

Third Session - Thirty-Ninth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

Official Report
(Hansard)

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 29, 2009

The House met at 1:30 p.m.

PRAYER

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 8—The Civil Service Superannuation Amendment Act (Enhanced Manitoba Hydro Employee Benefits and Other Amendments)

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Healthy Living (Ms. Irvin-Ross), that Bill 8, The Civil Service Superannuation Amendment Act (Enhanced Manitoba Hydro Employee Benefits and Other Amendments); Loi modifiant la Loi sur la pension de la fonction publique (prestations améliorées à l'intention des employés d'Hydro-Manitoba et autres modifications), be now read a first time.

Motion presented.

Mr. Selinger: Mr. Speaker, the amendments in this bill will provide a transfer from the Civil Service Superannuation Fund's reserve to be used to fund cost-of-living adjustments over the next 30 years. As well, it will permit regulation-making in order to provide for enhanced benefits for eligible Manitoba Hydro employees.

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

Bill 27—The Gaming Control Amendment Act

Hon. Dave Chomiak (Minister charged with the administration of The Gaming Control Act): Mr. Speaker, I move, seconded by the Minister of Family Services and Housing (Mr. Mackintosh), that Bill 27, The Gaming Control Amendment Act; Loi modifiant la Loi sur la Commission de régie du jeu, be now read a first time.

Motion presented.

Mr. Chomiak: Mr. Speaker, the proposed amendments would give the Manitoba Gaming Control Commission the authority to register lottery ticket retailers and investigate complaints and monitor compliance with the terms and conditions of registration and resolve the disputes involving lottery tickets.

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

Bill 28—The Private Investigators and Security Guards Amendment Act

Hon. Dave Chomiak (Minister of Justice and Attorney General): Mr. Speaker, I move, seconded by the Minister of Family Services (Mr. Mackintosh), that Bill 28, The Private Investigators and Security Guards Amendment Act; Loi modifiant la Loi sur les détectives privés et les gardiens de sécurité, be now read a first time.

Motion presented.

Mr. Chomiak: Mr. Speaker, this bill's on the act recently brought in to improve oversight and streamline the process for regulating and for registration of security guards.

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

Bill 29—The Environment Amendment Act

Hon. Stan Struthers (Minister of Conservation): Mr. Speaker, I move, seconded by the Minister of Healthy Living (Ms. Irvin-Ross), that Bill 29, The Environment Amendment Act; Loi modifiant la loi sur l'environnement, be now read a first time.

Motion presented.

Mr. Struthers: It's my pleasure to rise today in the House and introduce this bill. The purpose of it is to strengthen the act through amendments to the powers for environment officers and directors to address environmental problems proactively rather than just in an emergency situation. In addition, a number of amendments focus on the ability for effective and timely licensing and assessment approaches and enhanced regulatory powers. Also, the bill strengthens the act's enforcement powers by the inclusion of a new prohibition to pollute clause and making it an offence to fail to report any unauthorized release of pollutants.

Thank you, Mr. Speaker.

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

PETITIONS

Long-Term Care Facility—Morden

Mr. Peter Dyck (Pembina): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

The background for this petition is as follows:

Tabor Home Incorporated is a time-expired personal care home in Morden with safety, environmental and space deficiencies.

The seniors of Manitoba are valuable members of the community with increasing health-care needs requiring long-term care.

The community of Morden and the surrounding area are experiencing substantial population growth.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Health (Ms. Oswald) to strongly consider giving priority for funding to develop and staff a new 100-bed long-term care facility so that clients are not exposed to unsafe conditions and so that Boundary Trails Health Centre beds remain available for acute-care patients instead of waiting placement clients.

This is signed by Doris Wiley, Annie Peters, Bernie Penner and many, many others. Thank you.

Mr. Speaker: In accordance with our rule 132(6), when petitions are read they are deemed to be received by the House.

Seven Oaks Hospital—Emergency Services

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

The background to this petition is as follows:

The current Premier (Mr. Doer) and the NDP government are reducing emergency services at the Seven Oaks Hospital.

On October 6, 1995, the NDP introduced a matter of urgent public importance that stated that "the ordinary business of the House to be set aside to discuss a matter of urgent public importance, namely the threat to the health-care system posed by this government's plans to limit emergency services in the city of Winnipeg community hospitals."

On December 6, 1995, when the PC government suggested it was going to reduce emergency services

at the Seven Oaks Hospital, the NDP leader then asked Premier Gary Filmon to "reverse the horrible decisions of his government and the Minister of Health and reopen our community-based emergency wards."

The NDP gave Manitobans the impression that they supported Seven Oaks Hospital having full emergency services seven days a week, 24 hours a day.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Premier of Manitoba consider how important it is to have the Seven Oaks Hospital provide full emergency services seven days a week, 24 hours a day.

This is signed by C. Reyes, R. Reyes, D. Reyes and many, many other fine Manitobans. Thank you, Mr. Speaker.

* (13:40)

Traffic Signal Installation—PTH 15 and Highway 206

Mr. Ron Schuler (Springfield): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

In August 2008, the Minister of Transportation (Mr. Lemieux) stated that traffic volumes at the intersection of PTH 15 and Highway 206 in Dugald exceeded those needed to warrant the installation of traffic signals.

Every school day, up to a thousand students travel through this intersection in Dugald where the lack of traffic signals puts their safety at risk.

Thousands of vehicles travel daily through this intersection in Dugald where the lack of traffic signals puts at risk the safety of these citizens.

In 2008, there was a 300 percent increase in accidents at this intersection.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Transportation consider the immediate installation of traffic signals at the intersection of PTH 15 and Highway 206 in Dugald.

To request that the Minister of Transportation recognize the value of the lives and well-being of the students and citizens of Manitoba.

This is signed by Al Tymko, Lucille Dankewich, Steve Dankewich and many, many other Manitobans.

TABLING OF REPORTS

Hon. Stan Struthers (Minister of Conservation): I'm pleased to table the 2009-2010 Departmental Expenditure Estimates for the Sustainable Development Innovations Fund and also the 2009-2010 Departmental Expenditure Estimates for the Department of Manitoba Conservation.

Introduction of Guests

Mr. Speaker: Prior to oral questions, I'd like to draw the attention of honourable members to the public gallery where we have with us today Rachel Browne, founding artistic director of Winnipeg Contemporary Dancers; Andre Lewis, artistic director of the Royal Winnipeg Ballet; Nicole Owens, executive director, Dance Manitoba; Stephanie Ballard, choreographer and director of Winnipeg Dance Preservation Initiative; and Arlo Baskier-Nabess, participant in the first Aboriginal Choreographic Summit this summer in Banff, who are the guests of the honourable Member for Fort Rouge (Ms. Howard).

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

Also in the public gallery we have from Dugald School 30 grades 7 and 8 students under the direction of Ms. Corah Enns. This school is located in the constituency of the honourable Member for Springfield (Mr. Schuler).

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

ORAL QUESTIONS

Manitoba Hydro East-West Power Grid Project Status

Mr. Hugh McFadyen (Leader of the Official Opposition): For almost a decade, the government has been talking about their intent to build an east-west power grid to provide economic benefits for Manitobans, as well as benefit the environment globally. That grid has not come about. There are no results to date on it after almost a decade, and the CEO of Hydro was quoted as saying some weeks ago—Mr. Brennan said, and I quote: It could be quite

helpful if we ever worked out anything. That was the quote from the CEO of Hydro.

Mr. Speaker, I want to ask the Premier: What is the status of discussions on the east-west power grid, and when are we going to move from promises and announcements to action?

Hon. Gary Doer (Premier): Various political leaders in Ottawa have talked about the east-west grid, including at the Chamber of Commerce recently.

Mr. Speaker, we would point out that an east-west grid would be useful for Manitoba for purposes of export to provinces east and west of us. It would not deal with the issues of reliability with the provision and the proposal on transmission that's presently being proposed by Hydro and the government on the various new developments that we're going to have north of Manitoba to sell power south of us.

We continue to negotiate east of us, west of us but more significantly, in terms of results, south of us, Mr. Speaker, and we continue to improve our capacity south of Manitoba. We still feel, over the long haul, it makes sense for Canada to have an east-west grid. I would note that President Obama is now talking about improving the capacity of transmission, and we think that's sensible.

Mr. McFadyen: The message of resignation on the issue of east-west sales is something that is of concern to Manitobans. Mr. Brennan indicated a few weeks ago that he had hoped that something could be in place as an agreement by this spring.

The Premier seems to now be saying that the focus is on the south, which we agree with, but the east-west grid seems to have gone into serious oblivion.

So the question to the Premier is whether they are now focussed solely on the south or whether they are continuing to pursue an east-west grid, given the moves in both Ontario and Saskatchewan to exploring, quite aggressively, the possibility of moving toward more nuclear power in those jurisdictions.

Mr. Doer: Well, Mr. Speaker, there's a great deal of uncertainty on nuclear power developments. There is more certainty now on the federal government's position on new coal plants in Canada. If you look at Saskatchewan, it has 70 percent of its electricity

produced from coal. There is a tremendous opportunity west of us.

We have Ontario that hasn't yet got a new nuclear plant off the ground. In fact, in North America, after Three Mile Island, I don't believe there's been one nuclear plant, one new nuclear plant commissioned in all of North America since Three Mile Island. There have been improvements of certain infrastructure in Ontario. There have been improvements in infrastructure south of us, but there's been no new plants. So we believe that provinces can look at coal, and provinces that are looking at coal are now being either stymied on the new coal plants because of renewable energy targets like in Minnesota and Wisconsin and other states. They can look at nuclear power. They can propose it, but there's been no proposal approved, Mr. Speaker.

So we believe hydro-electric power meets the mandate of a renewable energy target in Minnesota, and that's why we've been able to increase sales to Minnesota. It meets the renewable energy targets in Wisconsin, and Governor Doyle has spoken here in Manitoba—actually a year ago on the long weekend in May—to our Manitoba Chamber of Commerce.

But we still believe that, yes, people are going to propose coal; yes, people are going to talk about nuclear, but at the end of the day they're going to need more renewable energy, and we are well positioned with hydro-electric power.

We believe that. We know that, and in terms of the transmission line, we have nothing on reliability to protect Manitoba consumers in Winnipeg, so we are building a new transmission line that will do two things: It will increase sales to the United States and will dramatically improve reliability, as recommended from the early '90s on to various governments in Manitoba.

Mr. McFadyen: Mr. Brennan has indicated that the east-west grid would, in fact, assist with the issue of reliability, but that aside, we are most interested as a province, and I know the government is, in export potentials.

The concern, Mr. Speaker, is not that there's any disagreement on the fact that coal needs to be phased out. The concern is that nuclear energy in other jurisdictions seems to be the preferred option. The Saskatchewan minister said a few weeks ago that a nuclear power plant could be, and I quote, a huge economic benefit to the province of Saskatchewan because of its uranium reserves.

There are NDP politicians in Saskatchewan on the record as preferring the nuclear option for energy development in that province, Mr. Speaker. The concern is not whether or not Hydro is in a good position to take advantage of the opportunities to phase out coal; the concern is that nobody is out there adequately promoting hydro, in these markets, versus nuclear, and I wonder when the government is going to start to show some leadership on that issue.

Mr. Doer: This is the party that put mothballs all around Limestone, Mr. Speaker, and we built it against every Tory screaming against it, all the editorial writers opposing it. We proceeded with the vision to build Limestone, improve export sales both to the United States and Ontario. We did that.

Mr. Speaker, we took Conawapa that was put into mothballs in 1992-93. We've taken that project and other projects out of the mothballs because we are building more export sales from Manitoba to other markets.

Yes, we negotiate west of us. We negotiate east of us. We negotiate south of us, and we get the best price. That's what we sign off. That's what we do with hydro-electric power. Are there discussions going on with Saskatchewan right now? The answer is yes.

* (13:50)

Manitoba Hydro Request for Risks Report

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, I'd like to remind the Premier that it was a Progressive Conservative government that built Limestone on time and under budget.

Mr. Speaker, Manitobans have seen a number of hydro rate increases over the last few years. The most recent hydro rate increase was 2.9 percent, effective April 1 of this year, and, though Manitoba Hydro was seeking a 4 percent increase, the Public Utilities Board held the increase to 2.9 percent. In its order, the PUB indicated that Manitoba Hydro's risks have not been sufficiently detailed and quantified for the board. Furthermore, the board ordered Manitoba Hydro to file, and I quote: an in-depth and independent study of all the operational and business risks facing the corporation.

Mr. Speaker, I ask the minister responsible: Will Manitoba Hydro be supplying the information as requested by the PUB by the September 30 deadline?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): I'm confident Manitoba Hydro will co-operate with the PUB and provide them information.

Export Sales Revenues

Mr. Cliff Cullen (Turtle Mountain): The PUB order also acknowledges the proposed increase in long-term debt of Manitoba Hydro, from \$7.2 billion to over \$19 billion. Clearly, current construction and proposed construction will use borrowed money. The PUB order asks the question if future revenues will be available to service the corporation's debt. In fact, the board order states that Manitoba Hydro's 20-year forecasts may seriously overstate likely export revenues.

Given the current economic situation and the changing energy world arena, is the minister confident that export sales will be available to service the debt?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): Yes.

Bipole III Loan

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, the PUB order clearly states that new generation and transmission projects are to be funded largely by debt. The board also warns about the potential for higher than projected domestic rate increases in the event that export revenues are lower than forecast.

Mr. Speaker, clearly, Manitoba Hydro will have to borrow money for the next transmission line. It also appears ratepayers will likely be on the hook for interest and capital costs. In addition, we know that this Province guarantees the debt payments of Manitoba Hydro.

In light of this, why would this government insist that Manitoba Hydro borrow another \$650 million for their west-side line?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, we have reviewed this. The west-side transmission line will increase the efficiency of the energy being produced in northern Manitoba. It will result in additional sales to our customers in our American marketplace. It will pay for itself over a period of time. In addition, it will provide increased reliability to Manitoba Hydro, increased reliability, increased revenue, increased security, all in aid of building Keeyask, and then Conawapa, for which we

have term sheets signed in the United States with our customers in Minnesota and Wisconsin.

The members opposite are doing exactly what they did on Limestone. They oppose it, they oppose it, they oppose it, and then when it's built, they jump up at the beginning of question period and say, we built it.

We'll build it. They'll take credit for it.

Manitoba Hydro Bipole III Environmental Review

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, the Premier (Mr. Doer) has stated that there will be one environmental review that will take place before Manitoba Hydro can go ahead with building a third bipole line in the province.

Can the minister indicate if this review will include the Premier's preferred west-side bipole line as well as the preferred option of most stakeholders in Manitoba, the east side of Lake Winnipeg?

Hon. Stan Struthers (Minister of Conservation): We will take a very good look, a due diligent look, at the proposal that we get from Manitoba Hydro, and we'll make the best decisions to protect the environment.

Mrs. Stefanson: Mr. Speaker, it's important that we ensure that all options are explored before determining the most environmentally prudent and economically viable route for Manitoba Hydro's third bipole line. In order to do so, it's important that any environmental review that is conducted takes into consideration all potential routes for the line so as to determine which is in the best interests of Manitobans.

Is it the intention of the government, in the course of their environmental review, to include all bipole options and not just the NDP's preferred west-side option?

Mr. Struthers: Of course, Mr. Speaker, the Tory approach to protecting the environment was creating less than two watts of energy through Hydro in the first place.

Mr. Speaker, we will take a look at the proposal that Manitoba Hydro brings forward. They will look at the siting questions and they will come to us with a proposal, and we will judge it based on the best environmental information that we can apply to it.

Mrs. Stefanson: Mr. Speaker, it's important that when a review takes place that all options are placed before the review committee.

Will the NDP agree to include all options for the third bipole line in the environmental review, or are they so afraid that the east-side route will come out as the favoured route that they are not willing to take the risk by including it in the process?

Mr. Struthers: Mr. Speaker, the member needs to understand that this is an analysis of scientific information that's brought forward, and it's presented to the people of Manitoba in public hearings.

So, Mr. Speaker, as we have in any of the questions that we've had put forward to us for environmental licensing, we will give it due diligence. We will look at the environment. We will evaluate it in terms of the proposal that comes forward. I'd put our record on protecting the environment up against their record any day.

Manitoba Hydro Farmland Lease Agreements

Mr. Ralph Eichler (Lakeside): It has come to my attention that this government is going to impose another backdoor tax on our farm families. This time the government is using Manitoba Hydro for the cash grab.

For years, farmers like Al Prystupa from Woodlands and Grant Hamilton from Warren have been farming land around, under and through Manitoba Hydro lines located on their farms.

Mr. Speaker, my question for the Minister responsible for Manitoba Hydro is: Why is he now demanding a five-year agreement to be signed between this government, the producer on the land that has been maintaining it for years, while they now go and do a per acre cost on these farmers?

Hon. Gary Doer (Premier): Well, Mr. Speaker, I wanted to be on the record that when members opposite were in government, there was a proposal to equalize all Hydro rates for northerners, farmers and all rural residents. They said no to equalizing the rates. We said yes. Farmers' rates went down with Hydro.

Mr. Speaker, when we came into office, northerners rates went down. Let the record show on Hydro rate policy that we have one rate policy all over Manitoba now because this Minister of Agriculture (Ms. Wowchuk) brought in sensible

policies, along with the Minister of Hydro, for all Manitobans.

Mr. Eichler: Mr. Speaker, the Member for Concordia should get outside the Perimeter, talk to the farmers, find out what's going on. This is a backdoor tax, and he darn well knows it.

Mr. Speaker, Warren producer Daniel Schott and his mother are in a similar situation. They received a letter stating that if they do not sign this agreement by May 15, they will be charged with trespassing. I would like to table these documents.

Is this how this heavy-handed government is going to treat farmers that feed us all? Put a few of them on and you go to jail if they don't sign the agreement, Mr. Speaker.

My question for the Minister of Hydro: Is he prepared to stand up for our farm families, stop Hydro, stop these lease agreements and do it today, Mr. Speaker?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, I would be happy to discuss this with the member and Manitoba Hydro when we have our standing committee of Manitoba Hydro, to which we can ask them all questions.

If I understand the member's concern correctly, it sounds to me like Hydro has an easement for their right of ways for their transmission lines, and there's some relationship between those easements and the farmers' ability to farm land in those easements.

I'm sure when we sit down we can understand this better and see what's possible in the best interests of all Manitobans.

Mr. Eichler: Mr. Speaker, yes, we're under a flood situation right now, but farmers will be seeding in the next few weeks. We don't have time to wait till we have a Hydro hearing committee to deal with this issue.

Also, another producer has contacted me that he also has some fears of this agreement in which power lines become weed-infested, which could damage their crop. They wonder who will be responsible for cleaning up Hydro's mess. I would like to table this letter as well, Mr. Speaker.

Hydro lines cross millions of acres of cropland. I expect many more producers will be getting these lease demands. Producers allowed on these lines of

land and power service was a collective good for all Manitobans.

And, Mr. Speaker, for some of these producers the land was expropriated and not necessarily doing it for their best interests but the best interests of Manitoba Hydro.

Will the Minister of Hydro commit today to review and to put an end to this policy, stop this cash grab and just say thank you for a job well done, Mr. Speaker.

Mr. Selinger: Mr. Speaker, I've seen this letter that the member has tabled. It looks like a request from Manitoba Hydro's lawyers. It looks like asking them to sign a lease so that they can use Hydro land for agricultural purposes.

I'm sure the member will understand that Hydro is for the benefit of all Manitobans, including farmers. If there are some specific issues that can be worked out here to allow Hydro to protect its right of ways and provide energy to all Manitobans and allow the farming community to have access to that land for agricultural purposes, I'm sure we can work that out.

I hope the member takes a little time to visit me in the loge so I can more deeply understand the specifics that he's raising in the House today.

* (14:00)

Swine Flu Potential Trade Barriers

Mr. Speaker: The honourable Member for Lakeside, on a new question.

Mr. Ralph Eichler (Lakeside): On a new question, Mr. Speaker.

The concern over the influenza outbreak, Mr. Speaker, unfortunately is having a negative impact on the Manitoba pork industry. Karl Kynoch, chairman of the Manitoba Pork Council, told a local radio station that markets are being adversely affected even though pork products are in no way tied to influenza. Mr. Kynoch also said, and I quote: It really, really dropped the markets so it's really going to hurt a lot of producers. In fact, it will make a difference of whether some actually survive or end up losing their farms. End of quote.

Mr. Speaker, could I ask the Minister of Agriculture to tell this House if her department is assessing the economic impact of the influenza outbreak on the Manitoba pork industry.

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): When we are talking about this issue, it's important that people realize and understand the facts, and that's what people are trying to do. The Secretary of Agriculture for the United States today said that the meat product is not a health issue.

That's the kind of stuff we have to continue to work out and make sure that the proper information is out there. There's no doubt that as there is more concern and if there are not proper facts out, it will have an impact on the pork industry. There's no doubt about it and, yes, this is a very important industry. We will continue to work with the industry but, ultimately, it's about getting the right information out. That's why our Chief Veterinarian has been involved. He's been out providing information.

Mr. Eichler: Some countries are now stopping imports of pork from certain markets. For one example, Russia has suspended imports of not only pork but also beef and poultry from the United States where this human influenza outbreak has been reported. Obviously this is a very serious concern for Manitoba livestock producers because these types of import restrictions could be placed on their commodities as well.

Mr. Speaker, will the Minister of Agriculture update the House on what discussions she's had with her federal counterpart about the possibility of trade implications from the influenza outbreak?

Ms. Wowchuk: Mr. Speaker, the issue of trade is very important to producers in this country, our beef and pork producers. One of the issues that we have been in discussion with the federal government is looking at the trade barriers that are being put in place on imports of beef because of country-of-origin labelling.

I can assure the member that staff right across the country are involved with the federal government, with CFIA and all of the people that are playing a role in ensuring that there is factual information that is being put out.

There are countries that are taking steps, it's true, to put in place barriers so our product cannot move. We have to be sure that facts are getting out and that's why we're working across the country.

Mr. Eichler: Mr. Speaker, if major trader partners were to stop importing Canadian hogs or pork products, it would have a very serious consequence

here in Manitoba. We've seen what happens when Manitoba had the BSE strike. Trade was disrupted and the economic impact is still being felt by Manitoban cattle producers today, which is nearly six years later.

Mr. Speaker, will the minister provide producers with an update on what actions will be taken by this government if there was a disruption in trade. What is your department's action plan?

Ms. Wowchuk: Mr. Speaker, we have known for some time that the country-of-origin labelling could have an impact. We know that when there is a disease issue, there could be an impact. That's why we have been working to increase slaughter capacity in this province. That's why, because of the investments and work we've done with Maple Leaf, they've been able to go to their second shift. That's why we've made investments in Neepawa so that Hytek could process animals. That's why we're working with people who are looking to increase beef capacity. The more capacity we have here at home, the better chance we have of helping producers when those trade barriers are put up.

We consume meat in this province. We consume far more than we process, and Canada consumes far more than is processed in this country. If we could process it, we would take away some of the risks that are there for producers and, Mr. Speaker, that's why we want it to work.

Ticket-Selling Outlets Consumer Protection

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, many Manitobans, over the past year or so, have been frustrated and angry at the practices of concert ticket resellers connected to the original seller who are effectively cornering the market for concert tickets and pushing up prices for regular consumers. This has the potential to have a negative impact on our very vibrant arts, culture and entertainment scene.

Mr. Speaker, today, Ontario announced action to protect regular consumers. Will the government follow Ontario's lead and stand up for regular Manitoba concertgoers who want to buy tickets at reasonable prices?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, the member will be aware that we have antiscaling legislation in place already in Manitoba. We are very aware of the initiative that has been taken in Ontario. If there are measures we can take to

strengthen our legislation, we shall do so. We'd prefer to resolve it without taking additional legislative action. We know that there have been measures taken by some of our local impresarios in terms of the programming they do and how they use credit cards to prevent ticket reselling. We know the company, itself, has made some commitments.

So we will be in a position with our existing legislation as well as future possibilities on amending that, if necessary, to protect the consumers. We think it's very likely that consumer protection will come in a voluntary way, driven by many of the initiatives going on all across the country.

Mr. McFadyen: Ontario also has existing antiscaling legislation, but they felt the need to introduce new measures to deal with those companies that are not in an arm's-length relationship with the resellers, as we have in the case of Ticketmaster and some of the reselling companies that they own.

Mr. Speaker, whether Manitobans prefer AC/DC or Nana Mouskouri, they deserve to have protection from the government. Will the government support the private member's bill forthcoming from the Member for Portage la Prairie (Mr. Faurichou) and stand up for Manitoba concertgoers who want to have access to tickets at a reasonable price?

Mr. Selinger: Well, Mr. Speaker, when we see the legislation, we'll take a look at it and see if it makes any sense. We would prefer a solution that didn't require legislative action.

The member makes a good point. A closely held secondary business should not be getting preferable access to reselling tickets at a very high rate. The company, itself, is being seriously attacked for this all over North America. They have made indications that they are going to stop it. We look forward to them taking the appropriate and responsible voluntary action. Failing that, we will put in place the measures necessary to protect Manitobans.

Swine Flu Government Strategy

Hon. Jon Gerrard (River Heights): Mr. Speaker, to the Minister of Health: I thank the minister for the briefing on the H1N1 swine flu yesterday afternoon. Quite frankly, I was rather disturbed about certain of the answers that I received and the approach being taken by the Province.

I believe the approach of treating people from Mexico the same as everywhere else in terms of preventive measures is wrong. People who come to Manitoba from a location where there is a major outbreak, like Mexico, should be asked, quite frankly, to avoid being in places where there are lots of people in contact with individuals with a particular susceptibility, like an immune deficiency, until they've been asymptomatic for five days and we can be sure that they're not carrying the virus.

I ask the Minister of Health: When will she put in place such a common-sense advisory?

Hon. Theresa Oswald (Minister of Health): I can let the House know that on the federal stage concerning this very serious issue about influenza, our federal Health Minister said that in situations like this, it's very important to put aside party politics and be talking with my opposition critics, updating and briefing them on matters of this nature. I support her in that thinking.

If the member opposite has facts and issues to share, I am going to review them, review them with medical experts because I believe we all need to be in this together, collectively, to protect Manitobans.

* (14:10)

Mr. Gerrard: Mr. Speaker, the problem is that the minister has not presented a plan. She has not responded to basic questions.

Mr. Speaker, I ask the minister, No. 1, can the new H1N1 swine flu strain infect pigs and be transmitted from pig to pig? I ask the minister: Is she going to set up a hotline so that people can ask questions and find answers about critical issues?

We were told at the briefing yesterday, Mr. Speaker, that people with significant respiratory infections, which might be the swine flu, should go to the doctor's office to visit their doctor. Surely, in my view and in many others, the last thing we should be advising is people to go into a crowded doctor's office where the possibility is that they might transmit the infection to others.

What is the protocol? That's why we need the plan with details. When is the minister going to provide it?

Ms. Oswald: Again, we did provide a briefing with Dr. Kettner, the Chief Provincial Public Health Officer, yesterday for opposition. It was a tight time line as those officials had other national calls and provincial meetings to attend to. We've offered to

extend time to opposition because we do believe we need to work together.

The member opposite has spoken to the media today and in this House on some facts that don't match what provincial health officials and national health officials are saying. However, I will ensure to all members of this House that we will listen to any and all advice, have medical experts come forward with advice and do what is appropriate, do what is recommended by medical professionals, doing all the things that we can do to protect ourselves publicly and ensure that the system is working overtime, which indeed it is, Mr. Speaker.

Mr. Gerrard: Mr. Speaker, I bring these forward after speaking with an international expert in this disease. The minister, quite frankly, is not addressing the issue of transmissibility to hogs, for example. My sources tell me that this question is being investigated as we speak. We don't have a definitive answer, but many such viruses are transmitted to hogs, although they may not necessarily infect the hogs.

But, given that the answer is not yet known, it seems to me very prudent an advisory to take some precautionary measures. Such measures would be to send a message out that anybody coming from Mexico or where there's a major outbreak should not go into a hog barn for five days, until they've been asymptomatic for five days, to reduce the risk of people transmitting the virus to hogs.

I ask the minister whether she's going to take common-sense measures to protect the hogs, the hog industry and the people in Manitoba.

Ms. Oswald: There must have been portions of the briefing yesterday that the member opposite didn't hear clearly.

I can let him know that, of course, the Chief Provincial Health Officer, Dr. Kettner, is holding briefings every day for the media. I have to congratulate the media in being excellent partners in getting a message out to all Manitobans concerning ways that they can protect themselves. Dr. Lees has been directly connected concerning the pork industry and situations involving pigs and how things are transmitted. Public education is critically important in this.

Those bulletins are going out daily, Mr. Speaker. We're also communicating directly with schools, day cares, universities, Manitoba municipalities, First

Nations organizations. This is an ongoing process. We did let the member know this yesterday.

I'm going to look at his advice, mine through the political verbiage, try to find some facts that might be useful, but I think that the member opposite—

Mr. Speaker: Order.

**First Nations Communities
Flood Protection**

Mr. Tom Nevakshonoff (Interlake): Mr. Speaker, if there is one area where members of the opposition have an absolute abysmal record of asking questions, it is in relation to Aboriginal issues. That is, of course, unless their questions are a veiled attempt to cast aspersions on native people or to undermine their treaty rights.

This spring, all Manitobans watched closely as river waters rose, but for the people of Peguis and Fisher River First Nations, annual flooding is an all too common occurrence. I ask the Minister of Intergovernmental Affairs to report to the House on the progress of his recent talks in Ottawa with federal ministers in regard to the critical issue of chronic flooding on First Nations communities.

Hon. Steve Ashton (Minister of Intergovernmental Affairs): First of all, I want to thank the member for the Interlake for speaking out on behalf of all his constituents and being a strong voice for First Nations in the Interlake.

I want to indicate, Mr. Speaker, that the vision of this government is very clear, that we're all Manitobans and we respect First Nations jurisdiction. We respect the fiduciary responsibility of the federal government in terms of First Nations, but when it comes to flood protection we already moved in 2005 on an agreement with the federal government to work on flood mitigation in the Fisher River.

I want to say the message we took to Ottawa yesterday—we had a very good series of meetings with the Minister of Indian Affairs, along with my colleague the Minister of Aboriginal and Northern Affairs (Mr. Robinson)—the message we took is that we need to work together to improve mitigation, recognizing the significant impact that took place this year with the flooding in Peguis, in Fisher River and in the other flood-affected communities. We're going to work together as Manitobans to better protect First Nations.

