes, this will be an ongoing support for a greatly improved winter road system.

Mr. Helwer: Is this cost-shared with the federal department? What part is paid by the federal government?

Mr. Ashton: It is cost-shared 50 percent with the federal government.

Mr. Helwer: So then our share is about \$400,000 in the extra winter roads?

Mr. Ashton: In terms of the Estimates, the shareable with Canada and third parties is \$4,317,000. There are a couple of roads that are 100% provincial. That remains unchanged—Thicket Portage, Pikwitonei, Granville Lake are 100% provincial. So, the shareable portion is \$4,317,000. The total expenditure this year is \$4,592,000.

Mr. Helwer: I guess we better get to passing the line-by-line if we can get going on it.

Madam Chairperson: Item 15.1 Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$731,900-pass; (2) Other Expenditures \$127,300-pass.

- 1.(c) Administrative Services (1) Salaries and Employee Benefits \$493,900-pass; (2) Other Expenditures \$244,000-pass.
- 1.(d) Financial Services (1) Salaries and Employee Benefits \$1,283,200-pass; (2) Other Expenditures \$422,700-pass.
- 1.(e) Human Resource Services (1) Salaries and Employee Benefits \$1,565,900-pass; (2) Other Expenditures \$381,700-pass.
- 1.(f) Information Technology Services (1) Salaries and Employee Benefits \$2,435,500-pass; (2) Other Expenditures \$816,400-pass.

* (11:50)

- 1.(g) Occupational Health and Safety (1) Salaries and Employee Benefits \$155,500-pass; (2) Other Expenditures \$65,900-pass.
- 1.(h) Lieutenant Governor's Office (1) Salaries and Employee Benefits \$143,600-pass; (2) Other Expenditures \$106,200-pass.
- 1.(j) Land Value Appraisal Commission \$27,400-pass.
- 15.2. Highways and Transportation Programs (a) Management Services (1) Salaries and Employee Benefits \$393,900-pass; (2) Other Expenditures \$57,500-pass.
- 2.(b) Operations and Contracts (1) Salaries and Employee Benefits \$2,188,700-pass; (2) Other Expenditures \$584,600-pass.
- 2.(c) Bridges and Structures (1) Salaries and Employee Benefits \$2,147,700-pass; (2) Other Expenditures \$343,500-pass.
- 2.(d) Transportation Safety and Regulatory Services (1) Salaries and Employee Benefits

- \$2,874,900-pass; (2) Other Expenditures \$703,800-pass.
- 2.(e) Regional Offices (1) Eastern Region Office (a) Salaries and Employee Benefits \$2,440,200-pass; (b) Other Expenditures \$635,500-pass.
- 2.(e)(2) South Central Region Office (a) Salaries and Employee Benefits \$2,381,000-pass; (b) Other Expenditures \$721,400-pass.
- 2.(e)(3) South Western Region Office (a) Salaries and Employee Benefits \$2,228,500-pass; (b) Other Expenditures \$619,600-pass.
- 2.(e)(4) West Central Region Office (a) Salaries and Employee Benefits \$1,787,700-pass; (b) Other Expenditures \$534,700-pass.
- 2.(e)(5) Northern Region Office (a) Salaries and Employee Benefits \$1,600,000-pass; (b) Other Expenditures \$454,100-pass.
- 2.(f) Other Jurisdictions (1) Gross Expenditures \$2,479,700-pass; (2) Less: Recoverable from other appropriations (\$1,000,000).
- 2.(g) Planning and Design (1) Salaries and Employee Benefits \$1,746,400-pass; (2) Other Expenditures \$456,000-pass.
- 2.(h) Northern Airports and Marine Services (1) Salaries and Employee Benefits \$3,710,500-pass; (2) Other Expenditures \$2,470,800-pass.
- 15.2.(j) Materials and Research (1) Salaries and Employee Benefits \$1,817,900-pass; (b) Other Expenditures \$600,000-pass; (3) Less: Recoverable from other appropriations (\$1,121,500).
- 15.2.(k) Traffic Engineering (1) Salaries and Employee Benefits \$827,700-pass; (2) Other Expenditures \$247,300-pass.
- 15.2.(m) Policy, Planning and Development (1) Salaries and Employee Benefits \$1,706,500-pass; (2) Other Expenditures \$799,400-pass.
- 15.2.(n) Driver and Vehicle Licensing (1) Salaries and Employee Benefits \$12,332,000-

pass; (2) Other Expenditures \$6,004,000-pass; (3) Manitoba Public Insurance Cost-Sharing Agreement \$4,592,000-pass.

15.2.(p) Boards and Committees (1) Motor Transport and Highway Traffic Boards (a) Salaries and Employee Benefits \$386,300-pass; (b) Other Expenditures \$200,300-pass; (2) License Suspension Appeal Board and Medical Review Committee (a) Salaries and Employee Benefits \$247,800-pass; (b) Other Expenditures \$73,900-pass; (3) Taxicab Board (a) Salaries and Employee Benefits \$361,300-pass; (b) Other Expenditures \$99,200-pass.

Resolution 15.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$61,734,800 for Transportation and Government Services, Highways and Transportation Programs, for the fiscal year ending the 31st day of March, 2002.

Resolution agreed to.

15.3.Accommodation Development and Property Management (a) Accommodation Development (1) Salaries and Employee Benefits \$2,471,700-pass; (2) Other Expenditures \$2,884,800-pass.

Mr. Ashton: Madam Chairperson, I wonder if there would be leave not to see the clock so we can complete the motions?

Madam Chairperson: I am sorry. The committee has no authority to do that.

Mr. Helwer: I believe if we give you leave to pass that we not see the clock until we complete the-[interjection]

Madam Chairperson: I am sorry, there has been a precedent set here, and if we do pass anything after the hour of 12 noon, we could be challenged that there was no authority to pass.