**Manitoba Housing Authority
Zelana Villa Security Concerns**

Mr. David Faurshou (Portage la Prairie): Mr. Speaker, Manitoba Housing has cut back on security provisions offered to tenants in 78 units at Zelana Villa in Portage la Prairie. With the cutbacks there will no longer be a 24-hour mobile patrol and instead the government has promised to install some additional lighting.

I ask the Minister of Housing if he thinks that extra lighting will offer the same peace of mind and protection and security to the residents of this Portage la Prairie complex.

Hon. Gord Mackintosh (Minister of Family Services and Housing): I know, Mr. Speaker, there have been some tremendous new investments in additional security across Manitoba Housing throughout the province.

In terms of Zelana, we'll look at that matter in terms of what the changes are there. We also know that they've been installing everything from peepholes and proper locks, and other enhancements as well, but we'll certainly look into that matter for the member and get back to him.

Mr. Faurshou: I appreciate the minister's response that he will investigate after the fact that his department has already cut back on the security. The residents of Zelana village have told me that they have noticed a substantial decrease in crime throughout the area as a result of the 24-hour security patrols. Families with young children have felt an extra set of eyes watching over their kids at play and seniors felt secure in their own homes.

I ask the Minister of Housing if he thinks that a cutback of this much-needed security for families and seniors is being a role model for a landlord in the province of Manitoba.

Mr. Mackintosh: Well, I'm certainly pleased to hear that there's anecdotal evidence about enhanced safety. That's the objective, Mr. Speaker, for all our MHA communities. That's why, for example, we now have dedicated Safer Communities and Neighbourhoods Act investigators that will take complaints confidentially about allegations of drug dealing, for example. That's why we've enhanced the monitoring in locations around the province, and we'll look to see what enhancements have been taking place at Zelana itself.

I also note that the number of evictions is up significantly for behavioural issues, and that should bring a greater sense of security for the residents of Manitoba Housing, but we have to remain vigilant. We're continuing to look for ways to improve it, and if there are other improvements necessary at Zelana, we'll take those steps.

Mr. Faurshou: I appreciate the minister, once again, understanding the severity of the situation in Portage la Prairie in regard to security of residents of Manitoba Housing.

I would like to ask the minister, though: Has he been in consultation with his honourable colleague the Minister of Justice (Mr. Chomiak) as to the request by Portage la Prairie city council for additional police resources pertaining to this particular area of Portage la Prairie and concerns for security of residents there?

Mr. Mackintosh: Well, the issue of policing, of course, is a matter that the municipality deals with, the local detachment, Mr. Speaker. Discussions with Justice have, of course, focussed on The Safer Communities and Neighbourhoods Act, which has proven to be a very effective way to shut down illegal activities that are taking place, not just in Manitoba Housing, but in other tenancies across Manitoba. But any efforts that can be made will be made.

One of the other efforts that has been made at Zelana was to ensure that units that have been vacant are being filled. I know there have been a number of improvements to the physical environment there, and that may also be responsible for some of the improvements in safety noticed.

*(14:20)

Letellier Bridge Project Status

Mr. Cliff Graydon (Emerson): Mr. Speaker, the residents of Emerson constituency are very frustrated with the Minister of Infrastructure's double-talk response to questions of replacing the Letellier Bridge. In August of '07, the minister's department presented an engineering proposal for the Letellier Bridge to the R.M. of Franklin and the R.M. of Montcalm.

On April 20, the minister stated in this House that there was some engineering to be done. My question, Mr. Speaker, is: Why is the minister blaming his engineers? Why is he stalling?

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): Mr. Speaker, our government's about building bridges across many different jurisdictions in the province of Manitoba. Indeed, the Letellier Bridge is one structure our department has been looking at. We've worked closely with the R.M. of Montcalm and many others and First Nations communities in the local area, and there's a landowner that's in the area that we need to work with. It's a dairy farm, and we want to work with that individual and try to resolve all the situations with regard to this particular structure.

But, Mr. Speaker, I don't know what the Member for Emerson has against dairy farmers.

Mr. Graydon: The minister has previously alluded to the dairy farmer and the issue of purchasing the land. He's been doing this for some time. The farm is in the process of incorporating a fifth generation into the business. This minister has created many years—many years—of uncertainty with his on again, off again, bridge replacement. Time for the minister is running out. As we speak, it is my belief that the dairy farm is seeking building permits.

Why does this minister want to restrict and deny young farmers the opportunity to get on with their lives? When will he do the right thing and announce construction of the bridge?

Mr. Lemieux: Mr. Speaker, if we took the Member for Emerson's advice, we'd take a large bulldozer and just bulldoze that poor dairy farmer out of the way. Shame on that Member for Emerson.

We believe in working with the agricultural community and working with all individuals in Manitoba to improve our infrastructure, Mr. Speaker. We'll continue the consultations, and we'll also continue to work with the R.M.s in the area.

This particular structure is very important to the infrastructure of Manitoba, and we'll continue to work with that. We have our professionals, Mr. Speaker, working on that particular item.

Mr. Graydon: Shame on the minister for making the young farmer wait and wait and wait and not be able to make decisions.

Mr. Speaker, the minister has acknowledged there are safety concerns related to the Letellier Bridge. That's why his department continues to do patch jobs. On April 17, 2008, in this House, the minister said about the Letellier Bridge situation, and

I quote: ". . . the department has a plan to address this particular bridge."

Well, here we are nearly a year later, past a year later, and there's still no plan in sight. Mr. Speaker, I ask the minister again: Will he commit today to tendering the Letellier Bridge?

Mr. Lemieux: Mr. Speaker, the member opposite has a lot of projects that he likes to raise, but he always, always votes against our budgets which have put multi-, multi-millions into infrastructure.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable minister has the floor.

Mr. Lemieux: Thank you, Mr. Speaker. When the member opposite goes strutting into the Dominion City coffee shop, maybe he wants to tell the individuals—*[interjection]* Now, I know he's a cattle rancher and we respect that, but some of the bull that he's spreading is a little bit—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I ask the honourable minister to withdraw that comment.

Mr. Lemieux: Yes, Mr. Speaker, I withdraw that comment.

I'd just like to continue, Mr. Speaker. We are working on that particular project. The member opposite is just milking it for all it's worth, this particular bridge. We'll certainly look forward to working on that project, not only with him but the R.M. of Montcalm and also Roseau First Nation's community. We'll address this particular structure in due time.

Mr. Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

International Dance Day

Ms. Jennifer Howard (Fort Rouge): Mr. Speaker, I rise today in recognition of the importance of dance in the cultural life of Manitoba.

Today has been proclaimed International Dance Day by the Minister of Culture, Heritage and Tourism (Mr. Robinson). Earlier today, we celebrated with dancers and dance lovers on the front lawn of the Legislature.

The theme of International Dance Day, 2009, is "Inclusion." The Royal Winnipeg Ballet School has embraced this theme by partnering with the Society

for Manitobans with Disabilities to offer a free dance workshop. This workshop provides the gift of dance to individuals who may have thought that dance was not a possibility in their lives.

In Manitoba, we're surrounded by a bounty of dance, such as traditional Aboriginal dancers at powwows, stunning variety at Folklorama, innovative choreography by contemporary dancers and the history of the Royal Winnipeg Ballet. We have all witnessed the tentative steps of children performing in their first recital, the beauty of couples who have danced together for years, and the awe-inspiring artistry of our many professional companies. In recognition of the importance of dance to our many cultural communities, our government provides more than \$1 million to support dance in Manitoba each year. Today, in the gallery, we are joined by leaders, pioneers and emerging artists in the dance community.

On behalf of all honourable members, I congratulate home-grown organizations, such as those here today, who promote and encourage the development of all forms of dance and support the preservation of Manitoba's dance heritage. I ask all members to join me in celebrating the joy and energy of dance, a universal language that binds humanity together. Thank you, Mr. Speaker.

Turtle Mountain Volunteer Award Winners

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, it gives me great pleasure to rise in the Legislature today to inform this Chamber of the great people of Turtle Mountain.

Mr. Speaker, I had the honour of attending the 26th Annual Volunteer Awards at the Winnipeg Convention Centre last Wednesday, April 22. During the evening, many outstanding volunteers were honoured for their many, many hours of contributions to their communities.

Four awards were bestowed upon the good people of Turtle Mountain, Mr. Speaker. Jean Fisher, of Mariapolis, received the Lieutenant-Governor's Make a Difference Community Award.

Jean is a take-charge person who gets the job done. Jean was instrumental in initiating the weekly bingo evening in Mariapolis in 1967. Jean has continued her involvement in this club for 40 years, and the profits accumulated over the years has had a dramatic impact in her community, Mr. Speaker. Over \$224,000 has been raised for local sports clubs, churches and many other causes between 1993 and

2006, alone. On many occasions, Jean has stepped in and helped re-allocate resources and mobilize volunteers to save a number of community organizations and events in Mariapolis, Manitoba.

The Pilot Mount Millennium Recreation Complex volunteers of Pilot Mound were the recipients of the Premier's Volunteer Service Award. In 1999, the community of Pilot Mound embarked on a journey to raise funds for a new recreation complex. In 2000, a recreation facility from Sundance, Manitoba, was purchased. Volunteers travelled 1,200 kilometres north and dismantled the complex in 40 days. They then transported the material and 50 truckloads back to Pilot Mound, and they have since been constructing the Pilot Mound Millennium Recreation Complex, which just opened in March of this year. Volunteers young and old came forward to help with the construction, took part in hundreds of fundraisers and raised approximately \$3 million.

The Carberry Super Troopers were also recipients of the Premier's Volunteer Service Award. You remember, Mr. Speaker, that CFB Shilo was restructured a number of years ago, and many military families were relocated to Shilo and surrounding areas, including Carberry. Local residents willingly provided support to these young military families, who were dealing with their spouse or parent deployed in a foreign country. Raelyn McIntosh, a grade 11 student, organized a group of students, warmly known as the Super Troopers. Forty-seven dedicated, caring students supported these families by offering child care, implementing a weekly after-school program and assisting the spouses with household chores.

Gladwyn Scott is a well-known volunteer and Manitoban. Gladwyn received the 2009 Golden Hand Award for Media. A retired school teacher, principal and superintendent, is a well-known individual—

Mr. Speaker: Order.

The member's time has—

Some Honourable Members: Leave.

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

Mr. Cullen: Gladwyn received the Golden Hand Award for his efforts in promoting the Carberry Super Troopers, beginning with his local media coverage in the *Carberry News Express*. Gladwyn

consistently uses local media to recognize and celebrate many local heroes in our area.

Mr. Speaker, I ask the members here to join me in congratulating Jean Fisher, the Pilot Mound Millennium Recreation Volunteers, the Carberry Super Troopers and Gladwyn Scott, all of Turtle Mountain. All very, very worthy recipients of the 26th Annual Volunteer Awards.

* (14:30)

Windsor Park Collegiate 2009 Graduating Class

Mr. Bidhu Jha (Radisson): Mr. Speaker, it gives me great pleasure to rise today to congratulate the 2009 graduating class of Windsor Park school. On March 13, I attended a fundraiser at the Windsor Park Canad Inns for this school's safe grad. The Safe Grad committee raises funds to ensure the students enjoy a fun and secure graduation celebration.

It is so wonderful to be able to attend that event that concerns young people and education, the importance of which I cannot stress enough. The graduating class of 2009 is an example not of only hard work and dedication it takes to complete your schooling, but also a reminder of the opportunity that education can open for our youth.

These young people are starting a new journey. They develop new ideas to explore, experiences to be had, friends to be made and new things to be discovered. Mr. Speaker, these young minds will unfold new chapters in their lives. The possibilities are almost infinite. Such would be the excitement of our youth.

I would like to thank Debra Degagne, Andy and Karrol Bachmann, Paula Leach, Della Adolphe, Lynn Richot, Doug Strachan for making their efforts to make this event very successful. I would also like to thank all the parents that volunteered to make this event a great success.

Mr. Speaker, I ask this House to please join me in congratulating the Windsor Park graduating class of 2009. These young people know the value of education, as they are the builders of our society that deserve a lot of congratulations. Thank you.

Simplot Canada Employer Support Award

Mr. David Faurshou (Portage la Prairie): I am pleased to stand before the House today in recognition of Simplot Canada Limited's excellent corporate encouragement of Canadian efforts in Afghanistan. The Portage la Prairie company offers

outstanding support to reservists and has recently received an award from the Canadian Forces Liaison Council for its distinction in accommodating the needs of employee reservists. This is the second time Simplot has been honoured in this fashion.

The award recognizes support for Robert Orchard, a Master Bombardier with the 13th Field Battery, 26th Field Artillery Regiment, who is employed as a cold room attendant at the plant. He has received time off for his seven-month deployment to Afghanistan and another 11-month adjustment period afterwards, all the while maintaining his workplace benefits from Simplot.

Since Simplot has now won the award for Manitoba's most supportive employer twice in a row, the company now will receive a national award this summer. It is heartening to see that Manitoba companies are offering their resources to support Canadian military efforts, allowing individuals with a passion for serving their nation in uniform to do so and later return to their place of employment without penalty. Indeed, Simplot's corporate culture goes above and beyond in reinforcing Canadian values and promoting active citizenship.

I would like to, on behalf of all honourable members of the Legislative Assembly, express our sincere thanks to Mr. Chris Tompkins, manager of Simplot Canada operations in Portage la Prairie and staff for their true stellar support of our Canadian Armed Forces. Thank you.

Swine Flu Preventative Measures

Hon. Jon Gerrard (River Heights): Mr. Speaker all of us are all too aware, we are in the early stages of what may well become a global outbreak of the new H1N1 swine flu virus.

First, I want to congratulate Dr. Frank Plummer, and Dr. Neil Simonsen and the many others at the Canadian Centre for Human and Animal Health who have done such an outstanding job of isolating, characterizing and understanding this new H1N1 strain.

Second, I want to talk about the need for adequate preventive measures for people in Manitoba. These preventive measures should include an adequate approach to preventing transmission of the virus to people, to animals and to birds in our province. Because there's an incubation period

normally about two days, but sometimes up to four days, in which a person can be asymptomatic, have no symptoms, but carry the virus and, indeed, for part of this period, transmit the virus.

It is vital to recognize that people coming from an area where there's been a major outbreak of the H1N1 swine flu should be considered as possibly infected for this period of up to four or five days, and be asked to observe some common-sense precautions when coming to Manitoba; that is, staying away from areas where there are big crowds of people, staying away from people who are immune deficient and who would have a particular susceptibility to the swine flu virus.

As well, we need to observe important precautions with regard to the hog industry. This is a swine virus and it is likely, but not certain at this point whether the virus can be transmitted to hogs. We don't know whether the hogs will have symptoms or not, but it is all the more important that we don't let the virus get into the hogs in Manitoba.

So one of the common-sense measures that could be taken in these circumstances is to ask people who are coming from an area where there has been an outbreak, like Mexico, to not visit inside a hog barn for the first five days until they've been asymptomatic for five days and we're sure that they're not carrying the virus.

We all know that there are very stringent precautions being taken in the hog industry and these should suffice, but this additional measure is a reasonable one.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Hon. Dave Chomiak (Government House Leader): Mr. Speaker, I'd ask, please, that you resolve the House into Committee of Supply.

Mr. Speaker: Okay. Orders of the Day, we will now resolve into Committee of Supply.

In the Chamber will be Education, Citizenship and Youth; Room 255 will be Agriculture, Food and Rural Initiatives; and Room 254 will be Infrastructure and Transportation.

Would the Chairs please go to their respective rooms where they will be chairing.

**COMMITTEE OF SUPPLY
(Concurrent Sections)
INFRASTRUCTURE AND
TRANSPORTATION**

* (14:40)

Madam Chairperson (Marilyn Brick): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Infrastructure and Transportation.

As had been previously agreed, questioning for this department will proceed in a global manner. The floor is now open for questions.

Mr. Larry Maguire (Arthur-Virden): Madam Chair, I just wanted to touch base on a number of issues today, if we can. I know there's a limited amount of time that they have for each Estimates session, but I wanted to touch base in regard to just a couple of questions on a few other highways. I asked the minister quite a few yesterday.

Can he give me just a quick update on what will be done, what work will be done this year on Highway 6?

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): Yes I'd be pleased to, Madam Chairperson, but, prior to that, I have some of the answers from yesterday's questions that I essentially took as notice and had to get back to staff. I'd like to go through those and try to answer those as best as possible.

There are a couple of questions related to bridges and the cost. PTH 1, the structures west of Headingley, we talked about the installation of the two-box culverts that were put in place and a detour was in effect. We talked about the limestone detours of those roads that we put in to go around. There was a partial amount that we gave, but the total cost after, for hauling, granular material, box culverts, all that work that took place, was just over \$4 million. So, when we talked about that lesser amount, my critic and MLA for Arthur-Virden and I both had a deer-caught-in-the-headlights look at us when my staff slipped me the amount because we felt that would cost a lot more money, and indeed it did. But what they were saying is this was just one initial amount just to take care of the granular material or finish off the job.

Madam Chair, the other one was PTH 1 bridge at Portage la Prairie. This is one where we removed

and rebuilt the bridge over the CNR crossing in just around a year, which was really quite unprecedented. There was a huge push put on, which the department needs to be congratulated and also the contractor to be able to do that.

Also, I have to say, at this time, I really want to thank city council of Portage la Prairie and the councillors there, the mayor and council. They were very, very co-operative. We knew that this may cause some disruption in the community. But it's interesting what happens is that initially people were saying, well, we're going to end with maybe too many trucks coming through our town, but eventually what happened is the Kentucky Chicken and others started to miss the business when the bridge was finished and the traffic started going around Portage. They started to miss the business because the trucks weren't stopping in Portage.

But, having said that, it took around a year to complete, and there was also upgrading road on Angle Road for people that know Portage la Prairie. We actually made a road that would make it possible so the trucks wouldn't be going down the main street of Portage la Prairie. They would take an additional detour just to the east of town and that would take them to the perimeter and they would be able to get around this structure that we were repairing. That cost was around \$19 million—the investment, I should say, was \$19 million in this particular project.

PTH 10 bridge and repair south of Brandon. This was a repaired bridge deck and one lane of traffic for a period of approximately two months was around \$400,000, a little bit less. Also PTH 2 at Souris, a replacement of two spans of this bridge was approximately \$1.3 million, over a million dollars, closer probably to \$1.5 million, but around \$1.3 million, Madam Chair. A detour was put in place for approximately eight months.

If I might indulge my critic, if I could ask, I have quite a few staff here and quite a few staff waiting. I'm not sure if it's going to be just on the highways portion. What I like to be able to do is just to tell people that either they're not needed or their areas won't be touched on. I'm not trying to pre-empt, to find out ahead of time what the questions are, because I answer them no matter what they are. But I'd just like to know for staff, because we have quite a few staff here today, and if I could tell staff to—I was going to say, go back to work, but I won't put it that way. I'll just say that they're not needed here; they can do the public good and go back to their

regular day work, as opposed to trying to help me out.

Mr. Maguire: I have a number of questions that I want to go through in the process today, and a lot of them will deal with highways infrastructure, that sort of thing, Mr. Minister. A few in there, I just wanted to touch base on the airport situation as well, airports. But I think that we'll probably try to get done today, if we can, in the Estimates process here as well. I think others are supposed to come in here, actually at 4 o'clock. So, if I keep my questions short and the minister keeps his answers short, we'll be out of here in an hour. So we'll both try and endeavour that.

Having said that, trouble might have just ensued here. So there might be a few issues come up that the minister may not have someone here ready to answer for, and if we can't, if there's something there, well, he can get back to me. But most of it will be dealing with, I think, the infrastructure, and others, purchase, personnel and some of those things.

* (14:50)

Mr. Lemieux: Well, I thank my critic for that. To show you how large the department is, if it deals with northern airports, it's a different person than dealing with other airports in southern Manitoba. So that's the kind of staff that we're talking about. So I don't know if you could clarify that, that one item.

I will, without putting my critic on the spot too much to be too specific. You know, he'll understand if I have to take it as notice and will just get back with the answer. If I don't have it at my fingertips, I'll just have to get back to him with that answer.

Mr. Maguire: Yes. Just a couple of quick questions, I guess, then, if we want to move right into the northern airports. Just on northern airports issues, if we want to do that we can move that out of the road. My question there is just: What is the minister's plan on that?

I know we have a number of medevac locations across Manitoba, a number of airports that are very valuable in their use that way, and I know there's an agreement with, you know, municipalities in those areas. There are grants of about \$1,200 and \$2,400, I know, that have gone to the municipalities.

Can the minister indicate to me whether they're going to continue at that level, whether there are any plans to increase the support to those municipal airports?

Mr. Lemieux: I thank the member for that question.

Really, what we're looking at is continuing the same funding. The ones that get the larger amount of money, the \$2,400, are for ones that have the asphalt strips; not all of them have, some have gravel strips, so the amount, as I've been advised, is staying the same. Madam Chair, it's still that \$1,200 investment and \$2,400 investment is going to be staying in place. We're not going to be removing it; it's staying in place.

Mr. Maguire: I wasn't suggesting any removal of them. I just wanted to know if the plan was the same in that area and, if there is a plan for any new strips in the province, airstrips.

Mr. Lemieux: Well, the quick answer is that I'm not sure. If that's an answer—but I'm not sure. At least, I have not been advised. I certainly am not aware of new airstrips being put in place. I know that a lot of work has been done by a lot of volunteers around the province on their smaller airports, which they should be commended for because there are a lot of flying clubs that do a lot of work on their own. A lot of work out of the—and a lot of money out of their pocket actually, I might add, to try to fix up their own clubhouses, and so on.

But, as I stated before, there are no reductions in funding anticipated.

Mr. Maguire: The AMM, I know, has some concerns in that area about the elimination of the capital investment portion of the Manitoba Airports Capital Assistance Program. I wonder if the minister can indicate to me what kind of correspondence he's had with AMM in regard to the elimination of that capital investment portion. Maybe he can indicate to me if it's being replaced with something, or why it was taken away and if it is being replaced with something, there may not be.

Mr. Lemieux: The program that the critic—my critic—refers to is a program that the funding was shifted to a different priority a number of years ago.

But the Province is responsible for 23 airports, airports we're responsible for. But you have other airports like Brandon, for example, or Dauphin. There's Thompson, larger airports which would need a substantial capital investment into those airports to fix up their runways and so on, that they feel anyway would bring them up to par with many others. Certainly, in the kinds of grants we're talking about, that's not the avenue to be funding what their needs are.

You know, I guess, the Building Canada Fund, and I'm not sure if a lot of the airports—maybe my critic is aware of some airports and the kind of changes they're looking at making or improvements—but it would take substantial dollars, I'm advised by staff—of the kind of airports that I referred to and the kind of work that needs to be done there. These grants would not address that.

Mr. Maguire: Can the minister indicate to me the total amount of dollars that have been invested into some of the northern, both the gravel and the paved runways that they have in Manitoba this past year? It may be a line item in the budget, but if there are other things that he could add into that. I know there is a line item there, but if he could clarify that for me.

Mr. Lemieux: The amount we have in this year's budget is \$3.5 million to crush granular material, do some repairs on the terminal, do some other work on those particular airstrips that we have.

Mr. Maguire: In relation to the Brandon Airport, and I know we've been dealing with the ILS system in the Brandon Airport in the past, can the minister give me any update in regard to whether or not their plan is to proceed with the installation of the instrument landing systems in Brandon this year?

Mr. Lemieux: Well, it's a municipal airport, even though Brandon is the second largest city in Manitoba. It's a municipal airport, and it's under the governance, I believe, of the federal government. The item is not new to us, certainly, but I'm just saying that it's one of those—jurisdictionally it's not an area that my department's responsible for.

That's not to take away the importance of Brandon and the member—I'm trying to keep my answers short but the member who lives not far from Brandon, for years, remembers the day where Canadian Air, a Canadian used to fly into Brandon. There used to be regular flights out of Brandon. I know people there appreciated it and they haven't forgotten it, that service, and they would like to see those days come back.

But there are other things, as I'm advised, that have to be put into place prior to getting WestJet or any of those major carriers or a lot of those carriers coming in due to inclement weather and other reasons why they need the technology. But, again, I just want to say, to conclude my answer, at least this portion of it, is that it's a municipal airport. It's

governed, I understand, by the federal government under their jurisdiction under Transport Canada.

Mr. Maguire: I'm certainly aware of that, Madam Chairperson. I know that the minister, because he's not just transportation, he's dealing with infrastructure issues as well in his Department of Infrastructure and Transportation, government services. I know some of these airports are dealing with government services and that sort of thing.

* (15:00)

I'm just wondering, has the minister—can he tell me whether his department, he or his department have been approached with any offers or requests for infrastructure development in Brandon vis-à-vis sort of airport facility expansion, not just runway expansion, which I know the federal government would be in? The city did develop it and extend the runway a number of years ago when the federal government did come in and put money into it. The runway, I understand, is in condition now to take 747s, heavy planes, that sort of thing that would come in there.

Of course, it is a backup to Winnipeg's airport for weather conditions and that sort of thing, and I think that's why the ILS is so important to come in there. I know they're dealing with the federal government on that. Has the minister been asked for any other types of infrastructure in regard to the further use of expansion of the Brandon airport?

Mr. Lemieux: Any major airport or airports that want to have that kind of traffic as is referred to by my critic needs the instrument landing systems. The City of Brandon has mentioned this. I believe over the years has often raised this. In fact, the State of the Brandon address, the mayor, Mayor Burgess, had mentioned it one time when I was in attendance.

This was a project I thought, and I suggested that the City of Brandon make inquiries or certainly put application in to the Building Canada Fund. I understand that—I can't confirm it at this time, whether or not that application's in there. I mean, I can find out for the member, but that's one recommendation I made because you're talking about substantial dollars needing to go into that particular airport.

As far as I'm concerned, the Building Canada Fund was one avenue, one funding area the City of Brandon could tap into. I'm not sure of the status of that. I know many applications have been made. Certainly, under the communities component, there

were over 340 applications made and in the neighbourhood of over \$800 million worth of projects, sewer, water, and I'm hoping, actually, I hope they did make application for some improvements to Brandon. I'm sure the chair of the transportation committee, member of Parliament, Mr. Tweed, would be very supportive of that for his area, and I'm sure many people would be supportive of that.

All I'm saying is I hope the application's in there. If it is, I hope they have a good plan put in place that it would receive a favourable response. I'm not sure. I'd have to check to see whether or not they pursued that avenue. It's one I know I suggested they go after some money out of the Building Canada Fund.

Mr. Maguire: Finally, in regard to the northern airports and marine services, two areas. Can the minister just expand on the proportion of that that may be marine services in the budget? I know there's \$11.7 million in expenditures in the budget on page 85 in the supplementaries. Can he just provide me with—I don't see a breakdown between marine and northern airports. Can he just provide me with, maybe, the breakdown and just exactly what the services are in the marine area?

Mr. Lemieux: I'll try and I have staff that will be able to assist me. The marine service is very important to a number of northern communities including, for example, in Norway House. As a community, there probably, we should be, in the long-term, long-term plan, we probably should be looking at a bridge for that community, but this is my own personal opinion. It's a large enough community. I mean, you have a community of 5,000 people, we should be looking at those types of services.

But, having said that, I believe the *Apetegon* was a ferry that was used there and it was damaged by ice so we had to put it into dry dock and look at repairing it. The *Apetegon* is the one that's being repaired, and I'm trying to think of the name of the other one. The *Alfred Settee* was another ferry we used without a bridge and then ice damaged it as well. So you can't get away from the challenges they have. A community of 5,000 people depending on ferry crossing. I think no matter where you live in Manitoba, you'd say, well, you know, they need a more long-term vision for their community. I guess what I'm saying is I know our department's currently

looking at all those options and what would be better put in place for them.

Ferry service is very important to a number of northern communities. That would be York Landing or other communities in the north. The split with regard to airports and marine, airports are about just over \$8 million and marine is about \$3.5 million, for a total of an investment of almost \$12 million.

Mr. Maguire: Can the minister indicate to me just briefly what the plans for increase are? I see the budget is up about 10 percent in that area. Up about three-quarters of a million dollars for northern airports and marine services. That's a little more than keeping up with inflation, so I was just wondering what the plans are in that area for some expansion in that area, and if any of that marine services is to do with anything around Churchill or Hudson Bay as well.

Mr. Lemieux: Sorry for the delay. Just wanting to make sure we have our numbers or stats right. As I mentioned, there's an investment of almost \$12 million for marine and airport and, also, we've had to look at three new staff people because of Transport Canada requiring more adherence to regulation, safety management systems. We hired a mechanic on the marine side, and also there's an Aboriginal intern program that has been put in place. I think it's around \$125,000 that was put in place for training, which is very important. So part and parcel of this is, as I mentioned, the three new staff to be hired to address this.

At the end of the question, my critic mentioned about Churchill or Hudson Bay and what's happening there. Of course, they have a world-class—actually the landing strip itself in Churchill is world class. It can handle any jet. It is, I believe, on the list—was on the list—as the eight or ninth location—if the previous seven locations for the space shuttle, if they weren't able to land because of weather or whatever conditions, Churchill, I believe, was on the list as No. 8. So that's the kind of length of strip it has. That's the kind of weight it's able to handle.

But, having said that, out of these dollars, my understanding, anyway, what I've been advised is that this is not part and parcel of the announcement that was announced by the Prime Minister and the Premier (Mr. Doer) with regard to upgrading the Hudson Bay rail line and the Port of Churchill. That

is a separate aside, as I understand it, with the dollars we're talking about here.

* (15:10)

Mr. Maguire: I need to just move on to a few other areas. One of those is transportation policy, where I see an increase of 2.5 staffpersons in that area. The smaller line item, \$3.9 million, an increase of about \$350,000.

Can the minister indicate to me what those persons will be doing? There are 29 people in the Transportation policy section, and that's up from 26.5 last year. Are there vacancies in that department or are those positions all filled? I'm assuming that there'll be 2.5 more hired this year.

Mr. Lemieux: I've been advised that all of those positions are filled, and, of course, the reason why they're there is because of the huge demand on the economic development policy side of the department. We've put hundreds of millions of dollars into infrastructure and transportation over the last number of years, and this has also increased the need for policy analysts and people to have specific area of expertise or training, for example.

Let's just use CentrePort Canada as one example. This is a huge project, \$212 million announced by the Prime Minister and the Premier. I know that my critic is very, very supportive of CentrePort Canada. We've talked about this many times.

You need expertise to go along with it within government and within the policy area of MIT. So, again, I just want to say that all those positions are filled, I've been advised, and we're pleased to have them because there's a lot of work that needs to be done in the transportation area related to economic development and infrastructure overall.

Mr. Maguire: Can the minister indicate to me how the plan is going, or is there a plan yet for the \$212 million that was just announced for CentrePort Canada Way, and where the routing of the road will be? I know they're looking at going over the railroad tracks and just the connection to the west Perimeter. Can he indicate to me how soon that will begin?

Mr. Lemieux: I thank the member for the question. CentrePort Canada, there's no need to explain to my critic what it's all about, he's aware of it now. I also appreciated his support—I'll repeat it now—for making sure that the legislation passed in an expedited way to ensure that we could get the private sector board

put in place and get it up and running. We envision this as a true private sector initiative.

Obviously, in the short term, we're going to be involved to get it up and running and helping them do so. There will be some work being done on Inkster. You have the City of Winnipeg, who has their section of Inkster that they are going to be working on. I'm not sure if it's going to be this summer or not. I believe later this summer. They're going to start, also, on their section.

We have a company hired that is looking at the design, but my critic is correct. You've got a lot of people who are involved in this project as partners, and partners, by that I mean they're stakeholders, that they have an interest in it, whether that be Paterson Elevators, the City of Winnipeg, Airports Authority, CP Rail, the R.M. of Rosser. There are many people involved in this.

I can say that work is being done right now to develop the design, looking at the design, of where this road is going to go, and there's a land-use transportation study that's happening. Certainly, there are all kinds of road work that's going to be necessary, and road work on 221. We are putting some dollars initially into that. But the City portion, I understand they're going to be putting a substantial investment into their portion, moving to the west, I believe, from Inkster. We call it Inkster, but it will be CentrePort Way.

Mr. Maguire: Yes, thank you. I know the initial announcement came in the spring of 2007, two years ago. So I know that there's been work done in design and routing, that sort of thing, to get it to the point where it's trying to meet the Building Canada objectives today of getting something going this year in those areas. So I appreciate that the minister has indicated the design company has been hired and that they're moving forward in some of those areas.

I'm assuming, as well that, under major projects in the supplementaries here, the increase from six to nine persons will also probably be employed in some of—I'm assuming the CentrePort Way is one of those major projects. Can he provide me with any indication of what, perhaps, a few others might be?

Mr. Lemieux: Just a point of clarification, as well, as I answer part of the question. What appropriation is this from? I'm not sure what part of the Estimates or the MIT budget my critic is referring to on staffing. But, aside from that, I'll just answer the

other portion of the question, dealing with the land use and transportation study that's happening.

A company has been hired to do that and some initial work will, of course, begin this summer. The City has their portion that they're going to begin work on, I understand. We're looking at other areas that need to be proceeded on as quickly as possible because I know the federal government. Now that we have the Prime Minister's blessing, the Prime Minister of Canada saying that this is the inland port, we want to make sure that we're doing everything we can to work with our federal counterparts to get moving on this project.

Mr. Maguire: Just for clarification, it's page 105. It's probably under Government Services; it's major projects under Government Services. It's probably part of their \$51-million budget that the minister has for Government Services. But it's just that I noted an increase there, additional positions for new project co-ordinators, it says. I just wondered what new projects these co-ordinators would be co-ordinating.

Mr. Lemieux: Some major projects that they'd be looking at is University College of the North for example. They'd be working on that. They'd be working on ACC, I think, Assiniboine Community College. I'm just going by memory but there's a number of major projects within the Government Services portion of MIT that these staff would be working on.

Mr. Maguire: My initial question today was—and I appreciate the minister for giving me an update and I just suddenly remembered that I need to go back to Highway 6. I thank him for the costs on those other four projects that I asked for yesterday.

Can he just indicate to me what upgrades they may be doing to Highway 6 this year?

Mr. Lemieux: Well, I thank my critic for the question. It's an important one. Highway 6 leading all the way from Winnipeg, of course, to Thompson. It's an important artery and we've tried to and will continue to try to put it on the national highway system, Madam Chair. It is not as yet but I believe Highway 6 deserves that kind of status. We're supposed to be finding out, I hope, relatively soon that Highway 6 has been added. I know the portion between Brandon and Minnedosa has been added to the national system, besides Highway 75, Highway 16 and Highway 1.

It's around 700 kilometres long; it's a long highway. We put a lot of work into it. So this

summer, 2009, we will see work done on about 100 kilometres of roadway, work being done on Highway 6. Plus, there's a lot of rehab work, or rehab work, I should state to clarify that, on six bridges to make sure we maintain the RTAC status, the heaviest possible weights. Also, we spent over \$45 million, I would say, over, certainly, the last few years on Highway 6. Again, as I mentioned, we're planning on spending over another \$32 million on the highway in 2009, I should say.

. * (15:20)

So there are projects: paving at Grosse Isle, looking to eliminate the sharp curves there for safety reasons; paving north of Gypsumville; paving north of PTH 60; paving Paint Lake south of Thompson. It's a two-year project; it goes over two years, and there's grading work that needs to be done at Ponton. So there's a lot of work on Highway 6.

This will actually conclude my comments made on No. 6. I'm not going to take a cheap shot at my critic with regard to yanking all the money out of northern Manitoba and putting it into southern Manitoba. Those days are long gone. But I'm not going to take that cheap shot at my colleague.

Mr. Maguire: Your colleague is very appreciative of that.

Madam Chair, it's unfortunate that we had to finish No. 1 highway that was neglected for a lot of years under this minister's jurisdiction, but, anyway, I won't go there either.

I wanted to know if he could give me an update in regard to the importance of CentrePort. What kind of discussions has he had? Because two of the major players in CentrePort will be the railroads, both CN and CP. Can he just tell me what kind of discussions he has had with CN and CP in regard to their commitment to using this type of a facility? I see them as key to the whole future of CentrePort. We've got the roads. We've got the air. We've got Churchill to the U.S. border on Mexico as a mid-continent corridor. You know, the minister knows that I am aware of that, and he is, I know, as well.

But the key, one of the keys is the rail, and it's not just containers from Prince Rupert coming through here. It's the offload-reload jurisdictions across North America. I see them as key players.

Can he just briefly outline where he thinks they're at and their mindset is right now?

Mr. Lemieux: Well, the quick answer is yes. There've been conversations. Not only myself, but the department is in communication with the railways. As has been pointed out by an old railroader from Transcona, he pointed out to me—before I answer the question—that there are actually three: Burlington Northern Santa Fe, CP and CN. There are three railways, the three major railways we have coming into Manitoba. That's why it's such a huge plus for us to have CentrePort and an inland port located here in Winnipeg. We're so fortunate to have CN coming from Rupertsland through Edmonton, through Saskatoon into Winnipeg, and we've got CP coming from Vancouver to Calgary to Regina to Winnipeg, and also Burlington Northern Santa Fe running north-south into the U.S.—major, major players.

I agree with my critic to the point that these railways play a hugely important role in what CentrePort is all about.

Winnport, as was pointed out many times, was really an airline cargo initiative between China and Winnipeg, Winnipeg and China, and really didn't expand on the potential that we had. Regrettably, that didn't work at the time. People, though, had initiative to try to make it move ahead. But our vision on where we should be going includes trucking. Some of the largest trucking companies in Canada located here in the province of Manitoba, best run companies. The Port of Emerson has become one of the major ports in western Canada as far as cargo crossing at that border crossing. Also, we have one of the busiest airports in cargo in Winnipeg airport.

So you have rail, trucking and air all located in the centre of Canada, being Winnipeg, and we're very fortunate to have it and, of course, one should never forget—it was just pointed out by my colleague—of the importance of the Port of Churchill and what that may play in years to come, using that as a marine—it's our only deep-sea Arctic port we have in Canada now, and there's great potential behind that. So we have the four different modes of transportation that we'll really be able to take advantage of in years to come.

Mr. Kevin Lamoureux (Inkster): Mr. Minister, I just actually passed here a civil servant's map that a constituent had e-mailed me very recently, and it talks about a north Inkster industrial neighbourhood preliminary concept plan. The minister, I know, is looking at the map right now.

A couple of concerns come out of it, and I'm just looking at a comment where, at least to be sure, that the minister is doing whatever he deems as being appropriate with the plan, because I do think the City of Winnipeg should be in touch with CentrePort, or at least the department should be aware of what it is that's happening here, only because of just how important CentrePort and the concept and the development of that area is.

From a residential point of view, whether its Garden Grove, Tyndall Park to a certain degree, or Meadows West, they're all fairly significant by having a large industrial facility. Here you have a couple of phases that look like they're being proposed in concept. There's going to be a great deal of concern, being so close to residents. Yet, if you take a look at the map, and you follow from right to left, you'll see that there's King Edward, which is, I must say, a terrible street, if you ever drive down that portion of that street. It is quite disgusting. *[interjection]* King Edward between Jefferson and Inkster. Now, having said that, you go further left to the other end of the map and you'll see that's Route 90. Route 90 is where you start getting into that CentrePort area.

I just wanted to share what has been provided by me, realizing that I don't believe that it is appropriate to be looking at some sort of concept of this nature without consulting with the local residents, and I don't know if the department or CentrePort has been involved in any sort of consultation. I guess I just look to the minister to do what's appropriate with this map in terms of ensuring consultations, given the importance of CentrePort and the residential input coming from Garden Grove and Meadows West. Thank you.

Mr. Lemieux: Well, I appreciate the document that the MLA for Inkster passed on to my staff and now I'm looking at it. As it states on the document, it's called a preliminary concept plan. With regard to CentrePort, we do have city engineers that are on a steering committee or a consultation group that they work together and talk about the different challenges that may be faced with regard to transportation routes and routing of traffic, and so on.

I would point out that this is not anything new to the MLA, but Inkster, Jefferson, King Edward and Route 90 are all city of Winnipeg streets. So the City of Winnipeg, of course, has jurisdiction here. I don't want to pre-empt or tell the City how to do their business, but I understand that they're very, very

sensitive with regard to these neighbourhoods and, in fact, on the bottom right-hand corner, you see a baseball diamond there, and I think there's a school there, too—

Mr. Lamoureux: That's Stanley Knowles School.

Mr. Lemieux: Yes, Stanley Knowles School. So there are schools located in the area. There are children.

I think what this does, though, and it's a good, maybe, point to make is that wherever there is economic development and wherever you have a lot of new initiatives taking place, there are also going to be some challenges on the other side of that coin that have to be faced and have to be addressed.

So I would hope that the people who are responsible and have the jurisdiction over those streets, and looking at a north Inkster industrial neighbourhood, under the preliminary concept plan, would be looking at talking to neighbourhood organizations or groups or spokespersons and get some input from them. But I'm not going to tell the City of Winnipeg on how to do their consultation, or their local councillor, on what that person should be doing with regard to the politics of this development. But I would hope that someone is speaking to people in the area, whether they be business or residential, or people living in residences there, on what they're planning on doing in laying out a plan.

I know the Province, no matter where we want to put a development, if we're looking at putting a road or a bypass—let me use the example of Highway 1 and 16, by Portage la Prairie, where we will be having an open house very shortly, laying out the backboards, and so on, that lay out what our plan is, and receive input from the residents or business on what our plan is, and that's just one step in the process.

* (15:30)

Mr. Maguire: Just a couple of quick questions in regard to winter roads. I know that there's always a hurried-up move to try and hope it freezes enough. We had some pretty good frost this winter in January. Can the minister tell me how the winter road system worked this year, and whether or not they were able to move the bulk of the materials into the outlying areas that are normally reached by

winter roads, and what, perhaps, was left as a shortfall?

Mr. Lemieux: Well, I'm certainly very pleased to speak about winter roads. Winter roads, I think, as we all know, is a short-term fix. You put approximately \$8 million into the winter road system and then, of course, it melts. Then the next year, you put that kind of money into a winter road system and then it melts. We've increased the funding from, I believe it's \$2 million to \$8 million over the last eight years, I believe, on the winter road system. We know it's truly valuable to those communities. They're isolated and remote. They need that to bring fuel in, groceries and so on.

The member will know what kind of a winter it's been. In fact, some days when I look out the window, I wonder if the winter has even gone. It's extremely cold and it just seems that from Remembrance Day to now, this winter seems to hang around. It doesn't want to leave us. But having said that, it was very positive, though, overall, for the winter road system, except there was a stretch in, I think it was February where we received some rain. At the end of January, February, there was some rain.

There was some melting, but I understand overall, that it was one of the most—and this I can tell you just from the chiefs at some of the First Nations communities. Madam Chair, the MLA for Fort Garry (Ms. Irvin-Ross) and I attended a number of meetings that day that chief and council have stated to us that they are very pleased with the winter road system this year. They were very fortunate that the weather co-operated, but they can't always count on this.

I'm trying to think of the name of the community, the recent one we went to, Gods Lake, yes, Gods Lake. They were very appreciative of a bridge that we put into that community to join the communities, Gods Lake Narrows and Gods River and there was a bridge that we put in there, I believe cost in the neighbourhood of \$7 million.

So I won't start singing the song that "I've Been Everywhere," man, but I can tell the MLA for Arthur-Virden that many of our colleagues travel throughout the province and, indeed, on the winter road system, as well. So this year was a good year.

Just to wrap up the question, it was a very good year as I've been told by the chiefs and councils and

many of my colleagues who have been in northern Manitoba this year.

Mr. Maguire: Were all the supplies delivered or can the minister indicate to me what shortage might have been left over?

Mr. Lemieux: That's a difficult—well, it's very difficult for me to answer. I just understand that the roads were very good this year and they received a lot of product over, you know, the time frame that usually the winter roads exist. So they're very pleased with that. I can't say for sure that all the product was received by some communities. Maybe there's a fuel shortage, or maybe they were short on some product, but there are different reasons for that. Sometimes it's a matter of funding and budgetary constraints with INAC and when they get their money, the time they put the money out—there are different reasons why maybe they didn't get their product or fuel in.

So I can't specifically answer that question whether everyone's satisfied. I don't have that answer.

Mr. Maguire: Can the minister indicate to me what plans are going to unroll this year in regard to the road to Nunavut? I know that the minister's certainly looking at it, and I just wanted to know if he could give me an update in regard to any planning in that area and what kind of resources will be used this year on that.

Mr. Lemieux: Yes, I understand that, just going by memory, but I think it was SNC-Lavalin that did the study for the federal government of the day, which was Minister Lapierre. It was the Liberal government, federal government, the Kivalliq region of Nunavut, and the province of Manitoba split the costs of a consultant, split it three ways.

The consultant came up with a report and did consultations throughout many First Nations communities, Aboriginal communities in the north. Their recommendation to us was that they felt that the best route would be from Gillam, the town of Gillam, straight north, just to the west of Churchill, and then into Nunavut. That, essentially, is the recommendation that they were looking at as a first recommendation, and they did a lot of consultation, a lot of meetings.

So the long and the short of it is that there have been no dollars to date budgeted to work on this Nunavut road, if you want to call it that, from Gillam to the Kivalliq region.

Mr. Maguire: Could you inform me as to who the consultant was?

Mr. Lemieux: I think it was SNC-Lavalin. SNC-Lavalin was the company that was contracted to do this work. As I mentioned, the cost was split three ways between the federal government, the Province and the Kivalliq region of Nunavut.

Mr. Maguire: Were there other routes looked at? Can the minister indicate to me how many other routes were looked at besides the one that he's just outlined to me?

Mr. Lemieux: There were other routes looked at and this was part of the task they had. One was from Thompson, going north to Nunavut and the other one was on the west side of the province, but they determined with their expertise and their knowledge that the one on the west side was a too far distance to come across from the west, essentially north of Flin Flon, and then coming across the top going over to Nunavut or to Kivalliq area north of Churchill, and the other one from Thompson also was looked at.

So it was a difficult decision to make because everyone, all those communities want a road. You've got Brochet, Lac Brochet, Tadoule, they would like an all-weather road to go through their communities too, because there are all kinds of opportunities possibly for diamond mines into the future, different type of mining to happen north of them, and tourism of course. Who doesn't want a road?

I think everyone would like a road going past their backyard. We take it sometimes for granted in southern Manitoba that we have that kind of transportation routes available to us. So SNC looked at it. They came up with a recommendation that was extremely difficult, but I would say that overall when you take a look at the route they selected it does make a lot of sense when you take a look at it.

They held open houses and they confirmed the alignment on the cost benefit case basis and also looked at the socio-economic values of that kind of transportation routing, not easy to do, nor, for example, is the routing on the east-side road that we're looking at and made a commitment as a provincial government, looking at the East Side Road Authority and looking at putting a road on the east side linking all those isolated remote communities. That's why it's necessary to have a land use or large land use—large area of transportation study.

These are difficult choices that have to be made, because you're talking about large dollars that are going to have to be invested going into the future.

Mr. Maguire: This is unrelated and kind of thrown in the middle of this, but can the minister indicate to me how much money goes from his department to the City of Winnipeg in a given year or for the projected year in the budget that we're looking at—you know, to go to the City of Winnipeg as the regular plan for—or if there is any, or if it all comes out of Intergovernmental Affairs or those sorts of areas? Are there any funds that he's aware of that would go towards the portion of pothole fixing or other areas, infrastructure projects as well?

Mr. Lemieux: Well, the City of Winnipeg should be congratulated because they're taking a good look at their infrastructure, and they want to make improvements to their roads. I know they're working very diligently to try to put budgets together, but my understanding is that any dollars that come from the Province to the City of Winnipeg is through Intergovernmental Affairs, through the Building Manitoba Fund. I can stand to be corrected on that, but I understand it's through Minister Ashton, Intergovernmental Affairs that deals with the mayor and city council on the dollars that go to them for bicycle paths or for roads, and so on.

Mr. Maguire: I know the minister mentioned east-side road and, of course, I understand it as he does that everybody wants a road. Can he just provide me with an update as to where that's at for the coming year and perhaps the routing of it as well?

* (15:40)

Mr. Lemieux: Yes, and I would hope to get the support, of course, from my critic on this particular initiative. There is a partner missing at the table, and that partner resides as a government out of Ottawa. But, you know, we continue to talk to our friends in Ottawa about investing in remote and isolated communities, and this road, the East Side Road Authority and the east-side road, is an important initiative.

I think all of us—I don't think very many people in Manitoba would not want the people on the east side of Lake Winnipeg to have a road, an all-weather road that they can count on. They can drive in and out, whether it's for economic development related to mining, forestry, possibly, tourism, ecotourism. They need what we have. They have to have the ability to be able to be productive. They want to be. They've

told us repeatedly. No matter what political stripe, whether it's Minister Strahl or others, they have made it loud and clear that they want to be part of Manitoba in a very productive way.

So we want to make sure that we're working with the First Nations communities on the east side to make that happen. We are committed to doing it right now. Regrettably, it's essentially the Province of Manitoba working with these communities. I personally feel that Minister Toews and the federal government will be a partner as well. But that's for them to decide. I think all the rationale is there for them to contribute and to be a funding partner with us.

Where it is right now, there is a consultant hired to look at a large area transportation study to determine, in consultation with those communities, where do they want to see their roads go. There are winter roads right now that go through the east side of Lake Winnipeg, joining up many, many communities—the Island Lake communities—whether they be Berens River, Bloodvein, Poplar River, they're all connected with winter roads now. But what they want to see is they don't want to see their dreams and their aspirations melt away every spring. They want to be participants in this economy and they want to be Manitobans. They're proud First Nations, they're proud Aboriginal people but they also want to say they're proud Manitobans.

I think we can really help them here and I know my critic, I hope my critic feels the same way, that this initiative is really worthwhile contributing towards and moving forward on.

Mr. Maguire: Madam Chair, I understand that there's a line item of about \$226 million for infrastructure in the budget, and with the expansion from—that was in '08-09 and now in '09-10, yes, there's a line item of about \$336 million, an increase of about \$110 million in that area. And the notation on that page, and I haven't got the page right in front of me right now, but I did see it here to become familiar enough with the numbers. The \$110-million increase was for the east-side road. Can the minister indicate to me if that \$110 million will be spent on the east-side road this year?

Mr. Lemieux: Yes, this amount that the member refers to is really going to highway—it's highway capital money.

Mr. Maguire: Can the minister indicate to me in any shortfalls, and we talked about this earlier, and

weather—and I know that there are a lot of items that come up, and he mentioned it, weather items, that sort of thing, that prohibit him from being able to spend, you know, every cent of the budget, perhaps. And you always try to be as close as you can—I think those were his words earlier.

Can he just indicate to me if there are dollars that aren't spent that were budgeted for? Let's just use east-side road as an example. It could get really bad up there before, you know, or you might run into extra rock or base or whatever and stuff, so you don't get it done before freeze-up next year or the next spring.

Can you indicate to me if those dollars—they won't be spent, obviously, but they are tendered for in that case, perhaps. They're budgeted for, nevertheless, whether there's a tender out or not. Are those dollars, then, lost to the minister in this particular budget? Does he have to go back through Treasury Board, of which he's a member, and reallocate those, or do they become part of the next year's budget, and just how is that handled?

Mr. Lemieux: I thank the member for the question. What I was checking with staff was with regard to some examples of projects that I could use. One that is a good one is Highway 83, for example. Highway 83 is a project that goes over a few years, so we would naturally take that into consideration when we're budgeting for next year, a highway that we know is going to take a number of years to finish.

The ones that, for example, we get a lot of rain in the fall, for example, we have a project budgeted for or we've already tendered it, we'll absolutely make sure that's included in the following—do the best we can to make sure that's included in the following budgetary year.

I think where the member is going, though, is—and this is something that Chris Lorenc and the Heavy Construction Association have raised with me for a number of years is that when you come close to your budget and you don't spend all of your budget, what happens to that money. In other words, do you put that in the safety deposit box and keep it for the next year and add it to your money? The answer is no. The answer is it goes back to general revenues. It goes back to the Minister of Finance (Mr. Selinger), at least that's what I've been advised. So you try to spend as close as you can, but the rule is you don't go over your amount, so it's a difficult balancing act to come close as you can and not go over.

Mr. Maguire: I appreciate that. Thank you.

The east-side road, I think it's been announced that the Winnipeg floodway authority, which, of course, had jurisdiction over the contracting of the work for the Winnipeg floodway, is going to have the authority in hiring over the east-side highway as well. Can the minister confirm that, and if so, how soon would the Winnipeg authority be—what would their role be in tendering?

Mr. Lemieux: Well, let me go back two steps. First of all, the floodway authority, with the CEO, Mr. Ernie Gilroy, did a fantastic job. I mean, expanding that floodway was really a massive project. That project is being brought forward on time on budget, and not only that, I think the most important piece, and the reason why it's a natural progression for them to work on the East Side Road Authority, there are two pieces: Our engineers, our officials, are so busy with the massive infrastructure budget that we have, just working on the projects we have, whether it's in the Arthur-Virden area or other parts of Manitoba, it's a huge investment in cash but also in time for the department. That's one point. The second point, though, is the reason why it's a natural in many ways is because they've handled a massive project before. They're going to be very familiar with the kinds of challenges, whether they be related to consultation with Aboriginal people to making sure that Aboriginal people benefit as a result of this road. Money goes to those people, whether it's the training component, whether it's the work itself, the physical work itself. They did that in the floodway.

They're also very good at managing a project that has been pointed out—well, I pointed out earlier because of this, the floodway that they did such a good job on, but they are very cognizant of working with Aboriginal people, as I mentioned, and including them in the process and ensuring that they work with them and consult with them.

So you have a real double bonus in many ways of ensuring that you have an organization that has confidence from First Nations people and Aboriginal people and yet they also have the confidence, certainly, of me because they were very, very good in delivering that project, even though the floodway is not completed yet, totally completed, but that's a basic snapshot as to the rationale why they're the perfect organization to do this massive project.

Mr. Maguire: So can the minister inform me as to whether or not it will be the same type of contracting

that unionized companies will be the only ones that will be able to tender on those projects for the east-side road as well, as was the case with the floodway?

* (15:50)

Mr. Lemieux: This project is a very unique project in the sense that you're working with, primarily, First Nations people—there is a small population of Métis people—but working with Aboriginal people. They did a very good job of Aboriginal set-aside on the floodway, ensuring that Aboriginal people received training and received work on the floodway.

That's why it's quite unique in the sense that they are—the floodway authority has shown that they're able to manage a project and yet incorporate and work with Aboriginal people in making sure that they are part and parcel of the benefits that are going to be derived from this road.

This road holds out huge potential for First Nations people and we want to ensure that they are the ones that are going to be deriving the jobs, that they're the ones going to be receiving the training, and really the economic benefits as a result of putting a road on the east side. Essentially, that's why Ernie Gilroy and the floodway authority are the ones that have been asked to take on this challenge.

Mr. Maguire: Can the minister indicate to me how soon the south Perimeter bridge will be finished?

Mr. Lemieux: Just to conclude the East Side Road Authority—of course, we like to get it up and running as soon as possible and I see that happening very shortly, but I just want to say, though, that the joint ventures that I'm talking about, the First Nations people that live on the east side, they do this in winter roads already. They have joint ventures with other companies, so you can see that that would be happening along with the training and so on.

The question was the south Perimeter bridge. South Perimeter bridge has always been opened. Always been opened, all the time, whether it's been two lanes or the four lanes, it's always been open. There has been an inconvenience to people. We know that because of two lanes being closed. Work has taken place underneath the bridge, and people were saying, well, where are the people? Well, they were underneath the bridge doing a lot of the repairs. My understanding is that there's still a little bit more work to do; shouldn't be, I hope, not a huge inconvenience to traffic. There always may be, you never know what you find when you're doing more construction work. Maybe I can just conclude my

answer by saying that we're pleased on the progress so far, but there's a little bit of work still to do and the bridge is wide-open right now and traffic is freely flowing.

Mr. Maguire: I understand the original project was about a \$12-million project, that there was a repair that had to be redone on it and that there's a court case proceeding at the present time. Can the minister indicate to me, if he can, just where that whole court case is at to recover the \$6 million in losses from the—I understand perhaps inferior may not be the right word, but—work that had to be redone from the initial situation? I know it's not the first time it's happened in the province, but it is on this particular bridge. Can he update me as to where that's at?

Mr. Lemieux: When this first was presented to me or presented to the department, I instructed the department to make the changes, whatever needs to be done on that bridge for safety reasons and also, quite frankly, for productivity reasons, for trucks going across on the Perimeter. Do the fix. If we have to sue them and take people to court, we will because of design problems, whatever it is, we'll do it. We did not want to inconvenience people travelling through the province or the trucking industry or people who need that bridge to cross the Red.

So, essentially, that's what was done. Agreed, we had to put more money into it. There was some structural rehab under the bridge that needed to be done and other work, so I just wanted to say that we're pleased with the progress. We're not pleased that it has caused an inconvenience to the public and also cost more taxpayers' dollars, but we are going to be taking a particular company, with regard to—we feel that there are design deficiencies and that time will play that out. I know the company's very well respected, but we're hoping that this, obviously, could be resolved in a different way, but, if it's not, we are prepared to go to court because it is substantial dollars, taxpayers' dollars, I might add, that are being invested in this structure.

Mr. Maguire: I have hundreds of questions. Are we going to pass the Estimates here? I guess we probably should move forward on that.

I just wanted to ask quickly: The minister doesn't have to answer this, but I wonder if he could provide me the information. That is, I forgot to ask him in the earlier comments about the number of trips that he may have had this year. I wonder if he can inform me as to whether his department paid for any trips by

the Premier (Mr. Doer) or others in government, or were they all to do with his department.

Mr. Lemieux: If I could, just to expedite the answer, to move the process along. There is a Web site now, and we're very proud of the fact that every minister's travel expenses are there for the public to see. I would refer my critic to the Web site. All the information's there—every detail. Could be meals, could be flights, could be travel and so on. It's something we're very proud of. We are trying to be an open and transparent government, and we think that we're—part of that is by showing the public where the money's being spent. Ministers have to travel on government business, and I don't think the MLA for Arthur-Virden is saying that ministers shouldn't do that, but I just want to refer him to that site. All the details are there.

Mr. Maguire: I will look. I'm well aware of the site. I thank the minister for that. If there's anything else other than that, he can provide me with it at a later time.

There's a capital item on page 11 in the budget here that looks at a 35 percent increase in the Canada-Manitoba agreements, a change from a year before. I'm wondering if the minister can explain the—this is on page 11, infrastructure assets, at the bottom of the page: 25.2 percent increase in infrastructure assets. Can he just provide me with a bit of information as to what that includes?

Mr. Lemieux: Well, I'm asking my staff to look and give me some advice. The only thing I can think of is that there might be amortization on capitalization, to capitalize our infrastructure dollars. I would think it might be amortization on it.

Sorry, just to repeat—my critic was being bothered by the MLA for Pembina (Mr. Dyck). Well, he wasn't being bothered. He was just—no, let me retract that. He was not being bothered by the MLA for Pembina. No one is, ever, but he was being distracted slightly. I'll leave it at that.

I was just going to say, just so my critic hears the answer. I will check on this, but I believe it's the amortization.

No, I take that back. I will consult with higher authorities just to be accurate. Sorry. Let me get back to you. I'm not sure if you have any other questions

in the meantime while I'm consulting with my staff. Sorry.

Mr. Maguire: In regard to the south Perimeter bridge again, can the minister indicate to me what sort of legal fees might have been incurred, or thinks will be incurred, or how much has been incurred already in regard to the recovery process of the extra costs there?

Mr. Lemieux: Yes, it's just the early stages of litigation right now. There's not a lot, comparatively speaking, of legal fees right at this time. We're just in the early stages of that. Obviously, there's going to be more incurred but, right now, there are not a lot of legal fees.

Mr. Maguire: One last area, Madam Chair, before I pass the Estimates.

I just wondered. I know the minister was kind enough to indicate to me what was already in the books the other day, that he has 2,478 positions in his staff, in the Department of Infrastructure and Transportation and government services. I didn't ask the question then, but it does seem startling to me that there are 731 people that are new hires in that area, according to the minister the other day, and 175 vacancies.