Mr. Helwer: Okay, well, then I change my mind. That is—[interjection]

Madam Chairperson: The time being 12 noon, I am interrupting the proceedings. The Committee of Supply will resume sitting this afternoon following the conclusion of routine proceedings.

ADVANCED EDUCATION AND TRAINING

Mr. Chairperson (Conrad Santos): Will the Committee of Supply come to order, please. This section of the Committee of Supply will be dealing with the Estimates of the Department of Advanced Education. Would the minister's staff please enter the Chamber.

We are on page 26 of the Estimates book, Resolution 1.(b)(1), and the committee has agreed to have a global discussion.

Hon. Diane McGifford (Minister of Advanced Education): Mr. Chair, last time that I met with the member opposite we were talking about student loan financing, and I wondered if I might take this opportunity to clarify some of the issues that were under discussion.

First of all, just to provide a little background, there are a number of important dates. The member, I am sure, knows that in 1995 the federal government and most provinces, including Manitoba, entered into riskshared student loan financing arrangements with financial institutions. Loans were no longer guaranteed by governments, but rather lenders assumed the risk of default in exchange for a 5% premium on all loans entering into repayment. The federal government and provinces entered into negotiation with lenders for a new contract in the summer of 1999. Unfortunately, they were unable to negotiate favourable arrangements, and as a result, Canada and Manitoba were required to pursue alternate arrangements for providing loans, et cetera.

* (10:30)

On October 3, 2000, my department, it was then the honourable-never mind, this department hired expert consultants to assist in the review of all the options. Three options emerged, including two private sector com-panies, and I think we did talk about this last time, EduLinks and BTB, and also the in-house service bureau. It was recommended that Manitoba proceed with the in-house service bureau because it was the low-cost solution. It provided the department with great flexibility to serve Manitobans, and I can provide the member with cost comparisons if he would like.

On December 1, 2000, the federal government entered into contracts with EduLinks corporation of Mississauga and BDP of Toronto to provide Canada student loans. Manitoba put the in-house service bureau on hold until the federal harmonization option could be evaluated to see if it was cost-effective for Manitoba.

After three months of negotiation with the federal government earlier this year, Manitoba determined that the in-house model was still the most cost-effective and also decided, I might add, that the risks of harmonization with the federal government were extremely high. Some of the advantages of the in-house service model, Mr. Chairperson, include a guaranteed seamless service delivery for August 1. It was, as I said, the most cost effective and as I said it provided greater flexibility through the loan product.

As a result, the department on April 3, 2001, decided to proceed with the development and implementation of an in-house service bureau at a cost of \$5.7 million and a possible additional 24 staff members. I know that the member was very concerned about that so let me speak to that a little bit.

These staff are to be phased in as follows: 7.5 staff for 2001-2002; 8.25 staff for 2002-2003; 4 staff for 2003-2004; and 2 additional staff for each of 2004-2005 and 2005-2006. Now every year of course we will be re-evaluating the need for staff. That is our current projection. The cost, as I said, was significantly less, including the staff than the federal harmonization option or other private service delivery options.

Currently, Mr. Chairperson, Manitoba has entered into an extension with the Royal Bank who have agreed to extend services until the 31st of July 2002, at which point Manitoba will be required to fund all future loans to students, that is then beginning August 1–Did I say 2002? I am sorry, I meant to say 2001. On August 1, 2001, Manitoba will be required to fund all future loans to students.

Significant work is underway to ensure the timely implementation of this in-house service, and I do understand staff in the student loan finance office are working overtime, and each person is doing several jobs. So I think it is a

good time to thank staff for all the work they are doing.

The department is currently negotiating an agreement for partnership with Credit Union Central of Manitoba. This will provide the infrastructure required to fund and collect on all future student loans. The in-house delivery service will include: disbursement of new loans to students and tuition to educational institutions; maintaining interest-free status of loans, the documentation; account for bursary and loan over rewards; repayment of principal and interest; receipt and control of payments-that would include the Manitoba bursary and the Canadian Millennium Scholarship; interest relief documentation; delinquency follow-up; submit recommendations for write-off. Of course, the Credit Union Central of Manitoba has provided a proven loan administration system. It has a network of approximately 165 branches throughout Manitoba.

I said I would just speak briefly to the possible models of providing service. Just to run through those, one option was harmonization with the federal government. I understand that negotiations were extremely difficult and that things seemed to change from day to day. It was very hard to determine the costs. Therefore I am sure the member will forgive me when I say the estimated cost of this option was between \$6.87 million and \$8.3 million. Because of the day-to-day change, it was very, very difficult to determine exactly what it would be.

Then there were two private service bureau options. One was with BDP, which I believe is from Toronto, therefore Ontario based. The cost was \$8 million. There was the EduLinks possibility, out of province again. The cost there would be \$9 million. Then there was the Manitoba in-house service bureau, using Credit Union Central, which we have chosen. The cost here would be approximately \$5.7 million. That would include the staff, 24 staff members. As I said, we are not going to start with 24. It would be a gradual increase. This then would include all costs. There would be an approximate return of \$700,000 in income tax to the Province. There would be 25 to 35 additional jobs, that is, jobs not attached to the department, but jobs that would evolve from this initiative. Because of all the obvious value to this option, the department has chosen to proceed. I hope that clarifies issues for the member opposite.

Mr. Derkach: I thank the minister for her explanation and clarification of some of those issues. I do have a couple of more questions in that regard. The minister tells us that she has chosen the in-house option, the service bureau option, on the basis of cost, and that the Credit Union Central will be still involved—but the banks will not—after August 1, 2001. I guess my question to the minister is: Is it not possible to have Credit Union Central do the entire administration of this program without having to create a service bureau within the department?