Two things: Can he provide, first of all, how soon they plan on filling the vacancies? That seems like a high number of vacancies. Perhaps he can inform me that it isn't, but how soon will he be filling those vacancies?

* (16:00)

Mr. Lemieux: About half of those are going to be in process right now, but there are people that move from department to department. For example, Chris Hauch was someone who was in Health, was a very, very talented person. We're very pleased to have Chris be part of government services dealing with the responsibilities he has. I guess I use Chris Hauch as an example, because there are people that go between departments, and it's not hiring from outside of government; they move from department to department. About half of them are in the process right now of being filled.

There'll often be, at least in my 10 years' experience, there'll often be some vacancies as you go, and there's continual turnover, is the terminology, I guess, I'm looking for.

Mr. Maguire: Just a final one, 731. I know that there are some people moving up in the department, or sideways in the department, or other areas, all the time. But that's about a 30 percent turnover in the staff in the department. Can the minister indicate to me why it's so high?

Mr. Lemieux: I believe my critic knows this answer already, but I will repeat it anyway to give it to him, is that a lot of these people are seasonal hires. They get hired on first thing in the summer or spring, and then they are laid off in the fall and then they're re-hired again. So a portion of that number is dealing with people who get hired, laid off, hired, laid off, hired again, and often those people, and because we have 66 yards throughout the province, I know the MLA for Arthur-Virden has a number of those yards in his own backyard, in his constituency. So he maybe even knows some of those people, when he goes to events in the summertime, that they are hired on and then they're laid off. That's often the seasonal workers we use in infrastructure.

Mr. Maguire: Thank you for that. The last question is, the other day I asked the minister a little bit about how many of his assistant deputies are deputy, and I said there was only deputy that might be moving in his department. On Saturday, I see an ad in the paper for a new deputy minister.

Did he not know on Thursday that he was getting a new deputy minister when they were answering that question?

Mr. Lemieux: Well, he hasn't left yet, but let me just use this opportunity, though, to thank Andy Horosko for being the deputy minister of Transportation and Government Services, and Infrastructure and Transportation. He hasn't left yet, but he will be going and retiring very shortly, and there were advertisements in *The Globe and Mail* and others to hire a new deputy minister of Infrastructure and Transportation.

But I want to use the opportunity to thank him for all the hard work and all the tireless hours and hours and hours he's put, of his own time, on behalf of the citizens of Manitoba. He did so in the 1990s, from, I believe, it was 1992, when he was first hired from Saskatchewan, worked for a number of Transportation ministers, including Mr. Driedger, Mr. Findlay and Praznik. Under us, it was Minister Ashton, Minister Smith and myself. So he has had to deal with a bunch of characters, I can tell you, and he should be a saint just for that.

Madam Chairperson: Order. I just want to remind members that we use names of constituencies to name members.

Mr. Lemieux: Madam Chair, I'll repeat myself, but I'll just say that the MLA for Thompson (Mr. Ashton), the MLA for Brandon West at the time and the MLA, currently, for La Verendrye. So he will be a saint, I'm sure, when the time comes, but he should be thanked from all of us for the hard work that he's put in on behalf of the citizens of the province.

So he is leaving, and there are ads out for his replacement.

Mr. Maguire: We need to pass the Estimates, Madam Chair, so let's proceed with that.

Madam Chairperson: Thank you very much.

Resolution 15.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$77,691,000 for Infrastructure and Transportation, Highways and Transportation Programs, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 15.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$51,153,000 for Infrastructure and Transportation, Government Services Programs, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 15.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$194,569,000 for Infrastructure and Transportation, Infrastructure Works, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 15.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,145,000 for Infrastructure and Transportation, Manitoba Water Services Board, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 15.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,305,000 for Infrastructure and Transportation, Canada-Manitoba Agreements, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 15.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$212,958,000 for Infrastructure and Transportation, Costs Related to Capital Assets, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 15.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$707,208,000 for Infrastructure and Transportation, capital investment, for the fiscal year ending March 31, 2010.

Resolution agreed to.

The last item to be considered for the Estimates of the department is item 15.1(a) Minister's Salary, contained in Resolution 15.1.

The floor is open for questions.

Mr. Maguire: Just before the staff leaves, I would like to add my and my caucus's support for the highways, Infrastructure, Transportation Department and government services—the work that's been done throughout the years in regard to that. I won't make a comment about the minister you're working with. Thank you very much for the work that's been done there.

I, too, want to add a special thank-you to Andy Horosko for the work that he's done as deputy minister in this over all the years. Knowing Andy well, and knowing that he's retiring in June, is an opportunity for him to spend some more time with his family and others. In the discussions I know he is well respected as a minister across the country, as a deputy minister, I should say, across the country.

I just wanted to put on the record from all of us, as Manitobans, that we owe a debt of gratitude to Mr. Horosko for all the hard work and personal time that he has put into this because I know that it's much, much more than just a job to him. It's a love of the province and a great dedication to the highway structure system that we have in the province. With that, we'll pass the minister's salary.

Madam Chairperson: We thank the critic for his comments.

Resolution 15.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$12,330,000 for Infrastructure and Transportation, Administration and Finance, for the fiscal year ending March 31, 2010.

Resolution agreed to.

* (16:10)

This completes the Estimates of the Department of Infrastructure and Transportation.

Shall we briefly recess to allow the minister and critics the opportunity to prepare for the commencement of the next department? *[Agreed]*

The committee recessed at 4:10 p.m.

The committee resumed at 4:12 p.m.

Mr. Daryl Reid, Acting Chairperson, in the Chair

HEALTH AND HEALTHY LIVING

The Acting Chairperson (Mr. Daryl Reid): Will the Committee of Supply please come to order. This section of the Committee of Supply will now consider the Estimates of the Department of Health and Healthy Living.

Does the honourable Minister of Health have an opening statement?

Hon. Theresa Oswald (Minister of Health): Yes, thank you, Mr. Acting Chair.

Certainly, we've had a very busy year in Health and Healthy Living, filled with progress, challenges, success, achievements and just plain hard work.

It's also been a year that has been marked by tragedy. In September of 2008, Mr. Brian Sinclair died in the Health Sciences Centre emergency room. His death was preventable, and our government has taken responsibility for it. An inquest has been called by the Chief Medical Examiner, and it will be Chief Justice Wyatt who will bring all the facts to light in an independent, impartial or non-partisan manner. While immediate actions within the system have been taken to close gaps that were discovered in the aftermath of this tragedy, we look forward to the findings of the review and we will take the recommendations stemming from it very seriously.

We are also still very much in a state where severe flooding has affected many lives in Manitoba. We know there has been a tragic loss of two Manitobans and very significant damage to property. The flood has created a need for a surge in the health-care system in terms of planning, emergency medical services, public health resources and mental health capacity.

We know prior to the waters rising in Manitoba that the Department of Manitoba Health and Healthy

Living was actively engaged in helping our neighbours to the south in North Dakota. When they called Manitoba and asked for help, I'm very proud to say that our department did not hesitate. People did not go to bed. They stayed up all night. They worked with emergency medical personnel and got ready to provide EMS services to those people that were in dire need in Fargo. It is part of our overall emergency planning program and, when put to the test, it worked. I'm so very proud of those individuals and those EMS personnel, who, without hesitation, came in from their vacations and their days off in order to help people that were in incredible need, and Manitoba has every reason to be so proud of these individuals.

On the heels, of course, of these challenges, we find ourselves in the middle of a potential threat of pandemic influenza, which has taken lives in Mexico and one in the United States, and has triggered pandemic preparedness structures around the world. Manitoba is, of course, no exception and, although there have not been any reported cases in the province to date, resources have been ramped up to ensure our health-care system is prepared to meet the demand should a severe threat materialize. Just moments ago, we heard that the WHO has increased to level 5 and, in many respects, that concerns actioning pandemic preparedness plans. We believe that we are there and we are ready to meet that test.

We've spent years planning for a possible pandemic, and when the human swine flu emerged we were able to activate surveillance systems, communications networks, clinical protocols and plans that have been developed. There is a provincial pandemic plan, and all 11 regional health authorities have pandemic plans in place. But, of course, we can never become complacent and call these plans complete because they are evolving documents that change as the system evolves and new research emerges and, indeed, when we find out specifics about epidemiology of illness.

We've also worked hard over time to prepare and invest and, since 1999, we've invested over \$4.4 million to upgrade or build isolation rooms across the province. We currently have 123 isolation rooms across every region, with an additional eight in development. These capital investments, as part of a pandemic preparedness effort, have been immersed in the significant capital investments that we've made since '99.

During the course of this past year, we have spent much time paying attention to investment in capital infrastructure, state-of-the-art facilities and equipment. We know that, since '99, we've spent over \$1.2 billion to expand and modernize close to a hundred health-care facilities in Manitoba.

We're continuing to work on innovating by building a new women's hospital; a mental-health ER, the first of its kind in Canada; birthing centre in south Winnipeg; an access centre in St. James; new rehab centre for children; and an MRI dedicated to children at the Children's Hospital. We recently announced the construction of a new 80-bed Aboriginal personal care home. We're going to begin construction—indeed, the shovel is in the ground—on the new Victoria Hospital Emergency Department.

Of course, these investments don't stop at Winnipeg's Perimeter. We've also focussed on revitalizing facilities and adding specialized equipment in rural and northern Manitoba. In the past year, we've begun construction on the new Portage la Prairie emergency department, announced a new traditional healing centre at Pine Falls, as well as a new Selkirk hospital, and opened the new Neepawa personal care home, just to name a few. As was committed to in budget 2009, we'll soon begin construction on the Westman regional lab in Brandon, dialysis units in Russell and Gimli. We also made commitments to progress on the new regional cancer centre in Brandon, the emergency unit at Bethesda Hospital in Steinbach and upgrades to the St. Anne Hospital.

Of course, as we're making these plans, we find ourselves in the centre, like everyone else, of worldwide economic disruption. During this time of uncertainty, we know that Manitoba is well positioned to weather the impacts of a global economic downturn. We know that Manitobans expect us to maintain their health-care services, and that this is a time for a balanced approach with continued strategic investments.

We're going to assist Manitobans by mitigating some added costs during this time by taking steps like removing tray fees from patients. Starting April 1, doctors will no longer charge patients tray fees for publicly insured services. Also, starting in January, the new caregiver tax credit will provide up to \$1,020 a year for those people who provide help and support to their loved ones at home.

We've continued on with our work in increasing our doctor supply. There are 288 more doctors in Manitoba than in 1999, including 105 more doctors in rural areas. This fall marked the first intake of 110 first-year medical students to the Faculty of Medicine, delivering on our commitment to expand medical school spaces to 110, up from 70 in 1999.

*(16:20)

We put in place a grant program to provide medical students with financial support for their education in return for promising to practise in Manitoba, and we have increased those grants over time. We continue to build our work force of nurses. We have committed to hiring an additional 700 nurses and expanding training by adding a hundred nursing seats over our mandate. We know that, according to new, independent data provided by Manitoba's nursing colleges, we've had a net gain of 245 more nurses in 2008. That's a total net increase of 2,034 nurses since 1999.

We continue to work hard on dramatically reducing wait times. We continue to work on investing in cancer treatment and prevention. We continue our efforts in building our already-strong Pharmacare program, and we'll have time, over the course of our Estimates, to discuss these issues in detail. But in the time I have remaining, I want to extend my congratulations to all of our front line workers for the special care they take with each and every Manitoba patient every day and pay tribute to the very dedicated staff at Manitoba Health and Healthy Living who come to work every day committed to making health care better and committed to making sure the care our family members get is the best possible care in Manitoba, indeed, across the country.

The Acting Chairperson (Mr. Reid): We thank the honourable minister for those opening comments. Does the critic for the official opposition have an opening statement?

Mrs. Myrna Driedger (Charleswood): I'd like to firstly recognize the people that do work within the health-care system, whether it is those people that are part of the staff in Manitoba Health and Healthy Living, in particular because they face some pretty immense challenges, I think, trying to guide a ship that is as big and unwieldy as health care is. Whether it's Manitoba or any province, it's a huge and monumental task. I do want to acknowledge the work of everybody involved within that system because, on a day-to-day basis, when you're faced

with constant challenges like I'm sure they are, it isn't probably always easy to come to work and put your whole heart and energy into something.

Madam Chairperson in the Chair

I think what we see is incredible effort and very admirable work put forward by a lot of people who really believe in making things better. Certainly, the ones I talk to and run into, I'm just very impressed with the commitment they have to Manitobans, and their sincere efforts to try to improve the system when, indeed, there are many challenges.

I was talking to some people this morning and we were talking about medicare being about 50 years old, or in that vicinity. When it started, what we were dealing with was penicillin, stethoscopes, and X-rays and how much things have changed in that period of time and the kind of challenges that are imposed on systems. I think, within a health-care system, because it is so big and there are so many aspects to it, it can be a very unwieldy entity. So, for those people that are working within that every day, a lot of thanks to them, I think, from the public in this province for the kinds of efforts they make.

To those on the front lines, whether it's doctors, nurses, dieticians, pharmacists, technologists, technicians, all levels, midwives, physiotherapists, occupational therapists, chiropractors and the list of health-care professionals certainly goes on and on.

It is a challenge. We hear from different groups all the time, and they do face enormous challenges every day. The one thing about health care that is always a sure thing these days is that it is always changing. Because of that, I think we don't see the kind of stability that used to be around 30 years ago. There's always something new. There are innovations, but it does create a lot of challenges for people that are coming to work, day in and day out, because of the moving landscape that is always moving. Indeed, it puts a lot of pressure, I think, on individuals that are working within the system.

Madam Chairperson, I hear from a lot of people that want to acknowledge the good work of those that are working on the front lines, and I hear from a lot of front-line people who I've known over the years or who I've met over the years or who just talk to me because, I guess, I'm a former nurse, and they feel some connection. There are a lot of front-line health-care professionals that are feeling very, very challenged these days.

I talked to a nurse, actually, last night at an event, and she is an ER nurse. She has worked in three Winnipeg ERs, and she will not work in them any more. She said that nurses in our ERs are absolutely exhausted, that they're sniping at each other, and she said that what we have, and hasn't been corrected, are dangerous environments for patients. She says she cannot work in a Winnipeg ER anymore, despite the fact she loves being an ER nurse. We hear these kinds of stories, actually, on a fairly frequent basis.

We also hear from patients, and this is what I find really, really distressing, is patients and families calling in, in tears, because they cannot get access to the health-care system. I think that still remains a huge challenge, that there is some difficulty accessing the system. There is an incredible amount of praise, though, for the system once people are in it. There's a lot of recognition of a lot of good things that are happening within the health-care system.

I do have to say that when the NDP first won government in 1999, I have to acknowledge the comments of the first Minister of Health, who did say that he felt that 90 percent of what the Tories had done in the '90s was good in health care in Manitoba. I think that was not something anybody expected to hear from him. In fact, he said it on a number of occasions and gave credit where credit is due.

I want to acknowledge, as well, that there are good things that are happening in health care. In our political arena, in our political world, oftentimes what we just focus on are the problems, and I think that's the nature of politics. Opposition's job is to oppose and so, day in and day out, that is what we tend to do. A political science professor said that you get a better government when you have a better opposition. Oppositions need to always remember that their job is to oppose; government's job is to propose. By doing so, we end up with a democracy, and we end up with better government.

It isn't a comfortable place to be in opposition when you're trying to do your job and to do a good job means you're opposing all the time, when, in fact, there are some good things that are happening in the system. But as a job of opposition, it is our job to point out where the problems are so that, indeed, government becomes much more aware and makes efforts to try to fix those problems so that what we end up with is a better system for patients.

I have to say that I don't know that you'll find anybody that ever enjoys being in opposition, but

that is where we are and, probably because health care is so politicized, we don't often hear a lot of the good things that need to be said about what is happening in health care and about the heroic efforts of a lot of front-line, health-care people, particularly the ones that are out there 24 hours a day, the nurses. No discredit to any other profession, but the nurses are the glue that holds the system together. But, in order for the system to work really well and for the patients to get really good care, all professions need to be acknowledged.

* (16:30)

I recall working at St. Boniface hospital and everybody was treated as a family. When cleaning ladies were retiring from a ward, the nursing staff took them out for dinner and gave them a corsage. It takes all parts of the system to work, no matter who you are within the system. It takes a lot of respect amongst people within the system—an appreciation of each other's role.

So I just do want to acknowledge that there's a lot of very, very good work that's happening in the system and maybe we do all have to try a whole lot harder to make sure that that work is recognized as much as we can. However, in this political environment, sometimes that is certainly difficult, but I appreciate to have an opportunity like this to acknowledge them and all of the people that work in Manitoba Health and Healthy Living, because everybody has certainly stepped up to the plate to make things better for patients, and they're doing the best they can in many challenging circumstances.

Madam Chairperson: We thank the critic for her comments.

Under Manitoba practice, debate on the minister's salary is the last item considered for a department in the Committee of Supply.

Accordingly, we shall now defer consideration of line item 21.1.(a), and proceed with consideration of the remaining items referenced in resolution 21.1.

At this time, we invite the minister's staff to join us at the table, and we ask that the minister introduce the staff in attendance.

Ms. Oswald: Thank you, Madam Chairperson. I'm very pleased to introduce Ms. Arlene Wilgosh, the Deputy Minister of Manitoba Health and Healthy Living; and Ms. Karen Herd, CFO of Manitoba Health and Healthy Living.

Madam Chairperson: Thank you.

Does the committee wish to proceed through the Estimates of this department chronologically or have a global discussion?

Mrs. Driedger: If we can it would certainly, I think, make it a lot easier to go global, and we'd be able to do it a lot more quickly than if we went the other way.

Ms. Oswald: Yes, we'd be pleased to accommodate that traditional approach. The critic and I have had a conversation concerning inviting staff, as appropriate on the issue, in particular, of Pharmacare. I just wanted to confirm with the member that, if it's at all possible, and I know that you're not in charge of every member of the Legislature, but, if possible, if we can signal a specific time when the Minister of Healthy Living (Ms. Irvin-Ross) shall appear during this time, that would be most helpful.

Mrs. Driedger: In looking at the 8 hours that we have, the minister and I have had a brief discussion that tomorrow, hopefully, between 4 and 5, my colleagues will be in and I can't say now whether or not any of them would be asking about Pharmacare because I don't know what they will be asking.

But, certainly, from my perspective, I think a lot of my Pharmacare questions were dealt with the other night in Public Accounts, so I don't have any more that I would be adding to that. But, again, I'm not sure where all my colleagues will be coming from, although, I probably think that they'll be asking a number of constituency issues. But, if there was a time for somebody from Pharmacare, it might be tomorrow between 4 and 5.

Then, as for Healthy Living, probably one hour on Monday would be sufficient. Then that would leave us seven hours for Health and an hour for Healthy Living.

Madam Chairperson: Thank you. So what I'm hearing is that it is agreed that questioning for this department will follow in a global manner with all resolutions to be passed once the questioning has been completed. *[Agreed]*

The floor is now open for questions.

Mrs. Driedger: I guess normally what we like to find out right at the beginning is the names of political staff that are in the minister's office and previous staff that have left and whether they might be working now within the civil service and also whoever the political staff are in the minister's

office—or the EA in the minister's office in her constituency. That would all be helpful information.

Ms. Oswald: Working in my office is Breigh Kusmack, special assistant; Keir Johnson, project manager; Katie Strachan, project manager; Myfanwy Van Vliet, the nicest name in the Legislature, policy adviser; Ben Wickstrom as intake co-ordinator; and my EA is Colleen Siles.

Two people that have left my office are: Jennifer Faulder—she's gone to be assistant to the House Leader, and Daniel Blaikie who has gone to pursue his studies.

Mrs. Driedger: I appreciate that information from the minister.

I would also ask, in terms of vacancy rates within the Department of Health, is there a vacancy rate that has been predetermined that will be maintained, or how are vacancies being managed?

Ms. Oswald: Yes, Madam Chairperson, I'm informed by the deputy that the department does manage its vacancies based on the best advice across government and on a go-forward basis. So it's an item that is constantly under the watch of the deputy and managed accordingly.

Mrs. Driedger: In the past, when we've asked this question in Estimates, there's normally been a percentage, whether it was 4 percent or 6 percent, that the minister has been able to provide. Is the minister able to provide that kind of information today?

Ms. Oswald: I'll commit to the member to come back with the number as it stands at present.

Mrs. Driedger: Has there been any directive from Treasury Board, like right across the system, for departments to maintain a certain percentage of vacancies as a means of, you know, managing budgets right now?

Ms. Oswald: Yes, we are allotted our budget amount and we are asked to manage vacancies within the context of that global budget.

Mrs. Driedger: Can the minister indicate if any of her staff are funded by the WRHA? Are there any secondments within the department that have originated from the WRHA, or vice versa?

* (16:40)

Ms. Oswald: First, I can say, from the political staff perspective, Kier Johnson has worked in the past in

the WRHA as a program evaluator. He is not on secondment; he's employed now by government. I can say that Terry Goertzen is on a secondment and there may be one other position, but we're going to confirm absolutely for the next time that we meet. I know, in past, the deputy has fallen into that category; that's not the case any longer.

Mrs. Driedger: Can the minister tell us if there've been any discussions as to whether the secondments—and, in this case now, Mr. Goertzen—whether there are conflicts of interest just inherently in place because of being seconded from the WRHA, when in fact the WRHA needs to report to government, but this person then is on secondment? And I see the ADM for Health Workforce.

Does it not create some difficulties in terms of who that person is really responsible to because, as a secondment, where are your loyalties really going to lie? I just wonder, from the minister's perspective, if there's been any discussion as to actual conflicts of interest that could be inherently there because of it or perceived conflicts of interest.

Ms. Oswald: Well, I would say, first of all, in the case of any secondment across any profession, really, a teacher from the work force coming into the Department of Education or really in any situation, a perceived conflict of interest, I suppose, on some level, is entirely unavoidable. People might say that regardless of who is paying for you or who is giving you direction that your loyalties will always remain at home.

I am of the belief, and certainly of the observation, that in the case—let's say, in particular, for Mr. Goertzen—that that is not the case, that there is not an issue concerning where his loyalties lie. I know that he takes specific and clear direction from the deputy minister, that he works very closely with people in the department concerning labour relations and all of the issues that you can see on page 10 under his job description, that he takes direction from central government in any negotiating environments in which he might dwell.

Also, I believe it must be said that we really do learn and grow as a system and, I would argue, benefit as a system when we can take experts from one environment and place them in another environment where they can share their expertise and where they can help the system learn and grow.

So, while I'm not going to dismiss out of hand what other people think about a secondment

situation—I cannot control that—certainly, what I can do is have clear and precise direction from the deputy going to all employees in her charge. I have every confidence that she is able to monitor, on a continual basis, evaluate, and provide constant encouragement and coaching to all members of her team. So, in short, I don't believe there is a conflict of interest.

Mrs. Driedger: I'd just like to ask the minister why anybody needs to be seconded. Why can people not just apply for the job and then they're in that job? Why are people allowed to be seconded?

It's not often in many places and businesses that you find such a luxury. I mean, basically, you have, then, an ADM that, if the job is no longer there, then there's a cushion, there's a known guarantee of the other job as long as he doesn't get the other entity mad by something he does here. He would still have a pretty good place to land.

This is going to come as no surprise. I mean, I've always been really uncomfortable with the whole issue of secondments and wonder if there's just not a cleaner way to do this.

Ms. Oswald: Yes, how is this Madam Chair, good? Okay. Apparently, I'm overly enthusiastic with the mike.

Well, one of the things that I've learned in the time that I've been in the chair of minister is, of course, how important it is to have truly excellent senior people in the department, and I am going to assume that that's true for any minister and any deputy minister across government.

It's a very competitive world out there and Manitoba is no different in wanting to be able to recruit the very best people to do the most complex jobs. I believe that, for example, the role of deputy minister of health is one of the most important jobs that you'll find in Manitoba, one that has the most enormous load of responsibility and is, I'm sure, the most fun, but is one where we want to make sure that we have the best possible people that we can.

We know that there are issues in recruitment, recruiting people across sectors that fall in the area of pension in HEPP and, you know, for some people it can take years to change over and not be dissuaded from coming into public service and coming to work in government because of differences that might exist. This isn't something that is unique to Health. It is one of the reasons why these secondments have existed over time.

I do think that in long-term planning, enabling the most attractive compensation packages that we can is very important, but that is the reality of what has happened in the past, certainly in Health in the case of secondments and, indeed, across other departments as well. But that's one concrete example of why such a thing would occur. We want to be aggressive in our recruitment, we want to be attractive in being able to be flexible in the nature of the kinds of contracts and employment situations that might occur and, most importantly, we want to be able to do that so we can have the very best people in these important jobs.

Mrs. Driedger: I certainly would echo that in all of these positions you do need the best talent that you can find around because everybody wants to ensure that their health-care system is, indeed, a well-functioning, well-run health-care system that can meet the needs of the public. So, certainly, having the best deputy minister and assistant deputy ministers is absolutely critical.

* (16:50)

As the minister was talking about the deputy minister, I just want to indicate that I ran into somebody the other day that knew the deputy back from the Victoria Hospital and was singing absolute praises about her and how far ahead of her time she was, even back there as a manager at the Victoria Hospital—was well positioned for this job.

This person was just talking about how impressed she'd been working back then and wasn't at all surprised to see that we have Ms. Wilgosh in the position that she's in now. I thought, while I remembered it, I better pass that along because boy, she made it sound really, really good. The deputy should know this because it's not often that you hear really, really great things like that from people that you normally work with either. So that's always nice to hear and probably we don't pass along those things enough.

Can the minister, and I can't believe I haven't asked this ever before, but tell me the difference between an associate deputy minister and an assistant deputy minister.

Ms. Oswald: Well, certainly, since my time in the chair and maybe longer than that, the associate position is new. It's a different classification of deputy minister, yet she does have the purview to speak more on behalf of the deputy. When the

deputy is away, she takes on that role and there is a remuneration difference as well.

Mrs. Driedger: Just so I'm clear, is the minister making the reference that the associate deputy minister is the one that has that particular role?

Ms. Oswald: Yes, I am making that, and assistant, while a very busy job, is just a slightly different classification and, arguably, does not take on as much responsibility for speaking in the place of the deputy, should the deputy be away on any number of commitments that she has going.

Mrs. Driedger: Just so I make sure I'm adding things up properly here, can the minister indicate how many, and I guess I would need to be clear here then, how many assistant deputy ministers there are? I'm going to, from looking at the org chart on page 10. It appears that there is the one associate deputy minister, M. O'Neill. Can the minister indicate how many assistant deputy ministers there are then?

Ms. Oswald: Yes, I can indicate for the member that there's an assistant deputy minister for Corporate and Provincial Programs Support, Ms. Sharman. There's an assistant deputy minister for Administration, Finance and Accountability; that's Ms. Herd. There's an assistant deputy minister for Health Workforce, Mr. Goertzen. There's an assistant deputy minister for Regional Affairs, Ms. Preun. The associate deputy minister is one charged with Primary Care and Healthy Living.

There's also an assistant deputy minister, Ms. Thomson, a little higher up on the chart who is heading up the Cross-Department Coordination Initiatives in partnership with Family Services and Housing. I don't have to explain to the minister, or the member, I'm sure, that so many of the determinants of health are so closely linked to issues of housing and poverty, that we felt that having that position created, to really be a strong bridge liaison to that department, to continue to move initiatives forward. They are so important. It has been a great benefit, I believe.

Mrs. Driedger: Madam Chair, can the minister indicate when that Cross-Department Coordination Initiatives department, if I'm labelling that right, was set up?

Ms. Oswald: Probably a more accurate term would be the branch. It's not what you might define to be a size of a whole department, and it has been in existence since 2007, late 2007.

Mrs. Driedger: Can the minister indicate to me the reasons behind the growth in the number of ADMs? I looked back at an org chart from a number of years ago, actually 1999-2000, and there were only three ADMs. Now I see that basically that's doubled to six, and I'm also seeing four executive directors, I believe, again, if I'm counting right, and then I'm also seeing a co-ordinator for a correspondence unit and a director for disaster management. There seems to be a lot of growth at this level of government, and I wonder if the minister could explain why we've basically seen a doubling of ADMs.

Ms. Oswald: In 1999, I am informed that those deputy ministers were, indeed, associates with greater levels of responsibility and larger areas to look after the changes that exist now as assistants have come into more focus streams enabling, I believe, a more clear sense of purpose. Also, it's very significant, as well that the department is now supporting two ministers since our Premier (Mr. Doer) had the vision to create the first ministry dedicated to health promotion and prevention.

We have seen many jurisdictions across the nation now follow suit which we believe is a good thing, and so those two facts combined would account for why there is a different structure. With the proclamation of The Public Health Act as well, there's a different structure under the Chief Provincial Public Health Officer as well, and so staff work in concert in all of these areas to support one another and the areas as described.

Mrs. Driedger: We've been getting along so good up until probably this next question, but it has to be asked because I know when we were in government and the NDP were in opposition there was a lot of criticism by the NDP that there was too much bureaucracy in the '90s, in the late '90s. I mean, I've got a news release here from the 1999 election that said, Today's NDP-less bureaucracy, more front-line care. The promise in that election was we will cut senior bureaucrats in the Department of Health.

That came from the now-Premier of the province, and that was a significant commitment because he said at the time the Tories had an ever-growing bureaucracy. Yet, when I look back to what we had then and what we have right now, basically, the government has now doubled what we had while it, in 1999, was absolutely against this.

So I'd like to ask the minister what changed their minds because, as she knows, that was a pretty interesting election. The NDP basically won it based

on these types of promises, and now that is a promise that's been reneged on and, in fact, quite changed since 1999.

So I'd be curious to know, considering on top of the administration within Manitoba Health we've also got all of the RHAs in Manitoba—

Madam Chairperson: Order. I'm sorry, I have to interrupt the member.

The time being 5 o'clock, committee rise.

AGRICULTURE, FOOD AND RURAL INITIATIVES

* (14:40)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Agriculture, Food and Rural Initiatives.

As had been previously agreed, questioning for this department will proceed in a global manner. The floor is now open for questions.

Mr. Leonard Derkach (Russell): Just, I guess, going back to where we had left off in the last session, when I was asking the minister some questions regarding the Innovations Fund, and I thank the minister for providing me with a copy of the Manitoba Agri-Innovation Suite brochure that I will, in fact, read when I have a little bit of time. It looks interesting.

But I have some questions as they relate to the specific projects that the minister might be engaged in. I would ask the minister: How many projects, to date, have been approved under this fund or under this suite of programs, and can she give me a little bit of I guess a summary on the ones that have been approved?

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): I was very pleased to be able to provide the member with the different programs that are under this innovations suite, because this was developed after feedback from the industry. It's for emerging food entrepreneurs, businesspeople, anybody looking to launch a new food product, to help them, first of all, to develop their product, commercialize their product and marketing and agri-product certification.

To date, six projects have been approved for funding, for a total of a little over \$189,000. There are another six that are recommended, so will also be

approved very shortly. The products vary. They're mostly food products. The member might have seen the product release just recently, young peas, a pea product, the pea snack that was developed at the Food Development Centre and now is being made available. There's a variety of products. You may see Kudo Foods in Winnipeg that have developed a pie product. They've opened up facilities in downtown, and now they've opened one up at Polo Park. They are actually selling their product in other provinces as well.

So those are some of the examples of products, as well as an organic beverage that has been developed and is being marketed. They got funds to help with their marketing into the U.S. market.

Mr. Derkach: Have there been any enterprises approved for capital monies under the commercialization segment of this program? I note that commercialization will provide up to 50 percent of cost-shared funding to a maximum of \$250,000 to support enterprises that have finalized the development of a product or concept.

Ms. Wowchuk: The fund, it hasn't been used for hard assets, but it has been used for helping people start their business, like leasing oven space as they build their business up. It can be used in that area. But once people have applied through one part of the program, they can access the other ones without coming back and re-applying, because there are four stages to the program.

So they may start at the early stage and then have to move further to move towards commercialization, and we can help them with that. But, as far as investing in hard assets, capital projects, we haven't done that.

* (14:50)

Mr. Derkach: My question was with regard to commercialization, where the department, I guess, would cost-share 50 percent to a maximum of \$250,000. Has there been any project funded under this segment?

Ms. Wowchuk: Yes, there are two projects that we helped in the commercialization. One was Kudo Foods, which is a puff pastry, fast food product, and the other was Yumpeez pea snacks.

Mr. Derkach: I would like to ask the minister whether or not there is a different component under the innovations fund for the department to have the ability to invest, or to help support businesses that

require significant investment in commercial processing equipment.

Ms. Wowchuk: There are, if you are looking at larger projects where there are major investments, those would, in all likelihood, make applications for MIOP loans, which is not in this department. It is in CTT.

In this department, we can work on smaller loans. We have the REA entrepreneur assistance that we have raised. We recognize there's need for larger loan guarantees so we have raised the level. It was at \$100,000; it's now up to \$200,000 that's available under this program. They're used for new ventures or to expand existing operations.

We also have the CED, which is a tax credit program which is also available and helps producers with their investments. As well, we have just signed the Growing Forward agreement, and we're still working out some of the details, but under the Strategic Innovation Fund, there will be some funds that will—we anticipate, depending on how the agreement works out, that there will be funds that are available there for these kinds of investments.

As well, under REDI, there are some funds that we have available, but those are made on a case-by-case basis as we work with the entrepreneur. There are some opportunities there that we might be able to work with them.

Mr. Derkach: Mr. Chair, all this is very vague. I know the REA program has been increased in terms of the limit, but in terms of the Growing Forward and the Strategic Innovation Fund, can the minister give us some indication as to what she is looking at in terms of dollar amounts in these programs, because, as she knows, the cost of equipment for commercializing a project of any size is not in the hundreds of thousands of dollars, it's in the millions. I'm wondering whether or not she can give me some idea as to where she is taking the Strategic Innovation Fund under Growing Forward and where the discussions are going. I know she says that the discussions haven't concluded and I wouldn't want her to disclose information that shouldn't be, but does she have some goals or plans in mind in terms of where she would like to see this go?

Ms. Wowchuk: Mr. Chairperson, I'd first like to introduce Mike Lesiuk who has joined us at the table, and he is director of policy.

With regard to the funding, in the Strategic Innovation Fund, there's approximately \$3 million

per year that can be used for research, development and commercialization. Under industry innovation, there'll be about \$7 million for over the four years. Those can, again, be used in a variety of areas.

Strategically, I would like to see this focussed on the bio-economy and the other opportunities that are out there, and in value-added. We have a tremendous wealth of resources in this province, food products, but we also have a tremendous amount of product that in some people's minds is considered waste, and I think about straw and other fibres. So I would like to see this money move and be used in those areas where we can address some issues that are a challenge for us as far as disposing of some of these products, but would also help to displace some coal and other energy sources that are not renewable. So that's very much in that area and, of course, looking at how we can add value to food products and, certainly, the nutraceutical functional food area is one that are very important priorities to us.

Mr. Derkach: Is the minister telling me that, in the Strategic Innovation Fund, all that we're looking at, in total, is \$10 million over four years?

* (15:00)

Ms. Wowchuk: That would be in the Strategic Innovation Fund, and in the Industry Innovation Fund there would be \$19 million of federal funding over four years. Then there are the provincial funds that match with that.

Mr. Derkach: Besides these funds that are available, and they aren't available yet, I'm assuming that this is something that the provincial government is negotiating with the feds on at this point in time, or is that all concluded now?

Ms. Wowchuk: We have the numbers. It's developing the terms and conditions on how we will use that money, but we know what the number is.

Mr. Derkach: Can the minister give me any idea as to when the terms and conditions will be available and when these programs will be available to the businesses in this province?

Ms. Wowchuk: We definitely want the money to flow this year, and I'm hopeful that we will have the terms and conditions in place in a month or two, say by the end of May.

Mr. Derkach: I'd like to ask the minister whether there's a maximum on any individual project, or is there flexibility in terms of how much money can flow to an individual project?

Ms. Wowchuk: Mr. Chairman, we recognize that each project will be unique, and some may be larger and some may be smaller. So there is no specific amount. If the member's looking to see whether there's a maximum, there isn't one. Each individual project will be reviewed on its own merit, and decisions will be made in that way.

Mr. Derkach: Is the minister indicating to me that the department or her government will be directing some of this funding to specific areas, such as the bio-economy? Is this going to be government-driven, or is it going to be industry-driven?

Ms. Wowchuk: As we've been developing this Growing Forward package, we have worked very closely with the industry. They have been involved. The Province and the federal government have worked together, and they've set priorities of where they believe there are some opportunities for innovation. Now that those guidelines are set out, we want to work within them, but we have to work with industry. It's not like we're going to say to a company, we want you to develop a biofibre and here's the money, go and do it.

People will come forward with their ideas. The department staff work very closely with them and help in many ways. Sometimes this help is with getting their business plan done, working with them, but they work closely with them, and industry is very involved.

I think what the member was asking is, are we going to direct it to particular projects? It won't be directed to particular projects, but there are parameters of areas of innovation, and we would work with industry in those areas, but if somebody has a very good idea that's innovative, we'll review it.

The other area of funding that's in the broader area is the ARDI funding that has been there for awhile, and we continue with that funding because that's very important funding when it comes to research, and there is the ability for some funds to come. The board reviews those applications, and there are some funds there as well.

Mr. Derkach: But, as I understand it, the ARDI funding is not for capital. That it is for research and development is my understanding. Is that correct?

Ms. Wowchuk: That's right. It's not for actual capital. It is for development.

Mr. Derkach: Would applicants have to apply for the federal money separate from the provincial money, or is this a jointly funded program and one application would then be treated by the program rather than by the levels of government?

Ms. Wowchuk: The Province is administering the program, and it will all be handled in one application. There will not be need for duplication. The money will come to us and, working within the guidelines and parameters that have been set up, that's how we will work with producers or individuals.

Mr. Derkach: So, as I understand it from the minister, there's no limit or no cap on any individual project in terms of how much money they can apply for. That is based on the need and the size of the project, I guess would be the correct assumption. The minister says that the applications should be available by the end of May.

Can the minister give me some indication as to what kinds of—and I know there has to be a process of due diligence done for each and every project, but one of the frustrations, I think, by industry is the length of time that it takes sometimes to get either approval or denial of a project. If the project has, in fact, been through the department in other areas where the department is aware of the project, the department has a lot of information that has been gathered because money has flowed for the development of it through IMRAC [*phonetic*] or whatever means. Does the department then envisage going back to square one in terms of doing the due diligence, or would they use the existing data to expedite the approval or denial of the application?

* (15:10)

Ms. Wowchuk: Because it's internal, because now our department's now handling it, it will be reviewed by staff. There is no intent to go back and—if they've worked with the people before and they know the people that are involved, there's no intent of looking at how we can send them back to square one. The applications will be reviewed. The goal is to have successes and working with them to develop projects and try very much to have a success.

So there will be new applicants, but there will be people that are in the system right now, that we can continue to work with them. That's the reason for this brokerage approach, where staff will work with them and look at their project, look at what needs to be

added on, how it can be improved and try to move it forward.

I have to say, as well, when there are larger projects, my colleague the Minister of Competitiveness, Training and Trade (Mr. Swan) also has responsibility for larger funding. I want to assure the member that our staff work very closely, and as we get into bigger projects, that the two staff complement each other.

Mr. Derkach: I certainly understand that and encourage the government and the minister to move ahead aggressively on projects that have been in the works for some time and need to see some movement from all levels of government, for that matter, to move these projects ahead because I think that they do have viability.

I don't speak of one particular project, although I have one in mind, but there are a number that are out there that I think warrant some serious consideration by levels of government. If I can lobby on their behalf, that's certainly what I would encourage the minister to do because I think they could be successful, not just for an area but for the province as a whole.

So I'm encouraged to hear the words of the minister, but the program is relatively small. I'd just like to ask—I know this isn't under the minister's purview, but she had mentioned the MIOP loans. Can the minister tell me whether MIOP loans have—or does she know whether they apply to value-added processing as well?

Ms. Wowchuk: Yes, MIOP loans can apply to value-added processing. They would go through the same kind of due diligence as any other program: bring their business plan forward and it will be reviewed and then a decision will be made. But, yes, those funds are available for value-added.

I think that that's an important question. The member talks about this fund being a small fund, but I think it's very important. We want to build on what has been happening and that's why we set some priorities on where we wanted some of this money to go, because we recognize that there are people who have been working hard in this area, but starting a new business can be very hard as well. That's why we have the supports.

The Food Development Centre is a very important facility when it comes to people getting a product into the market, having it tested. If you're looking at a food product, those are very important.

So, yes, both departments work together and they can make application in both departments.

Mr. Derkach: In the area of rural development, I note that the minister has put together some programs that are intended for rural entrepreneurs and projects. It is from this fund, I believe, that money for the hemp plant in Dauphin was given. I'd like to ask the minister how much money flowed to the hemp project in Dauphin from all sources, from the provincial and federal governments to date for all phases?

Ms. Wowchuk: Okay, well, I'm so pleased that my colleague, the Minister of Competitiveness, Training and Trade (Mr. Swan) was sitting right here at the table reviewing his files. He actually has the press release from September 2008 on this particular file, and the headline of the file is, Province supports \$2-million hemp plant with \$4 million in grants and loans—\$20 million—\$20-million hemp. Those zeroes are really hard for me. It was a \$20-million hemp—

An Honourable Member: I was going to say, oh, you overdid it.

Ms. Wowchuk: You overdid it.

So there was \$100,000 of a forgivable loan that was to help them with their share offering, \$1 million in capital and a \$3-million MIOP loan that's there for them to use when they're ready. There's also the potential for a CED tax credit that's available but they have not made application for it yet. We're anticipating them to come forward with that application.

Mr. Derkach: Can the minister tell me the status of that project?

Ms. Wowchuk: Mr. Chairman, the individuals, the shareholders, the people who have come forward with this proposal are still trying to raise money and are looking for international money. They seem to be moving that along, however, with the downturn in the economy all investments are slowing down.

They're looking at how they can access federal programs and were in Ottawa as recently as this week. They're closely involved with the Composites Innovation Centre that is working with them to develop product. So they are working and they are working at getting their application in for a CED tax credit. So they are continuing to work, but there is no doubt that the economic times that we're in right now are making it a little more difficult for them.

* (15:20)

Mr. Derkach: How much of the \$4.1 million has flowed to this project from the Province?

Ms. Wowchuk: Mr. Chairperson, it's the \$100,000 that has flowed to them for their share offering, but the other \$4 million is there waiting for them to raise some additional funds. So they're not ready to spend the money yet, and it was important for them that we make a commitment. Then they could go to the private sector to say, we have this amount of money; we need to raise some other money. So that's what they're in the process of doing right now.

Mr. Derkach: When the Province supports a project of this kind to the level that it has made announcements for, is there a sunset on when the money would flow, or is this left indefinitely for the project regardless of how long it takes?

Ms. Wowchuk: There isn't a sunset clause in it, but as long as the project is active and the participants are looking at developing the plan, the money is there, and the funding is reviewed, the business plan. We work closely with them. But, if the group becomes inactive and they're not working it anymore, then the money will have to be withdrawn. But it is there, and this group is certainly very active at trying to raise some additional funds, so the money is available to them.

Mr. Derkach: I don't mean to cast any kind of an attitude regarding this. I really do hope it's successful, because I think it's important for the area.

I would like to turn my attention to the proposed slaughter facility in Dauphin. Can the minister give me an update as to where this project is at? Is it a fait accompli in terms of its demise or where is it?

Ms. Wowchuk: Well, we were talking about the other project on hemp and that's an active file and the money remains there for that group of people to use when they find their investment. This is not an active file anymore. It's an investment that failed. So the equipment is being liquidated. The investments that people made into it have been returned to the producers who had put money in, their investment has been returned to them. So that project has come—very much, it has come to a conclusion and didn't work out, unfortunately, because I think it would have been a good location. It would've been a good project if we could have got it done. But we will continue to pursue and work with other people.

Mr. Derkach: Not that I want to redevelop programs that the minister has under her control, but would the minister consider a different approach to slaughter capacity in this province than the one that was attempted in the Dauphin area to ensure that, in fact, it is the market that's driving the kind of facility that would be constructed rather than a particular philosophical approach to slaughter capacity in Manitoba?

Ms. Wowchuk: Well, I would be interested in what the member means by a different approach, because it wasn't a philosophical approach; it was an approach that came out of the producers out of desperation because they were—with BSE, they were looking for an approach where they might get some slaughter capacity and, yes, the producers were looking to a model where they might have some control and have some of the investment. But there are other models, and we are working with many processors right now, whether it's processing or slaughtering, and certainly we want to see more slaughter capacity in this province.

So that particular approach saw producers having control of the facility. They tried very hard. It didn't work. Now there are other approaches and certainly Keystone Processors is one of them that is looking, and that's been in the media about us looking at how they can be part of increasing slaughter capacity and processing meat in this province. I think those are very important issues and we will continue to work with them and with others, because I think if you can do more processing here at home and supplying a Manitoba market, it creates great opportunities. Some will say we have more than enough slaughter capacity in Canada; we don't need more, but what we do need is slaughter capacity at home and we are continuing to work on that and we are working with a wide range of people right across the province. We're working with them on how they deal with specific risk materials because that is a new challenge that people in the slaughter industry are facing and we will continue to work with them.

Mr. Derkach: I have no misconceptions about the minister's intentions here, and that's not what I was questioning. My questions relate to whether or not there is an openness from this government in her department and also, I guess, the industry department to work with existing packing houses or slaughter facilities to expand into this province. There was work that had been done years ago with Smithfields and IBP and other packing houses to try to encourage

them, as we did with the McCain plant to Manitoba in hogs, to encourage a plant to locate in Manitoba. Now, I know the critical mass of cattle is not here to attract a major slaughter facility, and before we have any processing we need a slaughter facility, and I'm asking the minister whether or not her department, or government, for that matter, is actively pursuing a processor to try to encourage them to locate in Manitoba as a small slaughterhouse facility.

* (15:30)

Ms. Wowchuk: The member is accurate when he says that we don't have the critical mass for a large facility here, but we haven't ruled out working with any of the players in the industry. But what we have to look at is the North American market, and what we see is consolidation. Some of them are becoming very large, and, in that sense, in that consolidation model, Manitoba wouldn't have the critical mass to attract one of them. We work with all of them. We are very interested. We have met with different people who have looked at slaughter capacity in this province, but right now we are working with some of the facilities that are more medium-sized facilities. The one we hear about is Keystone processors who intend to slaughter as well as process. That's the intent, and there are smaller facilities across the province that are slaughtering.

But, specifically to the question, yes, we are seeking opportunities to find investors that would be interested in slaughter capacity in this province.

Are there any of the major investors that are lining up to come to Manitoba right now? The member answered that question himself when he said we don't have the critical mass in this province for a large one. So we have to continue to work with the ones that are there, that are looking and, as I said, there are several that are looking at how they might increase their capacity, and we are working with them.

Mr. Derkach: My time is going by quickly, Mr. Chair, so I have to ask the minister just very quickly if she could identify the amount of money that government had invested in the Dauphin plant, and how much of that money was recouped?

Ms. Wowchuk: We invested \$4.5 million into that facility and were not successful in attracting further investment to get a plant built.

Mr. Derkach: Can the minister tell me whether the equipment that was purchased has been sold, and where that equipment is located right now if it isn't?

Ms. Wowchuk: The equipment is located in Dauphin, and we are in the process of liquidating it, so we've hired a company that will do a tendering process on it.

Mr. Derkach: Mr. Chair, I'd like to turn my attention to the REDI program. I'd like to ask the minister whether or not—I know the REA program was expanded, and it's a very small program, but I was wondering whether the minister could tell me whether the REDI program is intended to grow, or is the minister—I understand that there's less money in this program now than there was a year ago. Could she confirm that and give me the reasons for that?

Ms. Wowchuk: No, that is not accurate.

In 2008-09 there was \$22.45 million. In 2009-10 there is \$24.4 million. So there is an increase in the REDI funding.

Mr. Derkach: My numbers may be out because I was looking at the projects or the earmarked money under REDI, and my total came to less than \$20,000, but I yield to the minister because she has more accurate information, and I thank her for that.

Can I ask the minister, in terms of water sewage treatment and infrastructure under this program—now REDI program, originally its mandate was to augment water and sewage treatment infrastructure for industry or those kinds of projects. Is this still where this money is targeted, or is the \$3 million under this program also for general water, sewage treatment and infrastructure works?

Ms. Wowchuk: Mr. Chairperson, 42 percent of the money is for rural economic development; 19 percent is for infrastructure; 4 percent is for quality of life; special projects are 16 percent; youth is 10 percent; and capital grants is 9 percent.

Mr. Derkach: Is the minister talking about the REDI program or the water, sewage treatment and infrastructure program?

Ms. Wowchuk: That's the total REDI program.

Mr. Derkach: But my question was very specific. My question was with regard to the \$3 million for water, sewage treatment or infrastructure. I think it's \$3 million that's been earmarked for REDI water, sewage treatment and infrastructure works. Can the minister tell me whether that money is allocated to sewage for business development projects, or is it for

general water, sewage treatment for communities and general works?

Ms. Wowchuk: The \$3 million that the member is talking about is for general water, but then there is the strategic fund, where specific projects can be addressed. The major one there was the water treatment plant upgrade in Neepawa. That was the capital from the strategic fund. There was also money for Grand Rapids for municipal infrastructure upgrades.

Mr. Derkach: So can the minister tell us why it is that REDI, which is for Rural Economic Development Initiatives, is now funding general water, sewage treatment and infrastructure projects? I mean, all of rural water treatments are under the Water Services Board. Why are we taking money from the REDI program now to augment that program?

Ms. Wowchuk: Water and sewer is important for any economic development. If there was more money, I would like to see us be able to address water, sewer, so that we could be looking at strategic areas where we want economic development.

One of the challenges we face is, I think what the member is referring to, a project comes along and they need water and sewer upgrades. So they can only go to those areas where there might be water and sewer available and a large enough capacity. So I think that by making investments into water and sewer in rural communities, it creates opportunities for more communities to provide services, improve quality of life, and then that can also lead to opportunities for economic development. Because no matter where anybody is coming, if they're going to live in a rural community, they want to be sure that there's a good water and sewer supply, and this builds the basis for rural economic development.

Mr. Derkach: Well, Madam Minister, with the greatest of respect, isn't that the mandate of the Water Services Board?

Ms. Wowchuk: It's the mandate of government and departments to work together. Yes, there are funds through the Water Services Board. This is about economic development, and water and sewer are a very important part of economic development. I think that every time we get a chance to enhance the quality of water and sewer services in a community, we should do that because then that leads to opportunities for economic development.

* (15:40)

Mr. Derkach: So the misleading part of this is that the money that is for rural economic development initiatives is now being siphoned off by government for water and sewage treatment projects that should be done under the Water Services branch. But, having said that, I know that rural Manitoba is in a deficit in terms of the needs, and, certainly, it's the government's right to take money from where they want to for projects.

I'd like to ask the minister regarding, once again, the REDI program. Conservation districts fall under the Rural Economic Development Initiative program. Can the minister tell me, give me an idea of how much the conservation district budget for grants to conservation districts has been increased over the last five years?

Ms. Wowchuk: It has been increasing slowly, and we would have to get the numbers for the past five years. But I can indicate to the member that in the '08-09 budget, it was 925, and this year it is 1.165. So it has been increasing slowly.

So we'll get that number for the member.

Mr. Derkach: That's fine. If the minister could get that to me at some point in time, that's fine.

Because we are running short of time, the Community Development Corporation and the Community Works Loan Program fund, can the minister tell me the status of this program and where this program is going in the future?

Ms. Wowchuk: That is, indeed, a very good question, and I know the member would be interested in this because I think it was under his time that this program started. I remember him being in one of the communities in my area making one of the announcements.

Mr. Derkach: We announced it in your area.

Ms. Wowchuk: That's right, in Ethelbert. I believe you announced the program in Ethelbert and made a commitment to the Community Works Program, and I was at that announcement.

It's been in place for several years now. We are actually in the process of reviewing it to determine what we should do with it. Most of those terms are coming to an end, so we are looking at the program and trying to look at—and there's been a lot of good work. This program blankets most of the province,

so there's a good distribution of it in most areas. However, it's not being used in the north.

So what we're doing now is reviewing how it has worked and we are going to make some decisions on how to proceed with it. But we also want to see how it can work in the north. So, while we're doing the review, it will continue to operate until the end of March 2011.

So we're not looking to change anything immediately. We're not changing. What we want to do is review it, review what some of the people have been doing, because some people have been using it and there've been some really good projects, but some communities have not been using it as well as they should. So we want to look at it, look at how we can improve it. But it has been a good program because it's provided a total of \$3.1 million in interest-free provincial loans to 72 participating CDCs, which represent 127 municipalities.

This has resulted, with the community contributions, there is a pool of \$5.7 million that's there. It's been there and, as I said, some of the terms are coming to an end. We want to look at how we might improve on it and how we might go into the future but also look at northern communities.

Mr. Derkach: Certainly, I encourage the minister to review the program because I think any kind of program that's been in place for that long, it's only natural that it should be reviewed, upgraded, but I hope it's not scrapped.

The other thing, about the northern programs, there was a reason why this program was not extended to the north and that was because, under the CEDF, there is opportunity to, in fact, mirror this kind of program for northern communities, which should happen. I would be supportive of that.

But I want to tell the minister, yes, it was announced in her community. As a matter of fact, the minister, who was then not a minister, even spoke at that event, and I still remember that very vividly. I'm glad this is a program that has had some success to it. I think the success of this program is certainly dependent upon not only the department but the people in the communities who use these programs and enhance the quality of life in those communities for the betterment of the people there.

I want to ask the minister—there's so much here that one can ask. One of the things I run into from my visits to rural communities, not just in my constituency but throughout the province, is the fact

that we are still making funds available for communities to not only write vision statements but to look at the strengths of the community and the weaknesses, something that was done 15 years ago. I'm wondering whether or not this program has been reviewed because I think, at some point in time, we need to move beyond that.

It seems our economic development officers preoccupy their time with writing vision statements, developing the strengths and weaknesses of communities, something that is in the inventory of communities anyway. I'm wondering whether or not there's going to be, sooner than later, a review of this approach and whether or not, from the policy standpoint, we can move beyond vision statements and strengths and weaknesses of communities to actual action plans where some of these initiatives that have been explored in the review of vision statements and strengths and weaknesses, where we can move to an action position and perhaps develop a tool for communities to move beyond that stage, if you like.

* (15:50)

Ms. Wowchuk: The member's right. The vision statements that have been going on, that tool is still there if people want to do it, but we are moving beyond that. There are a couple of things there. There's the economic development planning tool. It's moving the next step. We will pay up to 75 percent of their economic development planning. We're working with Intergovernmental Affairs on sustainable community planning tools and looking at land use, infrastructure, people.

We have a very interesting project that I'd like to share with the member, and it's called First Impressions. What it is, it's a pilot project. We do, by the pilots—and some pilots work, and some don't work. But this one has really been quite successful, where two communities pair up with each other. I think The Pas paired up with Selkirk, and then without announcement they come to the other person's community. Then they do a critique of it, and then they offer suggestions. It has been quite, quite successful. When, I think it was Carberry and Carman looked at each other and made suggestions, it resulted in a whole pile of applications for the Hometown program. People made suggestions about how they might beautify their community, how they might look at economic development and it has been very successful.

Yes, we are moving beyond the vision statement. We've hired, through our re-organization, we have 10 business specialists that are working in our GO offices, and these work very closely with people on development plans, very close to the grass-roots working with them.

Vision statements were important, but we do have to move beyond that. Those are some of the examples of how we're working with Intergovernmental Affairs, and how we're looking at new approaches where communities might go beyond the vision statements.

Mr. Derkach: Again, moving quickly, and I thank the minister for that information. I sincerely hope that that is successful because I think that we learn from each other. We don't have to always re-invent the wheel.

Round tables, community round tables, were a part of the process of rural development in the very inception of the department, and they were extremely successful, something that I think should happen in the urban centre of Winnipeg because they do bring communities together. What was impressive to me about the community round tables was that it brought people from every sector of the community: people from the educational sector, the religious sector, the economic sector, the social sector. All people of the community had representation at that round table, and they then began to take a look at the opportunities that exist for those communities, not just the town proper but, indeed, for the broader community.

I want to ask the minister whether or not the community round table program is still in place and whether, in fact, it is a tool that the department encourages and uses to have communities look at opportunities in business growth in their areas, and whether the Chamber of Commerce of Manitoba is a part of this?

Ms. Wowchuk: Mr. Chairman, yes, the funding is still available for round tables, but there is very little uptake. I think it goes back to the previous question that was asked: Have we outgrown vision statements and should we move on? Because if you look at the round table, their product was the vision statements and plans that focussed on social, environmental, economic opportunities. People took advantage of it. There is still money available there, but not very many are taking it. That's why we are now moving to these new models.

The member asked if the Chamber of Commerce is involved. The Chambers can be involved, but more of these programs are developed with the communities and our staff that work closely with them. So there are funds available for community round tables, but not very many people are using them. I think that's partly because many people have done their vision statement and had that discussion. Now they want to look at the new tools that are there, and that's what we're providing, and that's the testing that we're doing on different projects. As I said, some are successful, some aren't, but the first impression is in a pilot stage and has been very successful, so I hope to see that one grow.

Mr. Derkach: Well, again, with the greatest respect to the minister, I think the round tables had a larger mandate than just the vision statements and that was to take action plans and see and review whether these action plans would in fact be carried out and extended. It seems to me like the economic development groups now or the officers and some of the representatives of the town have formed new bodies to carry on that work, and that's fine.

So the reason I asked about the vision statements is because they are linked to the community round tables, but I think the community round tables are an effective tool for more than just vision statements. They are an effective tool in bringing the community together from all sectors because too many times we find that sectors like education, like the policing are left out because there's too much emphasis perhaps on one particular sector and there isn't a balanced approach.

So, in whatever program the minister develops, and, of course, it's her department and her responsibility to lead, but I would hope that the concept of the community round table is not abandoned so that, in fact, we can see those different sectors brought together. I think the ultimate model was the one that came to us from Winkler, and I see Mr. Prince at the table. He was very much part of that when this whole program came together. As a staffer, I know that he would have some in-depth knowledge in that.

That concept that came to us from Winkler continued to involve all of those sectors of the community. If you were to go back to Winkler today, they have an informal organization that mirrors exactly what the round tables did for the province, and that's how they continue to enhance and grow their community.

So I just encourage the minister in reviewing this. I think it's important that it be reviewed but not to abandon some of those down-to-earth principles that were incorporated by not us as a department at that time necessarily but were brought to us by the success that was experienced in communities like Winkler in this province.

Ms. Wowchuk: I think those are very good comments, and although I said the round tables aren't used very much, that whole community model can be used in the economic development planning where they can access funds where we will pay up to 75 percent of their costs. I believe that that's a model that can be used in sustainable community planning. If you are planning your community, I believe that it can't be the economic development officer that does that planning. There has to be a balance of the people and the services and culture. All of that has to come together.

So it may not be used as much, but I think in these new tools that are there, the communities will still continue to use that model of bringing people together as they develop these various aspects.

Mr. Derkach: I apologize to the minister for jumping around this way, but I don't have a lot of time left.

So I want to turn my attention to the regional development corporations. I understand that across the province, there are, what? Seven? I'd like to ask whether or not the budgets of these development corporations and their mandates and the results that are achieved by these corporations are analyzed by the department on an annual basis and whether their budgets are increased on the basis of what the outcomes are or are they increased on the basis of—whether they even are increased, for that matter—on some other basis.

*(16:00)

Ms. Wowchuk: The member was right. There are seven regional development corporations in the province, and we have done a lot of work with them to identify their outcomes and the things that they're working on. I can say that the funding hasn't been adjusted to some of the outcomes that are there. In fact, funding has remained pretty stable—

An Honourable Member: Stagnant.

Ms. Wowchuk: —stable. That's one of the issues that the regional development corporations always raise. They say, we're doing different things, we need some

additional money. But every regional development corporation has a different focus. Some might be focussing on agritourism, some might be focussing on alternate energy, some might be focussing on community capacity building, work force training. They work on a variety of different areas and that's why we work with them to help build their capacity. But our staff supports the principles of CED, in order to build community capacity. As I said, grants have stayed the same, the MAFRI grants, in total, are almost \$545,000, and it leverages up \$5.1 million. So this is important money, yes, and they would like to see more increases, and we work with them and provide them supports and help them with their vision statements and their strategic plans.