Ms. McGifford: It is not possible because Credit Union Central does not want to do all the work. I do want to point out to the member that we have not just chosen this option because it is the most cost-effective. I also mentioned the flexibility that this affords. Well, I suppose cost-effective does embrace the \$700,000 in income taxes that would be returned to the Province. Also, we can guarantee delivery for the 1st of August. We think that is important too.

Mr. Derkach: I do not argue with those aspects, but I guess I need to ask the minister again. She says the Credit Union Central does not want to deliver the entire program. The minister indicated that other potential service providers were more costly than doing it in-house, and using credit Canadian central for some of it. My question is: Was this whole issue ever tendered to service providers so that indeed people perhaps within province, service providers within the province could have tendered on the delivery of this program?

* (10:40)

Ms. McGifford: In response to the member, I am advised that we used a request-for-information process in order to find out the costs and that the consultant who did this work was very well aware of the costs of private service providers, because the consultant had done the same work in several provinces including B.C. and Newfoundland.

Mr. Derkach: Mr. Chair, although consultants can give us an overview and through their work

can recommend or suggest cost-effective ways of approaching an issue, it still does not preclude the Government from either putting out proposal calls to see whether or not service providers within the area, or even outside the province, would be interested in undertaking the delivery of a program. It is for this reason that I asked the question of whether or not the Government considered looking at putting out some proposal calls, RFPs, to see whether or not there was any interest in service providers to deliver the program, and then cost comparisons could have been done on a proposal call basis.

Ms. McGifford: My officials, who are experts in this area, advise me that there are two issues involved in this particular matter: one is time and the need to be timely. The second one is that there are almost no organizations in the country who could really provide this service. In fact, the organizations in the country who could provide this service—private organizations—are the two that we did investigate: the BDP and EduLinks. So we feel that the process was thorough, and in the best interests of Manitoba and students in Manitoba.

Mr. Derkach: This is where I have to disagree. Although the minister has experts in her department, and I know they are very capable people and people who work very hard for the department, this is a policy issue. This is an issue that is in the hands of the minister and of her Cabinet, because this is a very significant departure. I am sure it is based on the fact that agreements cannot be struck with the federal government, and programs have to be implemented by a certain date. But I still believe, and the minister says there were only two service providers who were capable of delivering the service and they were investigated. But my question to the minister was: Did the government ever consider putting out a proposal call to see whether in fact those service providers, or others, might have some interest in delivering the program?

Ms. McGifford: I want to assure the member opposite that we have looked very carefully at this matter, and that, indeed, the reason for having the consultants do the work that they did was to ensure or to search out and to ascertain whether there was another possibility other than

our choosing the alternative which we have chosen—which of course is the in-house service bureau. We are satisfied that we have looked very carefully at all the options, and I want to ensure the member opposite that we did not want to have our own service bureau. The reason that we decided on our own service bureau is clearly because it is cheaper, it is better, it offers flexibility and it is the best alternative again for the students in Manitoba. It was not a cavalier process, Mr.Chair. It was very deliberate, very thorough. I will leave it at that.

Mr. Derkach: I am not criticizing her department for not doing a thorough job. That is the least of my criticisms. The issue here is one of policy and one that this Government has decided to choose. I would ask the minister if she would be willing to table the study that was conducted by the National Research Council.

Ms. McGifford: We are not sure that we can table the full report because it might have some proprietary information in it, but we will endeavour to table the report, and I am sure that what we can table will give the member a clear idea of the complex process that we went through. I do want to bring to the attention of the member opposite that it is not necessarily only a policy issue or even a policy issue, it is an issue of practicality. I am advised by my officials that there was simply not another viable alternative, and that was why we had chosen this alternative, because it was the most practical, the most flexible and in the best interests, I repeat, of the students in Manitoba.

Mr. Derkach: And that is something that I would like to be able to evaluate after we have been able to see the documentation. Certainly, I am not suggesting that there is any hidden agenda here, or that in fact the minister is not moving in the right direction because we simply do not know. So it is just purely for information purposes. In fact, I will be the first one to congratulate the minister if indeed I completely agree with the approach that she has taken. If it is in the interest of students in Manitoba and taxpayers in this province, I would agree that that is the way we all want to proceed.

* (10:50)

Mr. Chair, just a final question: Can the minister assure us that, in fact, she will be able

to deliver the Student Aid and Student Loan financial programs on a timely basis for the next school year?

Ms. McGifford: Yes, I do want to assure the member again that we will share some documentation, and I hope that he will find it helpful to him. The answer to his question is yes.

Mr. Derkach: Mr. Chair, with respect to Bill 17 that the minister has introduced for second reading in the House, I would just like to ask the minister whether the need for this bill is I guess signalled by the fact that we have to change the process of the student aid program.

Ms. McGifford: Mr. Chair, no, the bill has really nothing to do with the way that student aid is going to be disbursed. It has everything to do with our desire to enshrine in law the way in which bursaries and other funds will be distributed to students. Furthermore, I think it is a sign to students that we value them, that we are on their side, and that post-secondary education is extremely important to government.

Mr. Derkach: Well, Mr. Chair, perhaps the minister could enlighten me as to the changes from previous practice that this bill will introduce into the student loan and bursary program.

Ms. McGifford: Mr. Chair, it does not really change previous practice, but what it does is enshrine in legislation entitlement to a bursary program. One of the things that I think is extremely important and I noted when I spoke to the media the other day was that the act also insists on an annual report to the Legislature on student aid. So I think that it increases accountability. It gives the members of the Legislature an opportunity once a year to study and view student aid, to evaluate the Government's performance to see how well we are doing, and-one other point that I forgot to mention-it would make it difficult for a future government to end the Bursary program without, of course, going to the Legislature.