Mr. Derkach: Well, the reason I led into that question is because I know that the funding for regional development corporations has remained stagnant for 11 years. I'm wondering why there hasn't even been a consideration to increase the funding by the cost of living or, for that matter, the consumer price index, because people who are hired to run these development corporations, I think, would expect the same salary increases that others would. Why would the government hold these at a constant level rather than enhancing them a small percentage each year, no different than the budget of any department of government or, for that matter, the minister's own departmental administrative increases?

Ms. Wowchuk: Mr. Chairperson, this money is enabling funding. It is money, as I mentioned earlier, that leverages up a lot of money. When they come to us with specific projects, they might be able to access money to work on specific projects. So there is additional money that goes in, but the member is right, the base funding has not changed. But we have worked with them in different ways to help them with their projects and have sponsored programs, in some cases, as they have applied for funding.

Mr. Derkach: Well, Mr. Chairperson, the reality is that there's a philosophical difference here between the minister's government and private enterprise, if you like, in community development, because if you enable communities to do things for themselves by giving them a small incentive grant to be able to maintain their offices and to continue to do the work, it only stands to reason, only practical, good reason, that the funding should have some sort of increase on an annual basis.

I don't know of any other program under this minister's purview where funding has been frozen for 11 years. I don't think there's any department in government that has had its department funding frozen for 11 years or any programs. I reviewed some of the programs in Aboriginal and Northern Affairs and I see significant increases to programs there, whereas rural Manitoba and its development corporations are really struggling and have been left on their own without increases.

So I ask the minister—and if there are any other programs that have had their money frozen for 11 years, I'd be encouraged to hear from the minister as well. But I'm wondering whether or not the minister would take under advisement the frozen funding for these regional development corporations and whether or not she would review these corporations' fundings with input from them and then perhaps, in a subsequent year, it can't happen this year, but in a subsequent year look more positively at how we can enhance the work, I think important work.

The minister herself alluded to the fact that they lever \$5 million by the small amount of investment that is given to them by this government. So I'm asking the minister whether she would perhaps take another look at this whole area and, I guess, recognize the importance of development corporations and what they do by giving them some sort of an increase in the future.

Ms. Wowchuk: Those are fair comments. I will say to the member that he talks about regional development corporations having been in place for some time and play an important role, but I will say that I think the member is aware that we have been meeting with the various people that are involved in economic development as well as municipalities to look at how we might be able to improve the services that we deliver through regional development corporations, through our economic development officers, Community Futures. There are a lot of things going on out there and we've started a review. We've had some feedback on it and we will continue to work with the various people involved to look at how we might improve services.

The comment—there is municipal money that comes into this, too, to help with that. I talked about how much there is leveraged up, but there are also some very good projects that they have worked on and leverage money, you know, the Central Manitoba Broadband in the R.M. of Lakeview. We

saw the Heartland Community Futures Development Corporation and the R.M. councils work together and they accessed \$1.4 million for this project.

So there are projects where they access money and they work with our government. So they do work. We value the work that they do and we are reviewing and certainly—but once we complete that review—and it's an issue that the people that work in this field have raised with us as well.

The member asked me to review it and look at it, I take that advice.

Mr. Derkach: I thank the minister for that. I have a question with regard to feasibility study projects, that I think there were 20 of them that received funding from the department.

I'd like to ask the minister how many of the feasibility study projects have moved from that stage onto a development stage or beyond just a feasibility study. If she can give me—I don't need the list right now, but if she can provide that for me in writing that would be acceptable, and just to give us sort of a progress report on the projects that have received feasibility study money, and whether they've moved on to a further stage from the feasibility stage.

*(16:10)

Ms. Wowchuk: I can provide the member with a list of the projects that got feasibility studies and the ones that are moving forward. Rather than reading them on into the record, I can look at it, get a little bit more accurate information on the ones that are actually moving. But, as I look at the list, yes, some of these are moving forward quite nicely beyond a feasibility study.

Mr. Derkach: I thank the minister for the answers to these questions. Mr. Chair, I know that Dr. Gerrard has some questions that he wants to ask before 4:30 p.m., so I will relinquish my time now and thank the minister and her department.

I have to say to the minister to extend, certainly, my appreciation to the work that is being done by members of her staff. I have the utmost respect for the work that is done in her department by her staff. I encourage her and her department to continue working on behalf of rural Manitobans and to continue to make programs current and useable for the benefit of rural Manitoba entrepreneurs and communities. Thank you.

Hon. Jon Gerrard (River Heights): My first question deals with this H1N1 flu. I'm sure the

minister is looking at this situation carefully. I'm just asking what the minister's plans are with respect to this flu.

Mr. Chairperson: Just before recognizing the honourable minister, I'll just remind all members of the committee that questions should relate to information that is, in fact, contained in the Estimates document for whatever department we are immediately discussing. Ministers usually have discretion on whether to answer a question that falls outside of that, so just as a reminder.

Recognizing the honourable minister.

Ms. Wowchuk: Thank you very much, and thank you for that guidance, Mr. Chairman. This is an important issue and I want the member to know that my department is fully engaged with CFIA and with chief veterinarians right across the country. There are daily briefings, daily conferences to work on this. Our Chief Veterinarian has provided information and is in contact with the veterinarians, working very closely with the Manitoba Pork and fact sheets. Information is provided for them for this to ensure that things are done at the best level. All the bio-security measures are in place, but we want to be sure that everybody is following all of the proper steps. So there is a very close engagement of the department, of the industry, and nationally with CFIA to ensure that every possible step is taken. There is work being done to develop a test for this particular virus; that is being done. So my department is fully engaged. I believe the Chief Veterinarian was at the briefing yesterday, and there is a briefing every day that is being provided. But this is something that's being taken very seriously.

Mr. Gerrard: Will the minister be working with the Pork Council to provide a guarantee that Manitoba hogs are H1N1-virus free?

Ms. Wowchuk: Swine influenza is a respiratory disease. It's one that we don't—what we have now is a variant of H1N1—we don't test for it. We test animals when they come to our labs. The question is, I believe, can we guarantee Manitoba producers that there is no H1N1? No, we can't guarantee that. This is a virus that's here and we test for it when we see cases of it, but it is not something that you can test for. *[interjection]* H1N1 is here, but the variant is not here.

Mr. Gerrard: That was the first point on which I wanted clarification that this new variant is not here. So it would be not to guarantee that it's H1N1-free

but that the Manitoba hogs are free of this new variant of H1N1.

Ms. Wowchuk: There are no cases of swine flu in Manitoba. Nothing's been reported. There is no swine flu in people. So there is no reason right now to believe that there is any in the pork industry, but we cannot guarantee that there won't be. You can't confirm until there are tests done and because there are no cases of the variant here we assume there isn't any at this point. But we work very closely with the industry and our vet works very closely to take all the necessary precautions to ensure that—and there are very high protocol standards in the pork industry. They have developed these protocols. They have worked very hard on them and we will continue to work with them. But can we guarantee the pork industry that there won't be anything? No, we can't guarantee them.

Mr. Gerrard: My question was not a guarantee to the pork industry, but to work with Manitoba Pork to try to be in a position where you can provide such a guarantee. My understanding is that tests for this virus are probably only days away, and it should, very shortly, not be a matter of whether there's a test or not.

* (16:20)

Ms. Wowchuk: The member talks about a new test that should be available. When that test becomes available, it will become part of the routine test that's done on respiratory diseases, but we don't have the test right now. If the member is asking if all the pigs are going to be tested, all I can say to that is our veterinarians are working very closely with the industry and the industry has very good protocols in place.

Ms. Flor Marcelino, Acting Chairperson, in the Chair

Right now, the disease is not in the pigs; it's in humans. So testing all of the pigs right now would not be an appropriate step. It would not be what the industry would be asking us to do.

Mr. Gerrard: I'm not suggesting that all the pigs would need to be tested, but I am suggesting that it would be reasonable to work with Manitoba Pork to develop an approach which would enable Manitoba pork producers to say, we guarantee Manitoba hogs are free of this variant.

Now, it seems to me the minister is talking about this variant causing respiratory disease in pigs. It

causes respiratory disease in humans. We don't know whether it does cause respiratory disease in pigs. I guess we don't even know whether it infects pigs, but certain human influenza viruses, apparently, will infect pigs but without there being, actually, symptoms. So it may be a little more complicated; nevertheless, it would seem to me that to develop an approach which would enable us to say that the pigs in Manitoba are free of this variant would be a strong way of ensuring people in Manitoba and elsewhere that there's no way anybody should consider being concerned about Manitoba pigs.

Ms. Wowchuk: I think the first comment I want to make is when you talk about testing, we have to be clear that this is not a food safety issue. The influenza does not impact on the safety of the pork. There are no human health or safety concerns with the consumption of pork. I think that that's very important that we say that, and we do not start talking about having to test all of the animals because it might be a safety issue.

I think we have to very much look at this as—it is a challenge and we will and we do work very closely with the producers, but it would be impossible to declare that we were free of any influenza in animals. In animals, generally, this influenza is quite mild, and the pork industry, we work very closely with them.

But I think the most important thing that we can do with them, through our Chief Veterinarian and through CFIA, is continue to get the information out on what the signs are that you should watch for. Just as you have to watch for signs in humans, you also have to watch for signs in animals, and we have to encourage people to keep very high health standards and good protocols in place.

You know, our producers do have very good protocols. If you tried to go to a farm today and wanted to get into their barn, they would not let you into that barn because they have the protocols in place, and herd health is very important to them.

So the question is, can we guarantee that there is no influenza in our swine? No, Manitoba Pork cannot do that, but we have to continue to work with them, have high protocols, put the information out and continue to work with them.

But, ultimately, the main message that we have to get out with regard to this is that this is not a food safety issue. Our pork is safe.

Mr. Gerrard: Now, first of all, a couple of points. I'm certainly not asking us to provide assurances that the hogs in Manitoba are influenza-free, right? I don't think that that's appropriate or needed in any way, shape or form. From what we know at the moment, it would seem to be highly unlikely that there would be any H1N1 variant in Manitoba.

So it's almost certain that right now there is no H1N1 variant in this province, so it would seem to me that the measures that would need to be taken to make sure we don't get it in the pigs in this province would be to make sure that there are no pigs imported from areas—for example, Mexico—where this might be present in the pigs and eliminate, to the extent that it can be, any transmission from humans or from chickens.

So let me start with the first one. Are there any measures in place to track importation of pigs from Mexico and whether they would be quarantined, if they're brought in, to prevent it. What's the situation in terms of people bringing in pigs from Mexico?

Ms. Wowchuk: CFIA controls the import of animals, and when animals are imported, there is a quarantine period that they have to go through. I do not know whether there are any animals in quarantine right now. It is not a general practice where you would see pigs from Mexico coming into Manitoba. It would be quite, quite rare, if it would happen at all.

But, if there were imports, there is a protocol that is followed and will continue to be followed. I know that our producers are pretty vigilant, and they have pretty enhanced viral securities. But this falls under CFIA and I am confident that the proper steps are taken, and as they are with other animals when they're brought in, there is a quarantine period.

Mr. Gerrard: Now, for people, we know that there are significant numbers of people in Mexico who are infected with this H1N1 variant. The best way to be ensured that they don't carry this is to have people, because of the incubation time, not going to hog barns until they're past the incubation time, which is four days, say, a five-day period, before going into a hog barn if they come from Mexico.

Is the minister looking at advising people not to go into hog barns if they've recently come from an area like Mexico where this new variant is to be found?

* (16:30)

Ms. Wowchuk: There are protocols in place. I know the member has travelled out of the country and, when you're coming back into the country, you have to indicate on that form whether you intend to be on a farm within—I believe it's the 10 days or next two weeks. If you fill out that form and say you are going to be on a farm, you are called off to the side and all of the information is provided to you about where you've been and what you should be doing.

However, all of this information has been communicated from our department, from the Chief Veterinarian to all of the vets across the province, to producers, that they should be very careful with people coming onto their farms. Of course, people have to use common sense but, as I said earlier, our producers are very cautious about people coming onto their farms, and people have to use their common sense.

So there's a federal regulation about when you're coming into the country, and a question is asked, and we all have to be vigilant. That's why information is being put out and there is regular communication on these issues.

Mr. Gerrard: I'm asking these questions because, you know, I am very concerned that we take every possible measure to make sure that the H1N1 variant doesn't get into the hogs in Manitoba. I think that's in all our best interest and the producers' particularly.

I think that what the minister has said I will follow because I think it's extremely important at this particular time, particularly early on in an epidemic like this that measures are being taken to make sure that nothing slips through the cracks in a way that could be detrimental to hog producers in Manitoba. Thank you.

Mr. Cliff Cullen (Turtle Mountain): I just have one quick question for the minister, and it's in regard to the standard-bred racing industry in the province. It's, in particular, the Manitoba Great Western Harness Racing Circuit.

There've been some interesting challenges for these folks over the last year; they've been shuffled back and forth between Lotteries and Agriculture, and I understand the budget this year is supposed to be coming out of Agriculture. They're certainly waiting with bated breath to hear what the announcement would be from the minister in terms of the amount of financing going forward. As the minister knows, it's very quickly approaching May,

and the industry would like to be doing some advertising for their season, which would be starting in very early June. So, certainly, time is of the essence here and the clock is ticking.

So I'm just wondering if the minister could indicate, you know, if there's going to be an announcement coming fairly quickly and what kind of level of funding is going to be available for that circuit.

Ms. Wowchuk: I would indicate to the member that it was funded out of this department for the last couple of years, and it is in this year's budget again. We are in discussion with the commission because that's how the money flows, and I think the association is aware of how much money they are getting, but they're looking for more. They are looking for substantially more than what they're getting, but if they don't know, they will know very shortly.

Mr. Ralph Eichler (Lakeside): We all want more money, obviously, and it's those tough decisions we have to make. Certainly glad to get back on topic here and thank the minister and her staff for allowing my colleagues to ask a few questions.

I guess my next question I'd like to ask in regard to the heavy rainfall and that in the Interlake and the Westlake regions in regard to the compensation package that was announced.

I've been getting a number of calls from producers in regard to the time lines of which the \$40 per acre compensation in regard to those hay lands that were punched out, when they might be able to receive an adjustor on site to look at those particular parcels and when that will, in fact, take place so they can make the necessary plans to move forward in the next couple of weeks to get the seed in place and the other things they need in order to make sure they can get it reseeded in time for this year's hay crop.

Ms. Wowchuk: The \$70 payment is flowing, but the terms and conditions on the \$40 an acre are in draft right now. We should have that ready within the next couple of weeks so that people can start to make application, but it is my hope that we can get that done fairly quickly.

Mr. Chairperson in the Chair

Mr. Eichler: Are there adjustors that will be made available in the meantime to look at these parcels in order to allow those producers that will be looking at

reseeding so they can make those decisions. Or do we have to wait for the draft of the applications before they can actually get some type of indication whether or not they will be able to proceed with reseeding those parcels?

Ms. Wowchuk: Given the area we're dealing with, I don't think there'll be very much work done in the next two weeks. I was through that area the other day and it's going to be awhile. I'm hoping we can have the terms and conditions and the applications ready, but there will have to be an assessment before they can—they'll have to make an application and there'll have to be an assessment. But we are working on it, and I'm hopeful we can get it done in a reasonable time.

Mr. Eichler: Will the department be putting on extra staff then, or calling in extra people, because of the number and the large area that's been affected? As the minister knows and the staff, there are just hundreds and thousands of acres that are going to have to be looked at. There's just no way one or two people can handle the situation, so are there plans to increase the staff in order to deal with the issue so we can get through it in a timely manner?

Ms. Wowchuk: Just as if there were a major hail storm, we would bring in the required adjustors. There are crop insurance adjustors that are available, and those people, along with the staff in the department, will be working on this. There will be adequate people to deal with it just as we do with other situations where we have to make adjustments and appraisals of a site.

Mr. Eichler: Again, on the same issue, in regard to compensation. I know the minister has had conversations with these people in regard to backgrounder for the cattle that was admitted as part of the announcement. I'm wondering if the minister or her staff has looked at that particular issue and if there's going to be any revisitation of whether or not the backgrounder cattle will be, in fact, part of that compensation? I know the minister has indicated she's looking at the Rockwood, Woodlands and St. Andrews area. I was just wondering if she could update us on the backgrounder cattle.

Ms. Wowchuk: We have reviewed it and we will not be making any adjustments on the backgrounders. That position is supported by Manitoba cattle producers.

* (16:40)

Mr. Eichler: I will pass that information on accordingly. Also, in regard to the same announcement about the extra money that was put in, in consultation with Intergovernmental Affairs. How much of that money has actually been earmarked, or what is the percentage of funds coming from the Province in regard to accessing the funding that's been announced on the \$3 million?

Ms. Wowchuk: That's DFA funding, and I would encourage the member to take that question to the Minister of Intergovernmental Affairs (Mr. Ashton) when he's doing his Estimates.

Mr. Eichler: Certainly, I would be pleased to do that. Thank you.

In regard to the Manitoba livestock sector, we've had a number of calls, and I know the minister has had a number of calls in regard to negative margins, and the three years that's been negative margins puts them into a position where they're not eligible for those payments. Is the department looking at that or is there a way that we can figure out to allow those producers access to that funding? Because we know that since 2003 we've had a number of producers that either have been eliminated or, through no fault of their own, lost out on a number of initiatives because of the negative margin side of things, in regard to the compensation.

Ms. Wowchuk: There were challenges facing the industry and the issue was raised about the number of years where there were negative margins, so that was looked at and there was some relaxing of the rules. But we've run into a time, again, where we're facing challenges. So there has been a review, but as we look at the individual cases, most of the time there is a couple of years of positive margins in there as well. It's not all negative margins.

Mr. Eichler: I don't think the constituent would mind; in fact, I'm sure the minister has a copy of the letter sent in from Felix Boileau from Vassar, Manitoba, in regard to his particular initiative and his operation. He's had three back-to-back negative years, '05, '06, '07, and '08 will be the fourth. He is one of those individuals that feels that he's not going to be able to trigger a payment. I would ask the minister and staff to certainly consider changes to that in order to assist those producers who rely just on livestock as their total income. Some of those producers will not be able to sustain their livelihood as a result of that, and, if the minister likes, I would certainly be happy to provide her with a copy of the letter.

Ms. Wowchuk: If the member would be prepared—I'm not sure that we have that letter—but if the member would like to provide us that information, we will certainly look at that file.

Mr. Eichler: I do have a few more questions before we get to the line by line. On the BSE recovery loans, what's the outstanding dollar amount of those loans? How many of those producers have been in default since the BSE loans were announced?

Ms. Wowchuk: During the active part of the BSE recovery loan program, we approved 1,815 BSE recovery loans for a total of \$70.2 million. In February of 2008, a three-year principal deferment was announced. By deferring the principal, people aren't going into default because they don't have to make that payment because there is a deferment.

As of January 2009, the portfolio was \$41 million and consists of 1,335 loans. You can see from that there have been payments. People are paying off these loans—430 of these loans have been fully paid off, and some have turned them into long-term payments. This was a very valuable program for the producers. It carried them through and producers are making payments.

Mr. Eichler: The deferral that the minister talked about for three years on the principal payments and interest obligations for the fourth year, what rate of interest is being charged on that initiative? Obviously the interest has not been forgone on it, it's just the payment of the interest and principal has been deferred, so the interest rate that's being charged to the producer.

Ms. Wowchuk: It varies depending on when they took out the loan, because the interest rate floats. It changes on a day-to-day basis, but there are discounts. A number of them are in the 5 percent range, but I would have to get an accurate number. They're in that range because there was an interest rate deferral.

Mr. Eichler: Certainly, with interest rates coming down in the last number of months and in the last year, would that be something that the department's prepared to look at and rebate some of those interest charges as a result of the cheaper interest rates that are out there in order to offset some of those costs that is just overbearing for some of those producers, especially the interest cost?

If this would be reduced, it certainly would be a way to help those producers without costing the government really any extra money because they

borrowed at a lower rate than what they're charging the producer for.

* (16:50)

Ms. Wowchuk: The corporation borrows the money at that rate and then passes on the money, so we really can't—and it's booked at that price—so you really can't say, well, no, money is cheaper now so we can lend it cheaper. You pay interest at the rate that you borrowed it at. Some of these will be renegotiating at the end of five years and, at that time, that's when they'll be out to capture some of the lower interest rates.

Mr. Eichler: Thank you, Madam Minister. Also, just on that, I know that the cap, I believe is either—correct me if I'm wrong—\$1.2 million or \$1.6 million. As we know, farmers are amalgamating. Farmers are bringing the family members in. Is there any indication or recommendations from staff that we may look at that number to be increased to allow for those larger family farms? As the cost of machinery is rising, price of other initiatives also are getting high, so the maximum amount, is the department looking at that change?

Ms. Wowchuk: Are you talking about the general loans now, on the amount that they can borrow?

An Honourable Member: Right.

Ms. Wowchuk: We do review on a regular basis the level of loans, and there have been some changes. It varies across the board. In some cases, it's higher and in some cases—for example, if you were doing a direct loan, the maximum for an individual is \$600,000; for a partnership or corporation, it's \$1.2 million. So there is a variation in what's available. They are reviewed on an ongoing basis and changes have been made.

Mr. Eichler: When was the last update on the 1.2 million? Where did it come from? I know the minister said it went to 1.2. How long has that been in place?

Ms. Wowchuk: I believe it was last year that this was reviewed, and that's when those changes were made.

Mr. Eichler: I'm sure the minister has very capable staff of keeping her up to date on that, so I won't dwell on it any longer.

I do want to talk about TB surveillance and the update from the test that went on in the herds over the past year. How much money has the Province

paid out in the mustering fee program, and are there any changes that have been brought about as a result of the testing that we could be looking at to make sure we keep our TB-free status?

Ms. Wowchuk: We tested in 2008; 12,500 head were tested at \$6 a head. I know, as of February, we had paid out \$58,000 for 9,000 head. So, if we add on another third, about \$75,000 has been paid out in mustering fees. I want to also say that we've extended the program, because this year we're doing some testing of herds that are outside the zone but have a linkage back to herds within the zone.

Mr. Eichler: We have time for one more quick question and that's just the spread of TB. Are there certain initiatives that are taking place in regard to ensuring that we stay TB-free in that particular area, other than the mustering fee?

Ms. Wowchuk: The first thing that's important is we continue to work very closely with the industry; working with them at meetings to talk about how we might control the spread of TB. The prevention is the most important part.

This year, we put out 36 guard dogs and there will be another 16 going out this year which have been very helpful in keeping deer and elk away from herds. The fencing program continues. There's going to be 13 more fences going up. There was a cull program on elk and deer on the west side of the Riding Mountain and in that test, there were two cull elk and one deer elk that tested positive. So we continue to work with Conservation, with Parks Canada, to look at how we might improve the situation with TB.

Mr. Eichler: I'm prepared to start line by line.

Mr. Chairperson: Thank you. Seeing no further questions, we will now move to resolutions.

Resolution 3.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$143,831,000 for Agriculture, Food and Rural Initiatives, Risk Management, Credit and Income and Support Programs, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 3.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$27,218,000 for Agriculture, Food and Rural Initiatives, Agri-Industry Development and Innovation, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 3.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$45,595,000 for Agriculture, Food and Rural Initiatives, Agri-Food and Rural Development, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 3.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$580,000 for Agriculture, Food and Rural Initiatives, Costs Related to Capital Assets, for the fiscal year ending March 31, 2010.

Resolution agreed to.

Resolution 3.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$466,000 for Agriculture, Food and Rural Initiatives, capital investment, for the fiscal year ending March 31, 2010.

Resolution agreed to.

The last item to be considered for the Estimates of this department is item 3.1.(a) Minister's Salary, contained in Resolution 3.1.

The floor is open for questions, very briefly.

Mr. Eichler: Mr. Chair, I just want to thank the minister and her staff officially for the perseverance they put forward in regard to the other questions put forward by myself and the other members of caucus. It certainly is very informative. I just want to thank the minister for that and pass it on to her staff. It's certainly appreciated.

Mr. Chairperson: Duly noted.

Resolution 3.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,485,000 for Agriculture, Food and Rural Initiatives, Policy and Management, for the fiscal year ending March 31, 2010.

Resolution agreed to.

And with scant seconds to spare, the hour being 5 o'clock, committee rise.

EDUCATION, CITIZENSHIP AND YOUTH

*(14:40)

Madam Chairperson (Bonnie Korzeniowski): This section of the Committee of Supply has been dealing with the Estimates of the Department of Education, Citizenship and Youth.

Would the minister's staff please enter the Chamber.

We are on page 71 of the Estimates book. As previously agreed, questioning for this department will proceed in a global manner.

The floor is open for questions.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Madam Chair, if the member would like, I know that there are a number of questions that he had asked a couple of days ago to which I do have the answers. If he would like, I could put those answers into the record before we proceed with further questions.

Okay, sorry, Madam Chair, my mike is live, but—

Madam Chairperson: Excuse me.

Mr. Bjornson: Madam Chair, I understand the member didn't hear what I had said in my opening comments, so he asked me to repeat that through gesture.

If the member would like, I know he asked a couple of questions for some very specific information a couple of days ago and I assured him we would get back in a timely fashion. Well, I do actually have the answers to most of those questions, and if he'd like I could read them into the record at this moment.

Mr. Ron Schuler (Springfield): That would be great.

Mr. Bjornson: First of all, there was a question dealing with the total number of staff hired in 2008-2009. That total for '08-09 was 79 and it breaks down as follows: 60 were hired by means of competition, 17 through direct appointment, two through Order-in-Council. The direct appointments include terms, secondments, lateral transfers.

Second question was the number of reclassifications in '08-09. A total of 48 positions were reclassified in 2008-2009.

Question 3, I believe we've addressed the number of vacant positions as of April 1 was 18.65 full-time equivalents.

Question 4: What was the full-time equivalent count in 1999-2000? It was 622.68 full-time equivalents.

A fifth question was the number of untendered contracts in '08-09. The total number of untendered contracts '08-09 was 260, of which 42 contracts were under \$1,000. The ones under \$1,000 were mainly for translation services. The other contracts, mainly between \$5,000 and \$15,000, were for curriculum related purposes, such as developing, reviewing and revising courses for independent study, providing print-based distance learning or tutor-marking support. They're also to develop curriculum implementation documents, review and revise Web-based courses, develop materials that complement existing courses such as using videos, CDs or books, develop draft curriculum documents and develop courses in other languages, such as German and Ukrainian. Other contracts were for translation, preparing and presenting workshops, either for staff of the department or teaching staff and developing teacher resources.

Question 6 was, what was the number of staff that moved out of 1970 Ness? The total number of staff affected by the move was 83, and it breaks down as follows: 24 staff moved from 1970 Ness to 1181 Portage Avenue; 59 staff moved from 1970 Ness to 1577 Dublin.

The last question was talking about the total communication budget for the department. The total communication budget for the department was \$1.294 million. This amount includes telephone, electronic communication services, postal services, program promotion, radio systems and a number of other methods of communication.

So I believe those are most, if not all, the questions that we had suggested we would get back to the member on.

Mr. Schuler: The minister was also going to look into how many schools, potentially, would have asbestos in them. That was one of the other questions, I take it. That information isn't forthcoming yet. The other question was: How many schools—and I'm looking through all my notes here—how many children are in schools, and the age of the schools? I think that was the other one. How many were built in the '40s, the '50s, the '60s, that kind of thing? I think the minister said he had a facilities review sheet, that he just had to reference it. I was wondering if he had that available today.

Mr. Bjornson: I believe the facilities review sheet that the member is referring to, we're talking about a space audit and how space was being used in terms of the number of students in each school and the

regulatory space per people, et cetera. That I can provide for the member, but, as far as the number of schools that have asbestos, that will take a couple of weeks to compile that list. As I said, this is information that the school boards would be privy to. We will have to contact each individual school board to make that determination. So, as the member can appreciate, with 684 schools in the system, it might take a while for us to get that information for the member. I appreciate him raising that issue, because I myself would like to know how many schools would contain the asbestos, as well.

Mr. Schuler: One of the strange things about Estimates is that it goes over several days. It's a great opportunity for members of this Legislature to come forward and raise issues and craft questions directly with the minister and his staff, but it does make it a little bit disjointed for the critic to keep a cohesive line of questioning. So I had an opportunity to look back at *Hansard* and some of the questions that were asked and sort of where we left off, because I know the Member for—Mr. Lamoureux. I think we're allowed to use those names when we're in committee—he was the last one to ask questions.

So I want to go before that—

Madam Chairperson: Order, please. No, you still have to refer to the constituency, Constituency of Inkster.

Mr. Schuler: The Member for Inkster had finished off yesterday's session. So I want to sort of finish off the first part of this afternoon—

Again, it has to do with the policy or regulations on school closures. I have to say I'm disappointed in the minister's response. I had an opportunity to, again, one more time, see his response in writing, because *Hansard* has already been provided—and thank you very much to those individuals that work in *Hansard*. You're doing an unbelievable job keeping current with the *Hansard*. I suspect they work late into the evening getting these printed and onto our desks.

* (14:50)

To the minister, I think it is unwise. I think it is terribly unwise not to have some policies, some guidelines and some regulations in place in what school divisions should do with property if there is full agreement on surplus property. The minister has indicated he is not prepared to look at it, and I will leave it at that. He has said no. I still think it's unwise that the minister came forward and said there is a

moratorium on school closings, and then there's sort of, like, a comma, and the sentence just hangs out there.

I point out to the minister, denial is not a river in Egypt. To live with denial and just allow it to sort of hang out there isn't leadership. There should be the second part of that equation. The second part of that question should be completed. I suspect the answer will be the same so we're best off moving on to continuing on the Estimates questioning.

I would like to thank the minister and his staff for going back and answering some of the questions that had previously been asked.

Madam Chairperson, can the minister tell us: The two Orders-in-Council that were hired by his department, who were they?

Mr. Bjornson: I can tell the member that the two Orders-in-Council included Aileen Najduch, who's acting assistant deputy minister. She's been with the department for quite some time, and as per the matter, of course, the other Order-in-Council was Kaila Mahoney, who is my special assistant in my office.

Mr. Schuler: And then the minister mentioned there were 17 direct appointments. Why were there so many direct appointments? Is that something that's normally done?

Mr. Bjornson: As I mentioned in the answer, as well, that the direct appointments were a combination of a number of things including term positions, including secondments and including lateral transfers. That was par for the course for these particular appointments, the 17 direct appointments.

Mr. Schuler: Of the 17 appointments, were there any that were appointed from outside the public service. That means not lateral transfers, not secondments, individuals that were taken from outside of the department?

Mr. Bjornson: There may have been some secondments outside of the department, but I don't have the details around that for the member right now.

Mr. Schuler: How many individuals were hired who currently didn't work or don't work for the provincial government and were just hired by direct appointment?

Mr. Bjornson: I believe it would've been nine, and those nine would've been secondments—likely

would've been secondments, so I can provide more details for the member, but it would take time to get that information for the member if he needs more details on those secondments.

Mr. Schuler: Again, I'm not asking about secondments. I'm asking about just direct appointments to positions within the department of individuals that currently didn't work for the department or for the government, in other words, that they got the job without going through a competition. Was there anybody who was given a position, a job without going through a competition other than secondments, transfers, that kind of thing?

Mr. Bjornson: We're not sure how many the member would be referring to, so we'd have to find that information for the member.

Mr. Schuler: Could the minister, then, provide for the committee those individuals that were hired who were not public servants? That means it wasn't a secondment, it wasn't a transfer, it wasn't a lateral transfer. Those individuals who were direct hired, direct appointed to a position, may the committee have their name and the position that they hold?

Mr. Bjornson: We can provide that for the member, yes.

Mr. Schuler: Thank you. Just going back again, the minister is still going to let the committee know sort of the age of the schools. I understand we have a substantial amount of schools. He was going to let us know, you know, how many of those were built in certain time frames. If he has that right now, the committee would love to hear those numbers.

Mr. Bjornson: What I can provide for the member is a history of schools still in use today based on square footage and when it was built, because some of the schools, as the member may know, have been added on to. I've been to some buildings that have been added on to two or three or even four times. So what I have is a chart that shows the lion's share of the construction starting very vigorously in the late 1950s and going through to 1976, where there was a pretty steady development of square footage of space in our public school system.

So, to be specific school by school in terms of construction, as I said, I know in my own Gimli high school the main part of the building was built in 1961. I know it was added on to in 1977 or somewhere thereabouts when I was in grade 7 back in the day, so then there have been some changes to that building since. So, to go specific school by

school, would take a while to get that information, but I can provide the member with school construction in Manitoba of schools still in use today as of October 2002 that shows the main construction, and certainly I can provide a list of schools that we have built since 2002 as well.

* (15:00)

Mr. Schuler: That would be fine, and it certainly is a starting point. Again, I understand the minister has a committee on school use. He sometimes—I think he said in 2002 he asked for, basically, a facilities use review, if that's the right term.

One of the concerns I think that a lot of people are raising is that we have buildings, and the minister is right, there are a lot of schools that have been added on to and added on to. But, then, the base building is still the old building, and what kind of shape are those buildings in? I believe, just as an example, even in this Manitoba Legislature, we have wonderful drinking fountains, it's just that none of them work, and that's what happens. Right? Buildings get old, the plumbing is probably unsafe, and we know that there might be some materials in the old part of the school that are not up to code.

So that's sort of what I was trying to get at with the questioning, and I understand that the new additions would have been built to the code and to the standard of that day. Fortunately, for us, as we learn about the materials we're using and new innovations come forward, the code standard actually does change. So that's sort of what I was trying to get at. Of course, I understand that there would be a school that might be listed as newly added on in, for instance, 1997, but it would be added on perhaps to a building that had been built in the '50s.

So, again, as we go through this process, and I asked the minister about the safety of schools, and a lot to do with ventilation, with plumbing, with all the newest security that goes with it, whether it be proper egress and ingress when it comes to those who are in wheelchairs or have some physical challenge that they may not be able to get up a stair quickly and the elevators tend to be rather slow. So I don't know if there is a plan for that kind of a study. When the entire issue was raised, and the issue started to go to school closures, we had said that, as a Progressive Conservative opposition, what really needs to be done, first of all, on a city-wide basis, is a facilities review that would look at that kind of stuff.

Just as a case in point, I can remember Maple Leaf School. Now, Maple Leaf School had a section of the school that was caving away from the main part of the building. There were severe cracks happening all over the place, and it needed a definite renovation. In fact, I think it was the office part of the building was slab on grade, it had no footings, it had no piles, so that all was ripped down, torn away and a new addition was added on to new code standards.

That's why we've been calling for, all through this process, that not just a moratorium be put on school closures, but if the minister will, behind that comma which he won't fill in the rest of the sentence, we believe that a city-wide facilities review is necessary to look at. Not just the square footage construction, but also within a school. How old are the various components? How safe are they? What kind of building materials did we use? The new schools are magnificent. You don't need elevators because egress and ingress is very easy, if you can come and go as you please.

I know of other schools, and it was modern in those days, it's sort of like a bi-level, you go up and down, down, say, of eight steps, or up eight steps, and that was the style. But to get children out of there in a hurry is a difficulty. Anyway, that's what I, certainly, as a critic for or the advocate for education for the opposition, we certainly, as a party, would be advocating for starting with the city-wide review on facilities.

So I leave that with the minister. I don't know if he wants to comment on it, but I'd appreciate the chart. But, again, the chart doesn't bore down and get to the real issue, and that is the safety of the facilities we have, albeit that you could have a gymnasium or classrooms that are just right up to code as of today, and yet parts of the building would not be.

So that is something that we would encourage the minister to look at and perhaps incorporate into his moratorium on school closings that a system-wide facilities review be undertaken.

Mr. Bjornson: What the member's implying is that we're not reviewing the state of the buildings, the state of the infrastructure here in the province by suggesting we undertake one. I'm curious why he would propose that that would be limited only to the city. I'd like to assure the member that every year school divisions are engaged for the Public Schools Finance Board doing an assessment of the schools, doing an assessment of any structural challenges that

might be posed, doing an assessment of access issues, looking at boiler replacement, looking at ventilation systems, air quality checks.

This is ongoing. It's not something new, and for the member to suggest that we undertake this review, it's something that happens every year. That's part of the five-year capital plan process that school divisions are engaged in because they respond to changing needs within their division. They respond to emerging needs as we try to do, and I'd like to assure the member that the 106 projects that will be part of the \$85 million this year, \$13 million are for structural renewal at nine schools. Roofing projects for 53 schools accounts for a \$12-million investment, \$3 million for schools to accommodate students with disabilities in 15 more schools. So this adds up to 106 projects—sorry, if you're going to do the math you have to add 29 schools that will be impacted by heating and ventilation system installations.

Now we've got a total of \$38 million out of the \$85 million in next year's budget targetting the infrastructure needs, and we are certainly sensitive to emergent needs. If there's a health issue, and I've said this before, where schools that you would think would be structurally sound and not in need of replacement suddenly are discovered to be infested with mould and beyond remediation, we've had to replace those schools, and we've done so in a timely fashion and worked with the school division to do so.

So to suggest we need a system-wide review, there's always a review. There are always air inspections going on where a need is demonstrated; there are always assessments of boilers and ventilation systems; there's always a look at the structural integrity of the buildings and they're inspected frequently. As I told the member the other—I'm not sure if it was yesterday or the day before, we've also hired an engineer in the Public Schools Finance division to attend to inquiries by school divisions who are having difficulty getting somebody from the private sector in a timely fashion. We want to speed up the process if there is an emergent need in consultation with the divisions using engineers from the PSFB to assess need and to respond in a more timely fashion to ensure safety is addressed for these infrastructure projects.

Mr. Hugh McFadyen (Leader of the Official Opposition): I just want to thank the Member for Springfield (Mr. Schuler) for permitting me a few minutes to ask a couple of questions.

It may surprise the minister to know that it's not directly in relation to the southwest Winnipeg high school situation. I think we have covered that issue through question period, as well as through the Estimates process over the past couple of days.

It actually pertains to some discussions I had yesterday at Gordon Bell High School with some of the teachers and administrators at Gordon Bell. I had the pleasure of attending a career fair there yesterday morning. The minister will know, as an educator, how important those events are for high school students as they're looking to make decisions about their futures. The issue of the space to the west of Gordon Bell High School came up and the opportunity that's presented itself by the fact that the land has been vacated and is potentially available for development as an outdoor space for sporting and other community activities.

* (15:10)

I just want to ask the minister if he could provide any update as to the discussions that are ongoing, recognizing, of course, that it's not just his department that has a role to play in this situation. But I wonder if he could provide any update on how discussions are progressing with respect to that space to the west of Gordon Bell High School.

Mr. Bjornson: Well, I thank the member for the question, and, as I'm sure he's aware through the media attention that has been generated by this particular issue, we had been engaged with Canada Post in a negotiation to look at an alternative site. The member might recall last week that it appears that Canada Post had rejected the proposal that was on the table, looking at Main and Higgins as a possible location for their sorting depot.

We believe that that is still a very viable option. I've sent a letter to the minister responsible for our Canada Post Corporation, and I understand there are going to be some further discussions on this matter.

There are also other options that we're willing to explore, and we hope we can do so in a timely fashion and in a fashion that would suit the needs of Canada Post for their construction time lines. Certainly, I would hope that we're able to negotiate successfully, as I'd like to be out there kicking a soccer ball with those kids from Gordon Bell. The community has been tremendous advocates for this.

As the member knows, the students of Gordon Bell have met with me, and they've petitioned, they've got the media involved, they've done a

tremendous job as advocates. I hope they have a favourable solution, and I hope that we can be a big part of making that happen.

Mr. McFadyen: Madam Chair, I thank the minister for the response and would just ask—first of all, make the comment that we certainly support the proposal that's being advanced by the school and the communities that surround it, as well as the students who are in need of some additional outdoor space. It's very clear if you—and I know you have—have been around the school. There's, compared to certainly many other schools of its size, a lack of suitable outdoor space for sports and recreation, and the surrounding communities are not as well served as some others, certainly, in terms of green space and recreation facilities.

So it is a tremendous opportunity. I just want to indicate to the minister my commitment to assist, if there's any way that I can in persuading the federal government and Canada Post to come to the table and be reasonable in terms of the position it might take, and just ask for clarification, because the media report was quite pessimistic about how things were progressing.

So, for clarification, can the minister confirm that Canada Post is, in fact, still at the table and that there's still a good prospect of a positive resolution for this issue?

Mr. Bjornson: Yes, we have continued to be in discussions with Canada Post. I know that there had been a conversation yesterday and they are willing to look at other options, and we were exploring what options we can assist them to find a suitable location that is a win-win-win for the community.

So we'll continue to work with them and, again, I have sent a letter to the minister responsible and, if the member is so inclined to do the same and talk to some of his federal colleagues in Ottawa about the importance of this issue for the community, I'd appreciate that, that the member would undertake to do so, as we continue to work with our colleagues federally as well. So the more people singing from the same book would be very useful to this end, and let's both get out there and kick a soccer ball with them if we're successful.

Mr. McFadyen: I don't know if the minister knows that kicking soccer balls is one of my favourite activities. In fact, I think there was an unfortunate photograph that the *Winnipeg Sun* ran in the course of the election campaign two years ago. But I want to

thank him for that offer, and also for his support for the initiative, and just ask whether, to the extent that there are going to be budget implications for the department or the board, whether those have been addressed within current budgets.

Mr. Bjornson: I think the guideline for the negotiation has been that, you know, we should be able to manage this within our existing envelope and, hopefully, be successful in the negotiation within that envelope. Certainly, we have the capacity to deal with this if we're successful, particularly in a land swap, which we think would be the most appropriate course of action. As the member knows, there are a lot of capital issues that we hope to address within that \$310 million, and we feel that we have the capacity, to some extent, to deal with the negotiations that are ongoing.

Mr. McFadyen: I want to thank the minister for that response. We appreciate the fact that this is a work in progress in terms of these discussions, and so I'm not suggesting that there ought to be any commitment, anything firm in terms of dollars currently, don't want to provide Canada Post with any negotiating advantages it doesn't already have.

So I thank the minister for the response and we'll look forward to supporting the effort to move forward on this, and I will take up the opportunity to write to the federal minister and provide the minister with a copy of our correspondence, and on that note, we'll turn it back to the Member for Springfield. Thank you.

Mr. Bjornson: I'd like to thank the Leader of the Opposition for his support of this initiative and look forward to a favourable result.

Mr. Schuler: When the minister and the Leader of the Opposition play soccer, I want them to know I'll be their coach, seeing that I do an awful lot of coaching of soccer, so—or referee. I spent yesterday evening out on a field on Keewatin. I showed up after session with my suit and tie on and promptly became a linesman.

If that wasn't strange enough, we ended up finding an individual who needed medical attention. So the boys were playing their soccer game and the first responders were in the field helping an individual who seemed to be in distress, and it was all way too exciting. As I was helping the ambulance get between two posts driving in the field, my son scored the winning goal—the only goal of the game—and turned to me afterward, he said, so did you see

me score the goal? I said, no, no, I was doing my civic duty helping this individual get medical attention.

So I'd be more than willing to help the two of you with your—I could probably even coach you a little bit. But I do an awful lot of that.

Anyway, all involves children, and it's all good, and we know that there are a lot of challenges when it comes to land in the city. We, I think, all respect that Canada Post, you know, went through due diligence. They bought the property. We all respect that they came forward. I hope that that doesn't preclude them from looking at a reasonable offer and allowing the school next door to utilize that land because the school is landlocked.

You know, obviously, the school and individuals in the community should maybe have looked at it sooner, but you know, I suspect they, like most of us, are busy and involved in their children's lives and working and trying to put food on the table and all the rest of it, and may not even have known that the property was for sale. I don't think a lot of those parents probably read the trade magazines and the real estate magazines and probably didn't know that the property was for sale or they more than likely would have approached the minister and the board to have purchased it.

So I don't think anybody is trying to indicate that, somehow, Canada Post, you know, didn't go through due process. It's just that probably most parents didn't even know that the property was for sale. We hope that a settlement can come of that. That's a nice piece of property. It'd be a great place to have a green space, frankly. I think it would be a nice place to have some greenery, and if they're going to put a soccer pitch in there, that better be one very high fence to keep the ball from going into the traffic.

*(15:20)

Certainly, we'd always encourage—and maybe that should be the message we could send from here to Canada Post: In the end, we want what's best for the upcoming generations. If you want to talk about health-care costs, talk about getting young people involved in sports at an early age. If they continue through with that, we can cut a lot of costs in health care and in other areas. We hope that an agreement can be reached with Canada Post. It seems to be that there are a lot of cool and reasonable heads around the table that are dealing with this and that, in the

end, we can resolve something that is favourable to everybody involved. I thank the Leader of the Opposition for having raised it and appreciate the answers back from the minister.

Without the luxury now of having *Hansard* of where we left off, the minister asked a question and what he said was, why would you limit a facilities review to the city? The answer to that is, I wouldn't. What I would suggest is that a facilities review should be started for the city of Winnipeg.

Again, this gets back to there's no cookie-cutter approach that can be taken because our province is so diverse, because the needs are so diverse. If you travel along from the southwest corner of the province to the northwest corner of the province, you travel through some varied and different and unique communities that have different and unique needs. I think I mentioned to the minister that what applies to one area clearly doesn't apply to another area.

Even when it comes to school closings, it's just not reasonable—I don't feel it's reasonable to keep open a school in the city of Winnipeg where you have six or seven students, while that might be eminently reasonable in an area where the closest school is an hour and a half drive away. Every case has to be unique unto itself.

But the reason why we would ask for a facilities review in the city of Winnipeg is, first of all, to see what kind of age you're looking at, safety issues and what kinds of upgrade needs we're going to need. I know the minister has spoken about the kinds of upgrades that are now going to be taking place. Those are substantial. I would say to anybody—and I'm always a very, very big advocate and supporter of education—that nothing that the minister raised is frivolous. When replacing a roof, replacing beams, replacing boilers, some of the least sexy things you can do as a politician, those things have to be done. That speaks to the age of the buildings that we're dealing with.

So a systems review certainly would go down that path. The minister and I have had this debate over the last two days of who owns the schools, and I think we're disagreeing where we actually agree. In the end, it's the provincial dollars that go into that, by and large, and I know the school boards do supplement that. I want to recognize the fact that school boards do supplement renovations over the summer period.

But the bulk of the money does come from the provincial government, and it's the provincial government that probably should know where the stock is, where the buildings are and what the needs are going to be. Is there a five-year plan? Is there a 10-year plan? I hope we're not going to renovate buildings that one day are going to sit empty. I hope we're not going to look at renovating wings on buildings that might sit dormant for 20 years. We have to be very prudent with every penny. That kind of an approach, I think, would be palatable to parents, would be palatable to administrators. I think it would be palatable to the minister, to sort of get a handle on where the buildings are.

I know from my past, the motto always was, try not to own your own building. When you're in business, there's this thing about you have to own your own building. Well, be careful about that because it's new at one point in time and then it gets old and you're stuck with a lot of renovation costs. That's what's happening. I actually think we as a Province and the school boards have done a magnificent job on maintaining buildings, on keeping our buildings up to a standard, but we do live in an incredibly harsh environment, and it's hard on our buildings.

I had this conversation over lunch with the insurance association that was in today and had a reception for MLAs over lunch period, that it's not like in Phoenix where you put down the highway and you don't have Manitoba gumbo. You don't have the kind of harsh heaving and shifting that we have here. That's very hard on our buildings. It's very hard on our schools, especially the buildings that were built, I suspect, in the '40s, '50s and '60s. A lot of that was slab on grade, and those are the buildings that we're having a lot of difficulty with because you even have difficulty lifting and raising them and putting footings underneath and pilings, and so forth.

So it's just to encourage the minister to go beyond just the moratorium, to have after that comma, and just not leaving the sentence hanging there for until he's no longer minister, but rather to look proactively at where our facilities are. Should that be done for the rural areas? Yes. But that should be done on a more regional basis to identify what's happening. As we know it, the southeast has different issues that it's dealing with as compared to the southwest.

Central Manitoba deals with a different set of issues, and then you go into northern Manitoba.

Again, a completely new set of issues that they have to deal with. It would be better to do a more localized review of facilities when you get outside of the city because of the varied needs and the size of our province. You could take most European countries and double their size and nicely fit it into Manitoba. This is an enormous piece of real estate we have as a province, and the challenges are great.

So just to give the minister an explanation why we had recommended one for the city, and then looking at the rural areas in a more, perhaps, limited, in as far as schools go. But, because of the land mass, it would make more sense to do it on a regional basis.

We would encourage the minister that, after he does the sentence and we've imposed a moratorium and that he puts the comma in there, that he would actively work on completing the sentence. We would recommend doing a facilities review. So I don't know if that's in the form of a question, but I don't know if the minister wants to comment on that, and then there are other issues that I would like to move into.

Mr. Bjornson: I'm compelled to comment because, again, what the member is suggesting in terms of a facilities review, it's implying that none has been going on for the past, I don't know how many years he would suggest that this hasn't been happening. I want to assure the member that it happens every year. When he talks about a plan, we have a plan.

We're leaders in a green building initiative where new construction is to achieve a certain LEED standard, recognized for being an environmentally and energy efficient partner with Power Smart and Manitoba Hydro for Power Smart initiatives. They're recognized appropriately when the school is opened, officially opened by being designated a Power Smart school.

We have worked every year with the school divisions to look at their five-year capital plans, and those five-year capital plans are based on an assessment of their infrastructure. They're based on an assessment of their demographic. They're based on the age of the building. They're based on the needs of the community. So to suggest that we need a facilities review is an interesting suggestion, because every year school, divisions do it.

Again, the key is handed over to the school board once the school is built so school boards are the owners of the building and, as such, are responsible for the health and safety issues and

maintenance issues. We do provide a funding envelope for them for maintenance purposes. We respond to emergent needs to the best of our ability when they bring forward emergent needs, and we try to do so in a very timely fashion.

Our plan is to work with the 28 million square feet of public school buildings that we have. We are the largest public school sector in that regard. We're, I think, probably double the Health Department in terms of square footage that's dedicated for institutional use for schools for children. That is 25 million square feet of roof as well. We know that in this announcement there were 53 schools that would have new roofing projects. We certainly looked at the current design of buildings and suggested that we should be going to two-storey buildings when the envelope is so large that it would be appropriate to do so to cut down on the roofing costs. Of course, that also cuts down on your heating costs when you have heat retention in a second-storey building and the first storey in a second-storey building.

*(15:30)

We have a four-year capital plan with \$310 million. So to suggest there's not a plan is wrong. To suggest that we're not aware of the needs of our facilities is wrong, because we do that assessment every year with the school boards. Sometimes their needs change, and the five-year capital plan will change over time. They might recognize that they have a different priority for their buildings, and we work with them to ensure that those are the right priorities that we can manage and work together to achieve.

So the facilities review, per se, is something that happens every year by those who are responsible for the facilities, that being the school boards, and when need is identified we work with them to respond to that need. Again, I have to reiterate the good work that the PSFB is doing, and I agree with you we have done a lot of excellent work through the PSFB.

The department has been very, very co-operative with the school divisions. I have a very good working relationship with the school divisions. This year's 106 projects will mean that we've had a total of over 1,000 projects completed since we've been in office and we've funded a total of \$568 million in schools' capital in a decade. That's 17 new schools, 12 replacement schools, 55 addition and renovation projects, plus 1,000 infrastructure projects like the ones you say that aren't exactly the most attractive or

sexiest projects—the roofing projects, the boilers, the ventilation systems and things of that nature. Almost 1,000 projects have been completed and when you consider, as I said, that we have 684 public schools that's a significant investment in infrastructure in those schools and the 28 million square feet do require a lot of attention. We've certainly been doing our best to provide that attention and we do so in partnership with the school divisions.

The school divisions do a very good job maintaining the buildings as well. That is part of their responsibility. But when it comes to a point where the maintenance is not enough and we need to look at major repairs, we'll look at those major repairs and work with the school divisions.

It's interesting you should raise the issue of school closures and spending money on a school in capital, and then turning around and closing that school. Actually, there was a division that was prepared to do that. There had been some capital investments in the school. They decided with a new board that they wanted to shut down that school and move students from that school to another and merge campuses, and we said, no, that's not very good use of the taxpayer dollar when we've just invested in maintaining that school and keeping that school a viable structure.

So, you know, it's interesting that you would raise that notion. We said that was another notice to us that we had to take another look at schools that were being allowed to close—or school divisions that were being allowed to close schools, that we want to make sure it's the best use of the dollar.

I know that we've had members opposite talk about the cost of keeping those schools open, but, certainly, when you look at the day cares and putting more day-care spaces in existing space in schools, the cost of building stand-alone day cares would by far outstrip what it would cost to keep those schools open. So we think the glass is more than half full on this particular initiative, and, you know, we're going to continue to work with our partners to keep those schools viable, and we're going to continue to work with our partners to address any emergent needs that might arise in terms of capital requests and emergent requests.

We review—or, pardon me, the school divisions review their needs annually, and we sit down and meet with them and review their needs annually as well. That's how we determine the capital budget that is putting 106 projects on the table this year, and will

be a total of over 1,000 projects since we've been in office.

Mr. Schuler: When it comes to small schools, and I know there have been some questions by colleagues of mine, how is the funding? Is it by school? Is it by the number of students in the schools? For instance, if you have a small school, how is that funding come to—like, how do you get to that amount of money?

Mr. Bjornson: This year in the budget there is a recognition of \$125,000 for small schools as part of our funding announcement. That is, \$125,000 is the amount that would be, including taking this sparsity grant, the instructional support grant, and, if there is a gap between those two grants being added up, then they just topped it to \$125,000. We've had a number of different initiatives that we've brought forward: the declining enrolment grants, the sparsity grants, the small school grants. They're all part of that array of support for small schools. This year, the announcement included up to \$125,000 in support of small schools.

Mr. Schuler: I know the minister has heard the example of Graysville School. It was about 30 students, and it's dropped down to about 13 students now. The concern of the parents was that, if it was on a per capita, they didn't know how the school would remain open. It doesn't matter if there are 30 or 13, and if that number were to drop, they would still get that \$125,000 to keep that school open.

Mr. Bjornson: The member's talking about 30 or 13. The number actually for schools to be eligible for the small schools top-up is around 60 and under. Any school around 60 and under would be eligible for that top-up, up to \$125,000.

Mr. Schuler: Is there a minimum amount of students that have to be in the school?

Mr. Bjornson: No, there's not.

Mr. Schuler: So, if there were three students in the school, conceivably the \$125,000 grant would still apply?

Mr. Bjornson: Well, an example where that did happen where the couple of families moved out of a small community, it left two students in the school and the school was closed. There's recognition that there is a point where there's no other viable—when you go back in history, the one-room schoolhouse, those schoolhouses were all over the province of Manitoba. You might have had 10 or 15 students in

those schoolhouses, and we certainly know the importance of keeping those small schools in the community.

We've been talking about Graysville, and I know the member was talking about the fact that they wouldn't have to bus very far if the school was closed, but, again, I remind the member of my comments about my son and his bus ride. Yes, we were only a few kilometres outside of Gimli, but it would take him 45 minutes by bus to get to his kindergarten class. We don't know the logistics in that area to dismiss it as a simple five-minute or six-minute ride to the neighbouring community is not necessarily the case when you consider that some of these children are likely already bused to that building.

We think it's important to keep those small schools in small communities viable, and that's why we introduced that measure not only with the bill, Bill 28 and The Strengthening Local Schools Act, but also introducing that measure with the \$125,000 per small school in the budget this year.

Mr. Schuler: The reason why I ask is the parents from Graysville were concerned. A lot of parents moved their children to Carman and, all of a sudden, they found that the school was declining substantially. That's why the Member for Carman (Mr. Pedersen) raised the issue, so that there was comfort that the funding would continue, and it would still stay as it is.

* (15:40)

There are concerns in regard to that. The minister is right. The buses tend not to drive in a straight line. That certainly would make a difference. The minister also mentioned that there's going to be an opportunity to go with smaller buses and perhaps more of them, so that way one bus doesn't have to travel for an hour and a half picking up students, whereas you'd have more efficient, smaller buses taking shorter runs. That's something that obviously has to be looked at, and I suspect that'll be by the boards. The minister's department will be looking at that.

I did want to ask the—I'll just regroup myself for my questions here.

The \$124,000; I take it that's supposed to cover the wage of the teachers. That's also supposed to cover instructional material. Does that also cover, or is it allowed to cover, keeping the school open, heat,

electricity, that kind of stuff? What can that money be applied to? Or is it just a blanket grant?

Mr. Bjornson: The intent, certainly, is to ensure that the schools are adequately staffed. The member is correct in the assumption that that might be for the teachers' wages, but there's also a portion that would go for administrative purposes. But we don't dictate specifically how that money is to be spent, but I know that \$125,000 would go a long way in maintaining a school that would be challenged by enrolment.

Mr. Schuler: In the budget, there's a line, administration and finance costs. They seem to have risen from 2.7 million in 2005-06 to 4.7 million in 2009-2010. If the FTEs have only grown by 1.5 positions from 42 in '05-06 to 43.5 in '09-10, can the minister explain why Administration and Finance costs have grown by more than 2 million in four years?

Mr. Bjornson: Sorry, could the member clarify what page he's referring to?

Mr. Schuler: It is under Administration and Finance, and I don't have the page handy.

Mr. Bjornson: Madam Chair, we have undergone some restructuring in the last couple of years. One example that comes to mind is the research and planning division, which no longer exists per se, but the staff from that particular section of the department have been moved and accommodated under this particular budget line. There've been a few staff that have been moved from other budget lines within the department and restructured as such and are accordingly part of this budget line.

Mr. Schuler: On page 132 of the budget, under operating expenses, it's the Manitoba Textbook Bureau, there's a line called travel. There seems to be a substantial jump in travel expenses. Can the minister explain why?

Mr. Doug Martindale, Acting Chairperson, in the Chair

Mr. Bjornson: As the member knows, the Textbook Bureau is located in Russell, pardon me, Souris. I knew that. So, when you have an office that is outside the Perimeter and you're dealing with clients from all over the province, there's a considerable amount of travel involved in that effort.

There had been a bit of an issue with communications and service that had been delivered by the Textbook Bureau, and this is an effort to get

representatives from the Textbook Bureau into schools, into school divisions, meeting with school boards, providing a list of services that are available and product that's available. Apparently, school divisions are really pleased with the result of that initiative and there is a better working relationship and a better customer service relationship with the Textbook Bureau and the school divisions. So it was demand-driven. School divisions cited the need for better communications and better services, and this is the initiative that has brought better communication and better services from the Textbook Bureau.

Mr. Schuler: If the minister would just move up a couple of lines under computer expenses, again, we go from \$53.7 million, 2007-2008, to a budgeted of \$67.8 million. That's a substantial increase. Why such a hefty increase in expenditures on computers?

Mr. Bjornson: First of all, I should clarify for the member that the number he's referring to is actually in the thousands and not the millions. I've made that mistake, myself, reviewing the budget on occasion.

I would like to inform the member that, certainly, with the computer software that's available and the programming that's available and the automation that it provides for quicker delivery of services and programming and Web-based payment on-line, things of that nature, that, yes, the expenditure has grown a bit, but there's a net savings in that there are now two staff vacancies that likely will not need to be replaced as a result of the automation. So it is a slight increase in the budget, but there will be a net savings because of the automation and the technology that's available.

Mr. Schuler: There had been an initial commitment that every elementary student would have an e-mail address. How close is the government to achieving that commitment?

* (15:50)

Mr. Bjornson: Yes, I thank the member for the question. I don't have the number available for the member at this point. We can find that for the member but, as the member knows, certainly one of the issues around connectivity is the expense of connectivity. We've been working with MERLIN and Science, Technology, Energy and Mines as part of that discussion in terms of how we can connect all of our schools and have all of our students have access to computers and have their own e-mail address.

The member should also know, and must also know, that security on-line is more and more becoming an issue. As we know, there's a lot of technology out there that is used for rather questionable purposes and, certainly, that invasive technology has found its way into the computer domains. And the issue is not just connectivity and providing connectivity for the students, but also doing so in a secure environment, and that of course is a challenge in the current world where people, as I said, tend to use technology for invasive means and we know that that was not what the Internet was designed for. We know it wasn't designed to be a tool for spreading pornographic materials. We know that cellphones weren't designed for text messaging to send out cyber-bullying messages.