Introduction of Guests

Mr. Chairperson: Before we proceed, with the permission of the committee, we would like to

welcome to Manitoba a group of students from L'Assumption, Québec, who are on an exchange program with the students from Henry G. Izatt School in the constituency of Fort Whyte. Bienvenue.

* * *

Mr. Derkach: So Bill 17 does not change anything in terms of the mechanics of the student loan and student bursary program. All it does basically is moves the student loan program from enabling into a legislated program and does not add any more dollars or any more assistance to students in any meaningful way. Window dressing.

Ms. McGifford: I know that students were very pleased with the bill, and so I think that speaks for itself. Yes, basically what the member opposite has said is true. It adds no more dollars. The member is right, but I do think it is an important signal to the students of Manitoba that this Government values post-secondary education and has a commitment to students. It has enshrined in legislation the Manitoba Government Bursary, and I think if the member were to speak with students he would find they are very pleased and supportive of this initiative.

Mr. Derkach: Well, Mr. Chair, I have spoken to students who have looked at the bill, and they have some question marks about what the bill really does. Yes, it enshrines the bursary program and the student loan program into legislation, but as the minister knows, when the House sits on an annual basis, that legislation can be changed, can be repealed. The only difference is that that is done through the Legislature. It does not do anything in terms of helping students to gain greater access to either bursaries or student loans. So, in essence, the minister is telling me that this bill is nothing more than some window dressing.

Ms. McGifford: Mr. Speaker, that certainly is not what I am telling the member opposite, and in fact the member opposite is putting words in my mouth. I said that this was an important signal to the students of Manitoba, and if the member has spoken to students in Manitoba who have questions about the bill, I certainly urge him to refer those students to my office.

Now the member also says that the only change is that when the bill is passed and becomes an act, the only difference is that this would have to be amended in the Legislature as opposed to be amended by the minister or by Cabinet. Well, yes, that is a difference, but he may deprecate it and say it is the only difference. I think it is an extremely important difference, Mr. Speaker. If a future government has to come into this Legislature and attempt to cancel student bursaries in the Legislature, I think that future government will find that it has a tremendous fight on its hands. Not only will that fight come from members who are sitting in the Legislature, I am sure there will be some that will not appreciate the cancellation of a Manitoba Government bursary but also will come in the committee rooms when the legislation would be reviewed, so I think it is not a small difference. I think it is a huge difference, and I think the majority of Manitoba students recognize that, and this is one of the reasons that they are extremely pleased with this piece of legislation. But let me again say to the member opposite, if he knows students who have questions, we would be delighted to speak with those students and try to address their questions.

You know, It was the day that I announced this bill publicly, one of the media people said to me: Is this the same as the balanced budget legislation? And I said: Pretty well the same. So I reiterate it for the member today, it is pretty well the same.

* (11:00)

Mr. Derkach: Well, Mr. Chair, it is not nearly the same. It does not come close to being the same because with the balanced budget legislation, the member may not be aware but, in fact, if the Government decided to increase taxes they would have to go to the people through a referendum. In this legislation there is no mention of having to go to the people before you make changes or additions or deletions from the bill. You simply do it through the House.

Mr. Chair, I am not criticizing the minister for this bill. What I am saying is that there is no substantive changes to students in terms of the amounts of the bursaries, in terms of the caps on bursaries or student loans, in terms of volumes. There are no changes in that respect in this bill. All it is doing is changing the bill from being implemented through regulation where now it is just simply going to be done through legislation. And I am not saying "simply." I mean it is an important change, but that is in essence the basic basis of the change.

Ms. McGifford: I am pleased that the member has come round and acknowledged that there is an important change because the legislative change as he has now acknowledged is an important change. It probably is not really necessary to bring up the balanced budget legislation again, but I will because I want to point out to the member that the balanced budget legislation can be repealed by government too. This Government, if it chose, could repeal that legislation. A future government, if it chose, could repeal The Student Aid Act. But repealing balanced budget legislation, repealing The Student Aid Act, would have to be done in the Legislature. The repealing or amending of both acts, I would suggest, would create a furore, especially in the case of The Student Aid Act. from students. I mean students have been through this before. They do not want it to happen again.

So I think it is, as the member has now acknowledged, a very large, important and major change.

Mr. Derkach: Well, Mr. Chair, there goes the minister. She is trying to put words in my mouth. I did not say it was a very large change. It is not a very large change. It is simply a change in the way that this is going to be administered. I said that I agree with the minister this is a change, and I am not going to diminish the importance of it. But when the minister says that balanced budget legislation can be repealed, she is correct, but that is not what she was talking about when she said it is the same as the balanced budget legislation. We were talking about the contents of the legislation, I believe, in terms of its importance, and there is a vast difference in that respect. But it is true, not only can the balanced budget legislation be repealed, any legislation that is before Manitobans can be repealed through the process of this Legislature. So let us not mirror the two, and let us not say that they

are on the same equivalency or on the same basis because they are simply not.

Mr. Chair, we can pursue this forever and a day but we are not going to get too far. I simply want to indicate the reason I placed these questions on the table was to ascertain whether in fact the changes were simply moving it from regulation to legislation and whether or not there were any changes with respect to changing volumes, changing amounts, extending more student loan and bursary opportunities to students, and I think we have received the answers in that respect so I am prepared to move on. Do you want to say anything?

Ms. McGifford: I agree with the member opposite that we should move on.

Mr. Derkach: Just for clarification, we will move through the line by line at the end, if it is agreeable to the minister. I have some questions on Red River College, if we could move into that area.

Mr. Chairperson: Are we ready to do that now? Line by line?

Mr. Derkach: Not line by line, just globally.

Ms. McGifford: I believe the member opposite indicated that he wanted to ask questions about Red River College. I just want to check to make sure we are in a position, and I am hearing that yes we are, so, please.