But we are very much aware of the implications of such use of technology, so it's not just a matter of getting connected. It's a matter of finding a way to do so in a most secure way that will not have an invasive—or impact on our students, and where predators won't be able to take advantage of that technology and put our students at risk.

Mr. Schuler: That was a commitment made by his government. Is that still something they see as being a commitment or is that just—every elementary student having an e-mail address, is that just not something that will happen?

Mr. Bjornson: It is a commitment that we continue to work on and, as I said in my previous answer, we continue to work with MERLIN to that end. We continue to work with school divisions who are also working independently to find ways to provide connectivity to their schools. The main issue for us is to ensure that this is done in a secure environment. As I said, there are predators on-line; there are a number of issues that we know are, as I said, not the intended use of that technology, but it is one of the uses of that technology, so we want to make sure that we can assure parents and students that it is a safe technology, and we are committed to work with our partners to do so.

I was asked this question a couple times before and I know the member doesn't like the answer, but part of the challenge for us is the cost, and if there was a public utility that was available to make that part of their mandate, their social mandate as a public utility—such as a public telephone system—then I'm sure that that would have been done a long time ago. But right now, in the absence of a public utility here in Manitoba, we have to look at what the market

conditions are, look at the costs, look at the security issues and, again, we're committed to doing that in a way that we can assure parents that their children will be safe using Internet technology and on-line technology.

Mr. Schuler: So maybe that wasn't the smartest commitment, the smartest campaign promise that was made, because, when the campaign promise was made, the telephone system was as it is today. The safety issues were a concern then as they are today. The minister is right to identify that.

There's a lot of stuff going on in the Internet. Even benign sites have to be very carefully monitored when you have children in the home. YouTube, I believe YouTube we can't even access in this building. I'm correct. And I don't think you can access YouTube through a school system because of the dangers of what can be found on YouTube.

I guess, rather than trying to blame others, is the minister now saying that the promise to have every elementary student have their own e-mail address is just not something that's attainable?

Mr. Bjornson: I'm sure the member would agree that safety should be the primary concern, and we are not going to move forward on this issue without having those safety concerns addressed. That's something that we take very seriously, and that's something that we've done in consultation with school divisions.

Of course, we introduced a piece of legislation on the appropriate use of electronic communications media because we have to respond to that. I had this conversation actually with people from IBM and people from Microsoft. I said, as a lawmaker, sometimes it's difficult for us to adjust the technology that you introduce because, yes, you introduce technology with a design purpose, but it's the unintended use of technology that we're playing catch-up on.

I know, when they invented the car to go 200 kilometres an hour, lawmakers had to come up with a law that said you can go 100. We're always playing catch-up on the technology side. The due diligence in this particular matter is to ensure that we stay ahead of that technology, and that technology today includes, as you know, predators. It includes people who will prey on children through the Internet.

So we're proceeding, and we're doing so in a manner where we will not compromise the safety of

our children. It is a commitment, and we're going to work to that end, but there are a couple of issues—connectivity and safety. I think safety trumps all when it comes to what our children can be exposed to through this technology.

So I'm sure the member would agree that would be an appropriate action to take and ensure that safety is the most important issue. Again, cost is a challenge. It is a challenge, because in a free-market system right now, there are some providers that the costs are quite prohibitive in remote areas that need it the most. But we're certainly working with our partners. School divisions are being innovative, and we'll work with them. We'll work through MERLIN to ensure that we provide this in as timely a manner as we possibly can, given the restrictions that we have and the barriers of cost.

But, again, I have to say, safety trumps all. We have to make sure that all the safeguards are in place for our children so that they're not exposed to Internet predators and a variety of other methods of taking advantage of our children through this technology. So I'm sure the member would agree with that.

Mr. Schuler: Absolutely. I would agree that cost is an issue. I would agree with the minister that safety is an issue.

I would suggest to the minister, it was just one of those silly political commitments. It was a political promise that didn't take into consideration the cost, that didn't take into consideration the safety of the students. Sounded great. As we say around here, great politics, bad policy.

* (16:00)

So, yes, I agree with the minister, and I'm glad that he agrees with me. It should be proceeded with at great caution and not at political expediency.

I'd like to ask the minister another question, and that has to do with the early childhood education grant. How many schools qualify and receive an early childhood education grant?

Mr. Bjornson: Can the member clarify? Is he talking about this early childhood grant in terms of capital to support early childhood educational child care centres or is he talking about this in terms of a programming grant?

Mr. Schuler: Initially, I was asking about the programming grant.

Mr. Bjornson: Every division qualifies. It's a grant based on eligible kindergarten enrolment.

Mr. Schuler: So every school division in the province receives funding for the early childhood education grant programming?

Mr. Bjornson: Yes, the Early Childhood Development Initiative provides intersectoral services for preschoolers as it says, and it's available to every school division.

Mr. Schuler: Does every school division receive the early childhood education grant?

Mr. Bjornson: Yes, every school division does receive a portion of the \$1.6 million in the grant, and it is, as I said, based on eligible kindergarten enrolment.

Mr. Schuler: What about the capital side of the grant? Does every school division receive money for that?

Mr. Bjornson: Not every school will receive a portion of that capital. There are a number of conditions that are attached to that capital. First of all, would there be surplus space in that school that would be suitable for renovation for the purpose of an early childhood education centre? There is also licensing that is attached to that through Family Services and Housing; these facilities have to be licensed through Family Services and Housing. We've had 10 projects thus far from the \$2.5 million last year, and we've got a number of projects in the works for the 5 million that are part of capital budget this year.

Many of the projects that are considered are projects where there might already be a working relationship between a day care and a school division, but we're certainly open to other day cares, provided they're licensed, that come forward and express an interest in exploring the possibility of using underutilized space for their purposes. Again, it has to be suitable space, available space, a licensed facility, and again, we've had tremendous success with 10 projects this past year and we're looking forward to many more in this next year.

Madam Chairperson in the Chair

Mr. Cliff Cullen (Turtle Mountain): Good afternoon, Mr. Minister, company.

I guess I certainly, first off, should acknowledge and thank the minister for coming out to the opening of the Carberry school. Certainly, the people in that

community are quite excited and happy to have that facility. It certainly is nice to have.

I know we have an aging infrastructure in terms of our schools, and from time to time, we do encounter some differences and problems with mold. We had that situation in Cartwright. I think we've pretty well got it resolved in terms of the couple of portables now. I guess the next stage there will be the decommissioning of the mould-infected part of that facility. So we're certainly hoping that will be done fairly quickly.

But I do want to ask the minister, the process that is undertaken in terms of construction of a new school, how does the process unfold? How does a company get on the list, or does a company have to get on the list with the Public Schools Finance Board to acquire a contract to build a school? How does that process work? Is it an open tendering process? I just want to be clear on how that process works.

Mr. Bjornson: Madam Chair, certainly, with the latest announcement of the five schools in our capital budget, we've had tremendous interest from a number of architectural firms as that is, of course, the beginning stage of the process is the design stage. I understand there was a significant interest with the five schools that were announced in our capital plan. It is an open-tender process for the construction of the schools, however, that being said, we want to ensure that those that do apply are bonded and that the process is an open process. But, having a bonded company be a part of that tender is a very important part of that tender, as one can imagine. The integrity of the company that's coming to the table as supported by a bond.

Mr. Cullen: Yes, a company that actually constructs rafters in Manitoba, and it's a Manitoba company, and they're certainly interested in doing business, Western Archrib out of Boissevain. I know there was some issues a few years ago with maybe some of the materials, some of the lamination and the glue, but I think that's been addressed over the years. But it's my understanding that that particular type of infrastructure is maybe not used in public schools.

Are there certain criteria in terms of materials that's required in schools? I'm just wondering if this particular company should be approaching your department or the Public Schools Finance Board.

Mr. Bjornson: Madam Chair, I understand that traditionally that technology hasn't been used in the past because I understand there's a tendency for the

beams to come apart. That being said, I also understand that the new technology is a lot more—there's a lot more integrity in that technology, and that the quality standards are appropriate for potential use in the schools that we will be building.

* (16:10)

So, as part of that tender process, as part of the subcontracting that goes on, I would suspect that these contractors would be just as eligible to be a provider of those rafters as any other company in that process.

Mr. Cullen: Certainly, this company is supplying material for schools and churches and other jurisdictions, so there's nothing under our criteria here provincially that would exclude that particular type of infrastructure.

Mr. Bjornson: No, there's nothing that would restrict that. In fact, with our new LEED standards, one of the requirements of the LEED standards is to employ the use of local materials as well. That's a more efficient use of resources when they can be produced locally. So, if anything, that enhances the opportunities for local contractors and providers of materials to be a part of this ambitious capital plan.

Mr. Schuler: Back to the early childhood education grant: When it came to capital who was it that received the grant and what I mean by who is which school divisions?

Mr. Bjornson: I apologize to the member. I don't have that list, but we can provide that list for the member.

The way it works is the grant is provided to the school division, the school division undertakes the renovation. There were 10 projects, as I said, last year. I think we had a few in rural Manitoba and a few in the city of Winnipeg.

Certainly, as the member knows, there's quite a demand for day-care spaces and we have a number of other projects that will be announced in due time under this current budget. But 10 renovations were in the announcement last year and we will certainly provide a list of those schools that were in receipt of the grant.

Mr. Schuler: Yes, Madam Chair, I'd like to move on to the Teachers' Retirement Allowances Fund, TRAF. The Province announced in 2007 it would pump approximately 1.5 billion to the teachers' pension fund to cover 75 percent of the government's unfunded liability. With the downturn of the

economy, can the minister tell us where is TRAF right now? Where is the fund?

Mr. Bjornson: As the member can expect, with the world markets being what they are, there was a loss that incurred this year. I don't have that figure with me right now, but I can provide that for the member.

I understand, though, that TRAF did perform in the top quartile as it has for a number of years now because it is a very well-managed fund. So I can provide that information for the member, but I do know that, and as he should know, given the world markets, that there was a loss incurred.

The \$1.5 billion, as the member may know, the projections on what the unfunded liability would be was approximately \$8 billion. So the \$2.3 billion unfunded liability was part of that strategy, to address it with the \$1.5-billion funding or 75 percent of the teacher pension fund liability.

Mr. Schuler: How was the \$1.5 billion allocated? Was it all allocated to the pension fund?

Mr. Bjornson: The member's asking for some very technical information, which I would gladly provide for him, but, certainly, the individual that could provide it for him is not at the table today. But we will endeavour to provide that for the member.

Mr. David Faurshou (Portage la Prairie): I'd like to ask the minister, in regard to a response that I had from the Minister of Advanced Education and Literacy (Ms. McGifford), regarding the adult ed programs that are offered by the Portage learning centre. It has come to my attention that the Portage la Prairie School Division was made aware that any underfunding or deficits that an adult learning centre incurs is not the responsibility of the Advanced Education but, in fact, the responsibility of Education, Citizenship and Youth. It is a concern to the Portage la Prairie School Division that they believe that the minister's department would not look at it as that responsibility as being one of his department; rather, it would be a responsibility of the school division to absorb the deficit of an adult learning centre. So the Portage la Prairie School Division, has, in fact, given notice to the Portage learning centre that they will not continue being the accrediting body for the credits received towards curriculum completions in the studies that are taken at the adult learning centres.

Now I'm wondering, first off, is the minister aware that the Minister of Advanced Education, and the operations of the adult learning centres and

literacy, is that deficits are the responsibility of his department and that of the accrediting school divisions?

Mr. Bjornson: I believe it would be appropriate for me to have this conversation with the Minister of Advanced Education rather than dialogue with the honourable member on this issue as, clearly, it falls under her jurisdiction. I think that it would be appropriate for me to have the conversation with my colleague.

* (16:20)

Mr. Faurshou: Well, I do appreciate the minister willing to take this issue forward because the school division in Portage la Prairie has served notice that they would no longer, after this year, be responsible as the accrediting institution for credits received in education. They are now actively looking for another school division to pick up the responsibility of accreditation towards the instruction.

It is disappointing because the Portage la Prairie School Division has been one that wants to work co-operatively with the department and has adhered to the no-tax-increase request that the minister has put forward for the past two years. Obviously, this is cause for significant budgetary constraint and very, very little margin to work with in Portage la Prairie. So, ultimately, they're looking for all, and any, exposure that they might have, and this is one that concerns me greatly, that our local adult learning centre will no longer be able to receive a Portage la Prairie School Division, Manitoba Department of Education diploma and right when they're in the city of Portage la Prairie. So I do appreciate the minister's willingness to talk with his colleague.

The other issue that I would like to bring forward is that the consolidation in Portage la Prairie that took place a couple of years ago with the restructuring and moving to K-4 schools, and middle-years schools, and the single high school now operating in Portage la Prairie, there was significant savings from the minister's department when the school was closed and this restructuring took place in Portage la Prairie. Yet it was extremely disappointing to the Portage la Prairie school board that this cost savings that was obvious to the minister's department, that there was no consideration given to passing along some of the savings in capital monies that would have assisted the Portage la Prairie School Division in investments that were necessary to accommodate a single high

school in Portage la Prairie. The Portage la Prairie School Division did borrow more than \$4 million to put up new structures for instruction and are, I will say, struggling to make certain that the borrowings are paid back and continued instruction.

So I would like to ask the minister, when a school division does take very proactive, very cost-effective, and with the best interests of the students in mind, that the department not look favourably on an issue or by-issue circumstance, because I'm absolutely certain that there wouldn't be other school divisions in the province that have taken the extraordinary steps that Portage la Prairie has had in the best interests of the residents and students in their respective care.

Mr. Bjornson: Yes, I'm very familiar with the project, as I had the opportunity to tour the project and see first-hand what that initiative meant for the community and what it meant for the learners in Portage. I should certainly like to commend the school division for their planning and vision and their initiative. Yes, the member is correct in saying that the Province did realize a savings as a result of this, as did the division realize a savings by undertaking this particular project. At the time that the project was brought to the attention of the PSFB, the PSFB budget was fully expended at that time. The division chose to go on on their own at that time. That being said, they have been in contact with us and we're open to discuss the issue with them.

Mr. Faurchou: I appreciate the minister's first-hand knowledge of it. It's very important to have that knowledge, and I thank him for the recognition of the initiative because it was not done without controversy, and I will say that the—probably the most controversial part of it was the name of the school after consolidation and restructuring took place, but the tradition and heritage of Portage Collegiate Institute was preserved and the high school is still known as the Portage Collegiate Institute.

The offshoot, though, of this was a closure of an elementary school, which has once again been requested by the Portage La Prairie School Division for opportunity to sell. There is a number of proposals that have come forward for consideration. Now, being that this particular school—and an earlier answer by the minister saying that the department fully intends to share with the school divisions any proceeds from sale of public school property—that this school that I speak of is named Victoria School.

It was constructed in 1917. It was land that was acquired for public school instruction by the citizens of Portage la Prairie. I would like the minister to potentially clarify his earlier answer regarding a sharing of proceeds because in my mind that should not be the case as it pertains to Victoria School because this 1917 property, I believe, should, indeed, have all the proceeds forwarded to the residents of Portage la Prairie.

Mr. Bjornson: I thank the member for the question. This is part of a conversation that I did have with the board shortly after I had toured the new facilities, as they had been renovated with the consolidated campuses. I should clarify for the member that the PSFB policy, certainly, is that any disposition of surplus schools would result in a 50-50 sharing of the revenues from the sale of that school for the school division that owns the school and for the Public Schools Finance Board, and then the 50 percent would go into the budget for the Public Schools Finance Board for infrastructure renewal.

* (16:30)

That being said, I'm not sure if the member had heard my discussion with the Member for Springfield (Mr. Schuler) when we discussed a very unique initiative as well, the consolidation of the Silver Heights Collegiate and Sturgeon Creek to the Sturgeon Heights Collegiate, where three properties that had been declared surplus had been put on the market for sale by the St. James-Assiniboia School Division. They had written and asked permission for the money, the net proceeds from the sale to be factored into their capital project on the renovation and the consolidation of those two high schools, and we agreed to do.

Certainly, we would look at that same request from the Portage la Prairie School Division. If they would like to make that request, we'd certainly consider that, and they would receive the money after the sale after we had received the money. That would be the procedure in the event that we looked at that favourably.

Mr. Faurchou: Madam Chair, this is of great interest, not only to myself, but obviously the residents of Portage la Prairie. The issue, though, remains with the Public Schools Finance Board because a number of proposals have gone forward and if the minister and the Public Schools Finance Board is amenable to this type of request, that then would have a significant bearing as to which

proposal the school division would look more favourably on. So I do appreciate the minister's response in this regard.

There's only one final question I'd like to ask. In Portage la Prairie, Madam Chair, there is a substantive undertaking by the rural municipality and the City of Portage la Prairie to construct the recreational facilities which, inclusive of a swimming pool, which would then avail itself to aquatic instruction to the Portage la Prairie School Division. Could the minister's department refresh my mind as to the level of support that is afforded from his department towards aquatic instruction?

Mr. Bjornson: Yes. Our categorical funding would not be that specific in terms of a program like aquatics, but we do, of course. With the Healthy Kids, Healthy Futures Task Force and recommendations for grade 11 and 12 phys ed, we increased the funding for grade 11 and 12 phys ed initiatives this year and, of course, part of the funding for people, generally speaking, is in support of physical education and health education initiatives.

This is a bigger picture discussion, though, not just about how we would fund and support those initiatives; it's about how the community would support exchange of services or exchange of availability of facility. I know that—I was telling the Member for Springfield yesterday or the day before that when I was on municipal council in Gimli, I was a representative on the Gimli Recreation Authority for the town. But I, coincidentally wearing my hat as a teacher in Gimli High School, we also had Evergreen School Division representation on the rec commission. And the rec commission looked very favourably on exchanging services, such having the children use the skating rink or the curling club or the ball diamonds or any other amenities under the auspices of the recreation authority, in exchange for adults and community groups using the multipurpose room, using the classrooms and using the gymnasiums at our schools, libraries, et cetera, for community programming.

So I know that that was done at no cost in our division. I know that there are a lot of divisions where there is some cost recovery, some divisions which charge fees a little bit beyond the cost recovery, but that's a discussion that the division can have with the local recreation authority.

We had undertaken to engage a number of stakeholders through Culture, Heritage and Tourism

in my department—the AMM, Manitoba Association of School Trustees, business officials, teachers, a number of different stakeholders at the table—to have that discussion on how can we make better use of facilities and share facilities between the schools and between the recreation authorities in municipalities. I know I mentioned yesterday as well, that when we first started this journey three years ago, I have school divisions come and say, those darn municipalities; they're not letting us into their recreation facilities. I had some municipalities come and say, those darn school divisions; they're not letting us into their gyms and theatres.

We've come a long way since then. There are some excellent models of how it has worked, and worked very well in communities, and there are some models where it hasn't worked very well. So I'm not sure of what the policies are in Portage la Prairie, but I would hope that they have a very good working relationship with the municipal recreation authority, and I would hope that they would find a way for shared use or mutual use agreements where the community can take maximum use of the gymnasium and other such amenities at the school in exchange for opportunities for our children and our students in the new pool. So I would hope that that would come to fruition.

Mr. Faurchou: I do appreciate that the minister has, in his own constituency, a similar type of undertaking. Where we are in Portage la Prairie is that if there could be a recognition in the long-term commitment established between the school division and say, the use for aquatic facilities. I believe at this juncture in time there still is a chance to modify the aquatic facilities yet to start construction that would be more akin to the school division physical education programs than is currently on the drawing boards.

I want to leave with the minister the thought that this is a very, very cost-effective expenditure of taxpayers' dollars of which we're all aware only one pocket regardless of whether it's municipal, provincial or federal taxation department's dipping into it, that we look at the investment made for the greatest benefits. If the department was to look at different communities like his own, undertaking such an investment that would clearly benefit the public schools long-term rather than a greater addition to a gymnasium or tennis courts or ball diamonds and all of the other such physical activity centres at the school division. I think this would be a wise move.

So I'm looking to the minister to take his own experience and broaden that throughout the province and to say when these type of recreational complexes are being established and being provincially supported, that his department be proactive and go to the school divisions and say, you know, looking at the long term, if you are looking at working together, we will support it in some fashion. It is, in my belief, a very, very sensible way of going about things. Minister need not comment. I'm just saying that it is definitely an arrangement that he should be considering with his Cabinet colleagues.

Mr. Bjornson: I thank the member for that. I want to assure the member that we have been very proactive in this regard having, as I said, established a committee to look at some of the shared-use agreements with municipalities and with school divisions. Certainly, I think that would be a win-win in Portage la Prairie if the students in the schools were able to access that facility, and I hope that they are able to successfully negotiate that with the recreation authority. After all, we are in the land of 100,000 lakes, and water safety is a very important part of the community, not just the school, but the community. I would hope that they're able to work an agreement that would be favourable for the school division and for the recreation authority.

* (16:40)

The other dynamic to this is I always thought that rec directors and recreation authorities should be working with school divisions, because you're talking about life-long learning and skill sets that these children can learn in school that would become part of their adult life. I thought recreation directors, and many are, chomping at the bit to work with school divisions. I heard, for example, on the radio the other day, that curling memberships are going down. If we've got a municipal curling rink that's sitting empty during the school day, why don't we have kids in that curling rink? If you want that curling rink to be viable and sustainable in the community, they should be reaching out to our youth and our students and encouraging them to come and curl. I think the same could be said for hockey rinks. The same could be said for dance studios. The same could be said for aquatic centres. I think that's what's coming out of these discussions is that—[interjection] Oh, yes, soccer pitches. Thank you, coach.

That's what's coming out of these discussions. This is lifelong learning. This is about healthy living, and it's about community. Again, I'd like to tell the

member that we have been pretty proactive in this regard. We did have committees looking at this. We are talking about our community schools initiative and how the school is as valuable as the community is to the school. I think that's a part of that bigger picture discussion, Madam Chairperson. I would hope Portage la Prairie, recognizing that there is substantial provincial money going into that capital as well, that they would make that facility available for our students in a very cost-effective way so the children can be exposed to the facility and become lifelong users of that facility. By doing so, that facility becomes sustainable.

Mr. Faurshou: I do appreciate the minister's response. Totally unrelated to this discussion is that my school, Burnside School, one-room country school, was closed and we had 18 students at the time. I believe my colleague from Carman made mention of the Graysville School only has 13 students and yet it is continuing operations. I just leave that with the minister as to a little piece of history that did take place some 40 years ago.

Mr. Bjornson: For the record, I was five 40 years ago, but I do appreciate the context. Times are changing. The member must know the impact of having that school close on the community. We certainly know the importance of school in the community. The parents have been very passionate about keeping those schools in the community. That's something that we'll certainly endeavour to do is find ways to continue to support these small schools.

A little earlier on in the Estimates process, we had that discussion about the small-schools grant as part of our budget announcement, where schools with a population of 60 or less would be receiving up to \$125,000 combined when you take into consideration the declining enrolment, the small schools grant and instructional support grants, et cetera. We want those schools to be viable. I know that you must have had wonderful experiences and tremendous memories in that small school.

You know one thing that really, really empowered me over this process was having attended the graduation at Peonan Point School. You might be asking yourself, where is Peonan Point? Round trip, 794 kilometres from Winnipeg to Peonan Point where a school of 19 students had two graduates. It's up by Lake St. Martin, just by Lake Manitoba, and it was an incredible celebration where, in this one-room schoolhouse—well, two if

you count the office and washrooms, three I guess. It would be three rooms. In this school building, you had 120 people there to celebrate the graduation of these two young women. That really spoke to me about community and the importance of that school in that community.

We know that, yes, it's a challenge, and we do know that 13 is a small number for enrolment in a school, but we also know how important that school will be for those students, those 13 students, and we'll continue to do what we can to support learning in that small school environment.

So I thank the member for the history lesson and the context and, you know, we'll continue to work to support our small schools in rural Manitoba.

Mr. Schuler: Madam Chair, before the Member for Portage la Prairie (Mr. Faurchou) started to ask his one question, we were dealing with the teachers' retirement "annument" fund—did I pronounce that right? [*interjection*] I didn't get it right—Teachers' Retirement Allowances Fund. Thank you. I correct the record. The minister was saying that there were—these were fairly technical questions. I want to go back to the \$1.5 billion and the breakdown of where those monies went.

Can the minister—I don't know if he's had, in the meantime, the ability to get an answer to that question. Could he answer that for us?

Mr. Bjornson: Well, I can tell the member that that \$1.5 billion is administered by the TRAF board. I can tell the member that. But what I can't tell him is the accounts and the distribution thereof. That's a rather technical question. But I, again, will endeavour to get that information for the member.

Mr. Schuler: When will there be an update from TRAF to where they sit as a fund? Is that done on a yearly basis? Considering the way the markets have been, are they looking at doing something in the interim? When could we expect to hear something from TRAF and how it has weathered or how it has sort of been buffeted by the economic meltdown that we see going on around us?

Mr. Bjornson: The TRAF fund, they've just recently done an evaluation and we can get the information for the member, a copy of that evaluation.

Mr. Schuler: Is that something we could get fairly soon? Is it public information?

Mr. Bjornson: Well, we can certainly get the report for the member. I'll have to check for sure if it was, indeed, public, but I'm pretty sure it is. We'll be sure to get the member the information.

Mr. Schuler: Has the minister or his department been approached by TRAF in regard to the position of TRAF? I mean, there are questions out there, right? I get my monthly statement or my quarterly statement. I can ask for one at any time. I think like most of us in Manitoba we like to say, what, it's not that bad; it could be worse.

To define my RSP fund, one of them is grim, probably it isn't the way I should be describing it, but, I mean, you know, people are interested, and certainly teachers are interested in where their retirement fund is and what position it's in.

Has the minister met with TRAF? Has he had a briefing on where the fund is? Is he comfortable with where the fund has landed as of late?

* (16:50)

Mr. Bjornson: Well, certainly, as the member knows, in the current economic environment there have been a lot of stories of rates of return on private pension funds, personal investments and, of course, public pension funds. TRAF is a very well-managed fund. It has consistently performed above the—in the top quartile in the last, I believe, 10 years. I'll verify that for the member. I understand that even though it has incurred a loss this year, it has continued to perform at or above the first quartile.

That doesn't mean I'm not concerned. I mean, obviously, any loss is something to be concerned about, but it is a very well-managed fund that has performed very well, especially given the environment. I know that I've heard figures of 40 percent losses and personal RSPs and mutual fund investments, and TRAF's is no where near that figure. I believe it's 15 percent, 16 percent. I'll have to verify that for the member. That being said, it is still better than other plans in terms of the losses that have been experienced.

Do we meet with TRAF? Yes. I've met with the board on a few occasions. The last time I met with them, I believe was in the fall when they were in a planning session in, of all places, Gimli. I have to applaud their choice of locations. But I did meet with them there briefly, and we had a very informal discussion at the time because the market was still

unravelling at that time. There was still a lot of uncertainty in the markets, and they were very cautious, and cautiously optimistic, that their prudence and their management over the last few years would mitigate that.

Again, the losses that had been incurred are not nearly as bad as other funds, but, again, it is something to be concerned about, as everyone should be given the current economy and the current market conditions.

Mr. Schuler: As the minister knows, I mean, there are two sides to this. One is the value of the share. So, if you buy into a company, and you buy in at \$20 and find out later on that it's worth \$15 on the stock market, that actually doesn't or isn't as significant as, does the company still pay out dividends? So you could have a company that's still functioning; it's paying dividends; it's doing well. Assumably, this is not Nortel or General Motors at the moment, but the investments, are the investments that are invested by TRAF, are they sound?

Mr. Bjornson: I have to apologize; I missed the last part of the question. If the member wouldn't mind repeating that.

Mr. Schuler: The investments made by TRAF, are they still sound investments?

I mean, it's a given that the stock market is down. You know, I mean, that's a correction and unfortunate for those people who bought in high and find out now that the market is low. But, if you've invested in a good company and you're getting dividends off of that, then, basically you're okay.

So the companies that TRAF invested in, are they still sound investments?

Mr. Bjornson: I thank the member for the question. We can get the particulars on the investment portfolio as part of the report that TRAF releases.

You know, you asked if I'm confident in TRAF. Well, certainly, given the nature of stock market losses that we've seen and given the nature of the portfolio losses that we've seen, TRAF has consistently performed above the average performance markers, as I've said. The rate of return has been extraordinary for TRAF, and that would speak to a very diverse and well-invested and

well-maintained portfolio. Again, I have to reiterate that, yes, I am concerned because, like many portfolios, there has been a loss incurred over the course of this roller coaster we've seen on the world stock market, but I know TRAF has a very good record of investment and we'll certainly provide the information for the member.

Mr. Schuler: How's the COLA this year for retired teachers doing?

Mr. Bjornson: Well, the COLA will be approximately 0.37 percent this year. That'll be, if I'm not mistaken, the letter might have already gone out to the teachers to instruct them that that is the expected amount. Because of the improvements made to COLA last year, that is the reason there is a COLA, given the fact that the pension adjustment account is also a market sensitive account. In all likelihood, without those improvements brought in by Bill 45, there likely would not have been any COLA this year. So 0.375 percent is the COLA they'll be receiving this year.

Mr. Schuler: Is that 0.375 percent of 1 percent?

Mr. Bjornson: That figure represents approximately one-third of the cost of living allowance.

Mr. Schuler: So the cost of living for the previous year which it's based on, correct, was what percent so this would have been one-third of that? What was the cost of living that it was based on?

Mr. Bjornson: On 1.2 percent.

Mr. Schuler: Madam Chair, 1.2 percent was the cost of living increase, and they receive one-third of that as an increase in their pension.

Mr. Bjornson: That's correct. As I said, as the pension adjustment account is vulnerable to market fluctuations as any other account is, because of the improvements made on Bill 45 and the legislation that was brought forward last year, the only reason there is any COLA, any improvement to COLA, is because of Bill 45. I've asked and it has been confirmed that had Bill 45 not been passed, the pension adjustment account would not have been able to pay any increase in COLA this year. So the efforts made to bring Bill 45 to the table and to pass that legislation have resulted in the COLA adjustment that we see this year.

Mr. Schuler: So, on \$1,000, that would be approximately—I can't remember the 0.3 something. How much would that be increase on \$1,000?

Madam Chairperson: The hour being 5 p.m., committee rise.

Call in the Speaker.

IN SESSION

Mr. Speaker: The hour being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 29, 2009

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