Mr. Derkach: We touched on this last day, Mr. Chair, in terms of the expansion program. I simply want to ask the minister about a program that Red River has been involved in for many, many years. That is the International Program. I have some interest in that program because of the people that have been involved in that program for many years. I know there have been some changes to the International Program, in terms of the approach, I believe. I would just like to ask the minister whether or not there has been any change in the amount of monies that have been allocated for International Education for this next fiscal year.

Ms. McGifford: I am advised that there has been an increase in funding for international programs, but that it is actually in Education,

Training and Youth. I believe page 95, 16.6. (b) International Education, the increase in funding will, although it is in Education and Youth, will ultimately serve both post-secondary education and Education, Training and Youth.

I want to, while I have got the mike, just share with the member opposite that like him I am very concerned with international education. I know I have spoken with him about travelling to B.C. and speaking to education officials there. Again, I was very impressed by the work that they are doing in international education. I found it very edifying. I think we are very fortunate with our ADM, who has the B.C. experience. I think the member and I are probably on the same page here.

Mr. Derkach: Just a little more clarity on the program, Red River College has an international education component within the college. Each year they spend certain dollars to either get CEDA contracts to offer international programs or they enter into agreements with other training institutions in other countries to deliver certain programs. I believe, in this past year, China was one that they were working on, and I would just like to ask the minister what the Budget increase is for this particular area at Red River College and whether she is looking at an expansion in this program in this next fiscal year.

Ms. McGifford: Well, Mr. Chairman, the amount of money that I identified to the member a few minutes ago is, of course, as I said, in education, training and youth. As far as Red River is concerned, whatever monies they put into international education is, of course, a decision made by their board.

* (11:10)

Mr. Derkach: Mr. Chair, if Red River chooses not to deliver an international education program, is the minister telling me she would not have any influence in that regard?

Ms. McGifford: I think that the member is describing a very unlikely scenario because I am very interested in promoting international education, as I have just told him. It certainly would be an idea that I would share. In fact, I am planning to meet with all presidents of colleges

soon, and I have already done it, of course, but to meet again. It is one of the areas that I have earmarked.

Red River community college is also interested in international education. They recognize the contribution that it can make, not only to their college system, but to the province, and is very interested, of course, in developing international relationships. So I do not think that I am going to have to use those powers of suasion that I might have or that departmental people might have because I think that the Red River community college is going to do that work already. I have faith in them.

Mr. Derkach: I am very happy that the minister has faith in them, Mr. Chair, but it does not preclude me from asking some questions.

Mr. Chair, I want to ask the question because I know, for example, in the market-driven training program, and the only reason I ask it is because it is on the same page, but if you look at the market-driven training program, there is an influence of the market-driven training program by the college expansion program. I guess what I am leading up to is whether or not the international education program is one that is also going to be influenced by the college expansion initiative.

Ms. McGifford: I want to assure the member opposite that we have a commitment to working with institutions, including Red River College, to increase international education. They want to do more. We want to do more. I am sure we will do more.

Mr. Jim Rondeau, Acting Chairperson, in the Chair

Mr. Derkach: Mr. Acting Chair, that is precisely my question. I know the minister wants to do more. Colleges always want to do more, whether it is Red River or Assiniboine, but, specifically, my question to the minister is: Is she going to be increasing the budget to this component through either grants to Red River community college or through the community college expansion program? If she is, I would like to know how much more money is going to

be going into this particular area of college activity.

Ms. McGifford: Thank you, Mr. Acting Chair. I think I want to tell the member opposite that, of course, we did increase funding to post-secondary institutions this year, and again, the decisions as to how institutions allocate that money is up to the boards of those institutions.

The College Expansion Initiative has no international component. The duty of the mission of the College Expansion Initiative is to provide services ultimately to Manitoba students. But again, I do want to cite the increase in international education, 16.(6)(b), because this is a commitment from this department, from this Government, to international education. It is very important as far as trade missions, et cetera, and that is one way of increasing international education. That is the work we are doing.

Mr. Derkach: Mr. Acting Chair, if I look at the annual report of Red River College, and I look at the international education component, I see that the difference between 1998 and 1999, 1999 and 2000 is fairly significant. It goes from 181,000 to 449,000. Is that because there has been a significant increase in terms of expanding the international ed program, or is that because of certain contracts that were entered into?

Ms. McGifford: Mr. Acting Chair, we do not have that detail here, but we would be pleased to endeavour to obtain it and pass it along to the member.

Mr. Derkach: And that is really where we are going, Mr. Acting Chair. I know that international education is something that the college has been involved in for a number of years. The minister says: We want to expand the international education component. I guess my bottom line question is: Whether or not this is the thrust of the Government with respect to allocating more dollars in a sort of directed way towards this component of Red River's activities? So if the minister can get me the information with respect to the expansion of those programs, that would certainly cover off this area.

Mr. Chairperson in the Chair

Ms. McGifford: Thank you, Mr. Chair. Yes. We will get this information and let the member opposite know.

Mr. Derkach: Mr. Chair, I would like to move to the college of the North. There has been some discussion about the development of a university of the North, or a college of the North. My question to the minister, I guess, first of all, is: Can she tell the House or tell us the status of this particular project, or how far it has gone in terms of the development of that concept?

Ms. McGifford: I am pleased to address this question for the member opposite. Let me begin by saying we have general agreement in principle, but there is much, much work to be done. We have received a proposal from MKO and from the city of Thompson. These people met with the Premier (Mr. Doer), I think in the fall. I believe it was in the fall. The Premier advised MKO and the city of Thompson that Advanced Education would be taking the lead role, and Advanced Education is currently working on providing a paper that we can take to Cabinet and find direction.

* (11:20)

Mr. Derkach: Mr. Chair, from the minister's answer, is it fair to assume that the college for northern Manitoba will be located in Thompson?

Ms. McGifford: No, it has not been decided whether it would be located in Thompson or otherwise, but I want to assure the member that wherever it is located, the intention is to have many satellites and much delivery into communities around the North. So I suppose I could say that the location is flexible and service deliveries will be. The way in which service is delivered will be extremely important to this particular institution, as I am sure the member understands, since he was talking to me at great length about his belief in distance education and alternative forms of education.

Mr. Derkach: Mr. Chair, the only reason I am asking these questions is for information, nothing more. As the minister knows, this is something that I have some interest in because I do believe that there is a need, and I think there is probably a market there for having a college or a university or a post-secondary institution deliver programs to other jurisdictions.

I just want to get a flavour of how the Government is proceeding with this concept, and whether in fact it is going to be a stand-alone institution or whether it is going to be one that is linked to an existing institution now within the province, i.e, is the college component going to be linked to Red River, Keewatin or Assiniboine, and is the university side going to be linked to either the U of M or the University of Winnipeg or indeed Brandon University or for that matter St. Boniface?

Ms. McGifford: Mr. Chair, I mentioned the possibility of a paper being prepared for consideration. This paper will include a detailed analysis of many items. Perhaps this will help the member get a flavour, which is what I understand that he is seeking.

First of all, governance will be discussed in this paper. That is, for example, board composition, administrative structure, policies, internal and external procedures and other similar kinds of matters; academic matters, including the kinds of programs, issuance of certificates, diplomas, degrees, degree-granting staff and staff qualifications, authority, accreditation and other related matters; linkages to and co-operative arrangements with other post-secondary institutions within and outside the province of Manitoba; financial matters, of course, including sources of revenue, local, provincial, federal, tuition fees, let us leave it at that. Facilities, space requirements, locations, asset transfer, program delivery, including a location community based central technology mediated education; as we have already said, perspective student body, including makeup of student, types of students, living arrangements, students' assistance, legislation and transition process. So as the member can see, there are many, many, many things to be worked out, and it is extremely complicated.

Mr. Derkach: I have no doubts about the complication of this issue. My question has to do with where the minister sees this, or what the minister's vision is of the college or University of the North. She indicated to me that she has travelled to the University of Northern British Columbia, and I guess I could start out by asking: Does she see this institution being one that is similar to what the University of the North is in British Columbia, or for that matter Athabasca? Or does she have a different model that she is looking at?

Ms. McGifford: Mr. Chair, I just wanted to clarify something because perhaps I have miscommunicated. Although I have met with many people in B.C., I did not travel to the university in—[interjection]—it is not in Nelson, in Prince George. In fact, the president and vice-president academic happened to be in Victoria when I was there, and so I did meet and confer with them. It was a very interesting discussion, because these people had been around since the establishment, and I suppose through the evolution at this institution. They talked to me about some of the things that we might find challenging. So I did find it very helpful and appreciated it very much.

The member asks what kind of a model. Will it be like B.C., will it be like Alaska? I have not had the opportunity to travel to Alaska and visit that unit—[interjection]—Athabasca, I am sorry. I understand there is also a nascent model in Newfoundland.

Anyway, the model that we have will be a Manitoba model, an institution that will work very closely with other community colleges, and I think the member asked about that in one of his questions. There will be an appropriate range of programs to the north, and I am sure that the member could appreciate that in the north some of the requirements will be different than they would be in Winnipeg.

There will be great articulation and transfer. It is one of our goals as advanced education in any case, and certainly would be extremely important for this particular institution. It is also very, very important that there be strong Aboriginal presence in this institution. I will leave it there.

Mr. Derkach: Mr. Chair, is the minister indicating that—no, she is not indicating. I ask the question: Is this going to be a stand-alone institution with linkages to the other institutions we have in the province, or is the linkage going to be one where degree-granting, certificate-granting diplomas are going to be done through one of the existing structures that we have in the province today?

Ms. McGifford: At this point, we expect that it will be a stand-alone institution with linkages

and articulations with community colleges and universities. I am sure the member is aware that Keewatin Community College already grants certificates and diplomas. That is not to say that every program at this particular university will grant a degree, with the articulations and linkages there are other possibilities, but the basic answer to the member's question is that we do expect it will be a stand-alone institution.

* (11:30)

Mr. Derkach: Can the minister tell me how this future institution is going to interface with the Keewatin Community College institution?

Ms. McGifford: As I have said, there are many issues to consider, but Keewatin Community College will be integrated into the University College of the North.

Mr. Derkach: So if this institution is located in Thompson, for example, will that mean that Keewatin's presence in The Pas will be diminished and it will be incorporated into an institution in Thompson?

Ms. McGifford: We expect to have a significant operating presence in The Pas. I think we have already spoken about the need for having satellite campuses in various areas in the north. That is the answer to the member's question.

Mr. Derkach: Just for clarity, is the minister saying that the Keewatin Community College of today would become a satellite of the new college?

Ms. McGifford: The University College of the North is in the very early stage of development. I cannot really suggest whether the main body will be located in Thompson or The Pas, or wherever. Obviously the possibility of two main campuses with satellites throughout the north is another model. We are still in the stages of development. I would hesitate to make any commitment on the record.

Mr. Derkach: I can understand that, certainly if this is still in the developmental stages. The Government has to have some ideas as to what it would like to see. I know what the member from Thompson would like to see, but he is just one member of the Government. I would like to ask the minister what period of time she sees this project developing over. Is it a two-year, a threeyear, a five-year developmental process, in terms of time frame?

Ms. McGifford: I am sure, as the member can appreciate, the development of a college is an evolutionary process, a gradual process. I can assure him, however, that we expect to have something in place by 2003, but then the University College of the North will continue to develop. That will be a long-term initiative. I would not really like to affix a date to that growth since I think all our post-secondary institutions continue to grow and change. There is going to be no final point at which we can say this is done; it is going to be like life, an ongoing process.

Mr. Derkach: I am kind of familiar with these answers, Mr. Chair; they go nowhere. I guess what I am trying to get at is, we have an expansion of Red River College, we know that Red River College's physical structure is being developed as we speak. I guess I want to know from the minister, she says by 2003, there will be some presence of a university college in the North, and I guess my question is: Does she see a physical structure being constructed that would house the university of the North in one of the northern communities in Manitoba?

Ms. McGifford: This Government is trying to minimize spending on new structures. There are, as I know the member knows, structures in place. We want to reserve spending for programming, and we think we can utilize those structures that are in place. Therefore, we will minimize spending, and so I do not think that the member needs to look for any huge edifices being developed to fulfil this initiative. We think the structures are there.

Mr. Derkach: So the minister assures me that there will be no new structures for this college, but she is saying that they will be utilizing existing facilities. Is she telling me that this campus is now going to be located in Thompson where there is availability of existing structures.

Ms. McGifford: I just for the record want to make a correction. I did not say there would be

no new structures. I said we wanted to minimize spending on new structures, and so I think that there is a difference and I am sure that the member will accept that.

I am not trying to be coy. We simply cannot tell the member, answer these questions because the whole initiative is under development. So we realize that there is a structure in Thompson that perhaps would require some updating; we know there is a major structure in The Pas. I think I have already indicated that two main campuses with satellites may be a model. Those are some of the options and some of the possibilities that I can suggest to the member.

Extensive consultations with people in the North are necessary. This is an initiative that has come from MKO and the City of Thompson. It is not just up to us to make arbitrary government decisions and impose them on the community. We think it is extremely important to work with the community. I have already cited the importance of Aboriginal presence in the North, and I want to reiterate the importance of these community consultations so that the university college of the North reflects what is important to the people who live and work there and will be educated there and so that they do not have a plan imposed upon them by people in the south.

Decisions on buildings, Mr. Chair, will follow decisions on programming. As the member knows, we need to know what the programs are in order to create the buildings. We are not going to create the buildings and try and shoehorn the programs into them. So first the horse and then the cart.

* (11:40)

Mr. Derkach: I was not suggesting otherwise. I was simply asking these questions for information because of my interest in this area. Can the minister tell me how much money has been allocated to this initiative for the next fiscal year?

Ms. McGifford: I am informed that, while there is no specific grant this year, staff from Doctor LeTourneau's office have been working on this initiative, and I am advised that there will probably be a grant in the next Budget.

Mr. Derkach: So is the minister saying that the initiative is now going to be driven through the advanced education council, or is this going to be driven through the college expansion program? Certainly there have be dollars allocated to work that is going to be done within the fiscal year, and I was just asking the minister how much money is going to be allocated to this initiative in this next fiscal year, not that there is going to be a specific grant, but certainly there have to be some development dollars that are going to be going into this initiative.

Ms. McGifford: No, the initiative is not being driven by the college expansion initiative. It is being driven by the office of COPS. The staff in COPS were committed to developing a Cabinet paper. That is part of their ongoing work, and there are no special funds allocated for this group this year.

Mr. Derkach: So just for clarity, Mr. Chair, has the minister directed the college by the Council on Post-Secondary Education to undertake this initiative in terms of a university of the north rather than utilizing the offices of Doctor Nordman and the college expansion program to be working on this initiative as part of the overall college expansion program?

Ms. McGifford: Yes, Mr. Chair, because I do want to point out that the university-college of the north is not just a college initiative; it is a college and university initiative. COPS, of course, is the body, the logical body, because of its ongoing responsibilities with universities and colleges. I might add that, if COPS wanted advice from Doctor Nordman, I am sure that he would be prepared to provide that advice.

Actually, you know staff worked together in a co-operative and communal-like way. They are all very friendly. They share ideas. Sometimes they go out for lunch together, I will bet.

An Honourable Member: They talk?

Ms. McGifford: They talk, yes.

Mr. Derkach: I really do not have any comment to the last response by the minister or any constructive comment.

I do not have any difficulty with COPS working on the project or Doctor Nordman's department working on the project. It is certainly our hope that both areas would come together as the need arises and work toward that initiative. The minister appears to be somewhat defensive on these issues, but there is really no need because I am just gathering information.

Mr. Chair, a question on impact on other institutions. I know that Brandon University and Assiniboine Community College do deliver programs in rural Manitoba. I think Brandon University does some in the North. I guess my question would be: Is there consideration being given to the impact of the development of a university in the north on our existing institutions and the programs that they deliver?

Ms. McGifford: In connection to the discussion that we had just before the member asked his previous question, I do want to assure him with all seriousness that the College Expansion Initiative is working very closely with COPSE in order to ensure that the college plans fit with the University College of the North plans. Having said that, part of the review being conducted by COPSE is to examine the programs that the member mentioned, for example, the BUNTEP program from Brandon, the links that are now existing with KCC and the University of Manitoba, because examining, analyzing these issues will be part of the policy that develops. So COPSE is doing that work.

Mr. Derkach: I would guess that the most significant impact would be on Brandon University, simply because of its size and because of the number of programs it has been involved in to deliver to northern Manitoba and Aboriginal people. So I guess my question would be whether or not Brandon University and the president of that university are going to be in some way involved in the development of this concept, simply because of the impact that it will have on that university. I think the minister would agree that university depends fairly heavily on the programs that it delivers to the North, and this could indeed have an impact on the operations of that university in the future. I will let the minister give me some response.

Ms. McGifford: I want to assure the member opposite that not only will Brandon University and its president be involved—absolutely they will be involved—they are fully aware of plans. In fact they have already been consulted and will continue to be consulted on an ongoing basis.

One of the interesting possibilities that we might want to consider of course is that the University College of the North could host programs from other institutions.

Mr. Derkach: I think we will conclude there. I will have some other questions for the minister during concurrence, but I believe our desire is to try to get through the Estimates here by twelve o'clock.

I do have just one question on the capital side, specifically at the University of Manitoba. I respect and appreciate the investment that the Government has made with regard to the capital side at the University of Manitoba, but there have been announcements made now that are almost a year old. I think out of the \$50 million announcement that was made, I believe only \$10 million has been allocated or has flowed to the university to this time.

* (11:50)

I may be wrong on that, and the minister may correct me on that number, but I guess I would like to ask the minister: How much of that money that was announced has flowed to the university at this time for the capital program?

Ms. McGifford: Mr. Chair, there was a commitment of \$50 million. There was 10 flowed last year, 10 this year, and of course, subsequently, we will handle those through the Estimates process—handle the future through the Estimates process.

Mr. Derkach: Mr. Chair, I am not trying to catch the minister here, but she is telling me that \$10 million flowed the last fiscal year, and \$10 million has already flowed this fiscal year?

Ms. McGifford: The \$10 million for this year is in the Estimates. It has not flowed yet.

Mr. Derkach: Mr. Chair, it is correct to say that \$10 million has flowed out of the \$50 million announcement, and there is another \$10 million that will flow in this fiscal year?

Ms. McGifford: Yes, Mr. Chair.

- Mr. Derkach: Mr. Chair, I have not been to the university to see the structure in the last little while, but I understand the bio science building has some significant problems, and I am wondering whether or not some of this capital money is going to be used in that building. My understanding is there has been a wall that has collapsed in that building within the last little while.
- Ms. McGifford: Mr. Chair, the executive director of COPSE has a meeting this afternoon with the VP administration to review their plans. The \$50 million will be used for a variety of maintenance and repairs, et cetera. So it could well be used for the purpose suggested by the member opposite.
- Mr. Derkach: Mr. Chair, I do have to wrap this up by twelve o'clock, so perhaps we have to start through the line-by-line. I will have more questions for the minister in concurrence but for the main Estimates we can go through line by line now.
- **Mr. Chairperson:** Item 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$198,100-pass; 1.(b)(2) Other Expenditures \$75,000-pass.
- 1.(c) Administration and Finance \$300,000-pass.
- 2. Support for Universities and Colleges (a) Council on Post-Secondary Education (1) Salaries and Employee Benefits \$642,800-pass; 2.(a)(2) Other Expenditures \$233,000-pass.
- 2.(b) University Operating Grants \$246,282,300-pass.
- 2.(c) Post-Secondary Strategic Initiatives Fund \$1,400,000-pass.

- 2.(d) College Grants (1) Operating Grants \$66,342,600-pass; (2) Inter-Universities North \$842,700-pass.
- 2.(e) College Expansion Initiative (1)
 Salaries and Employee Benefits \$193,600-pass;
 (2) Other Expenditures \$52,200-pass; (3)
 College Expansion Initiative Grants
 \$10,700,000-pass.
 - 2.(f) Access Program \$5,306,100-pass.
- 2.(g) Advanced Education and Training Assistance \$1,337,300-pass.

Resolution 44.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$333,332,600 for Advanced Education, Support for Universities and Colleges \$333,332,600 for the fiscal year ending the 31st day of March 2002.

Resolution agreed to.

- Item 44.3. Student Financial Assistance and Tuition Rebates (a) Salaries and Employee Benefits \$2,459,300-pass.
 - 3.(b) Other Expenditures \$1,025,400-pass.
 - 3.(c) Loans and Bursaries \$9,363,200-pass.
- 3.(d) Interest Relief and Debt Reduction \$1,762,400-pass.
- 3.(e) Manitoba Millennium Bursary Fund \$6,260,000-pass.
- 3.(f) Manitoba Scholarship and Bursaries Initiative \$5,000,000-pass.
- 3.(g) Manitoba Learning Tax Credit \$10,821,000-pass.
- 3.(h) Canada Millennium Scholarship Fund \$11,000,000-pass.
 - 3.(j) Canada Study Grants \$2,100,200-pass.
- 3.(k) Tuition Rebate Grants \$9,831,400-pass.

Resolution 44.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$59,622,900 for Advanced Education, Student Financial Assistance and Tuition Rebates \$59,622,900 for the fiscal year ending the 31st day of March 2002.

Resolution agreed to.

44.4. Capital Grants (a) Universities \$17,475,000-pass; (b) Colleges \$2,245,600-pass.

Resolution 44.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$19,720,600 for Advanced Education, Capital Grants \$19,720,600 for the fiscal year ending the 31st day of March 2002.

Resolution agreed to.

Item 44.5 Amortization of Capital Assets \$126,200-pass.

Resolution 44.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$126,200 for Advanced Education, Amortization

of Capital Assets, for the fiscal year ending the 31st day of March, 2002.

Resolution agreed to.

* (12:00)

At this time we request the minister's staff to leave the Chamber, please.

Item 44.1 Administration and Finance (a) Minister's Salary \$28,100-pass.

Resolution 44.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$601,200 for Advanced Education, Administration and Finance, for the fiscal year ending the 31st day of March, 2002.

Resolution agreed to.

The hour being 12 noon, pursuant to the rules I am interrupting the proceedings of the Committee of Supply with the understanding that the Speaker will assume the Chair at 1:30 p.m. today and that after Routine Proceedings the Committee of Supply will resume consideration of Estimates.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 10, 2001

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