

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

Member	Constituency	Political Affiliation
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FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
GRAYDON, Cliff	Emerson	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
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HOWARD, Jennifer	Fort Rouge	N.D.P.
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LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 6, 2009

The House met at 1:30 p.m.

PRAYER

ROUTINE PROCEEDINGS

PETITIONS

Parkland Regional Authority–Ambulance Station

Mr. Stuart Briese (Ste. Rose): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The communities of Eddystone, Bacon Ridge and Ebb and Flow First Nation rely on emergency medical services personnel based in Ste. Rose, which is about 45 minutes away.

Mr. Speaker, these communities represent about 2,500 people. Other communities of similar size within the region are equipped with at least one ambulance, but this area is not. As a result, residents must be transported in private vehicles to the nearest hospital if they cannot wait for emergency personnel to arrive.

There are qualified first responders living in these communities who want to serve the region but need an ambulance to do so.

A centrally-located ambulance and ambulance station in this area would be able to provide better and more responsive emergency services to these communities.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Health (Ms. Oswald) to consider working with the Parkland Regional Health Authority to provide a centrally-located ambulance and station in the area of Eddystone, Bacon Ridge and Ebb and Flow First Nation.

This petition is signed by Sheila Whitford, Wayne Thompson, Alison Mousseau and many, many other fine Manitobans.

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

Long-Term Care Facilities–Morden and Winkler

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

These are the reasons for this petition.

Many seniors from Morden and Winkler are currently patients in Boundary Trails Health Centre while they wait for placement in local personal care homes.

There are presently no beds available for these patients in Salem Home and Tabor Home. To make more beds in the hospital available, the regional health authority is planning to move these patients to a personal care home in outlying regions.

These patients have lived, worked and raised their families in this area for most of their lives. They receive care and support from their family and friends who live in the community, and they will lose this support if they are forced to move to distant communities.

These seniors and their families should not have to bear the consequences of the provincial government's failure to ensure there are adequate personal care home beds in the region.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Health (Ms. Oswald) to ensure that patients who are awaiting placement in a personal care home are not moved to distant communities.

To urge the Minister of Health to consider working with the RHA and the community to speed construction and expansion of long-term care facilities in the region.

This is signed by Margaret Klassen, Abe Wall, C. Toews and many, many others.

**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.

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.

Signed by Colleen Carswell, Eva Prysizney, Nancy Garand and many, many other Manitobans.

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."

Mr. Speaker, on December 6, 1995, when the then-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 his 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 M. Olaes, M. Olaes and F. Olaes and many, many other fine Manitobans. Thank you, Mr. Speaker.

TABLING OF REPORTS

Hon. Greg Selinger (Minister of Finance): I'd like to table the following Supplementary Information for Legislative Review: the '09-10 Departmental Expenditure Estimates for the Manitoba Civil Service Commission, as well as the Manitoba Enabling Appropriations and Other Appropriations, as well as the Manitoba Employee Pensions and other Costs.

* (13:40)

MINISTERIAL STATEMENTS

Faron Hall

Hon. Eric Robison (Minister of Culture, Heritage, Tourism and Sport): Yes, I have a statement for the House, Mr. Speaker.

Mr. Speaker, it is with the deepest respect and gratitude that I welcome to the House a man who has captured the imagination and admiration of all Manitobans in recent days by risking his own life to save another. Mr. Faron Hall is here, and I also want to acknowledge Mr. Wayne Spence, who was with Mr. Hall at the time of his brave act.

I invited Mr. Hall to the Legislature today because I believe Manitobans owe him a debt of gratitude, not only for saving a young man's life but for reminding us all of the spirit that has shaped this great province, a spirit that puts humanity first and makes Manitoba such a fine place to live.

In carrying out this heroic rescue without hesitation, Mr. Hall has challenged perceptions and forced us all to confront our prejudices, compelled us to look past tired stereotypes and easy associations, to consider the content of his character and the true value and worth of all Manitobans.

Thanks to his selfless act of heroism, we now recognize Mr. Hall's face, a face that has come to symbolize courage, compassion and humility. But, sadly, Mr. Hall is also the face of homelessness, poverty and addiction, a face that many of us don't want to face ourselves because there are no quick fixes or easy answers to the problems it represents.

But, as Mr. Hall so clearly demonstrates, there's always a story behind the face, and it's a story worth hearing, a story not only of pain, fear and despair, but also one of love, resilience and hope, a story that serves as the path to understanding. But it shouldn't take an extraordinary act of bravery for us all to seek that path.

The Dakota people have traditionally looked to Wakan Tanka or the Great Spirit for guidance. Like the Creator in many of our world's religions, Wakan Tanka relies on people like Faron Hall to carry out important work here on Mother Earth. I firmly believe it was no accident that Mr. Hall found himself at the right place at the right time to do what he did. He was there to save a life and, in doing so, has touched so many others.

I also believe we are all capable of embodying the Great Spirit in our everyday lives. It doesn't have to be through a courageous rescue on the Red River. It can be as simple as treating a fellow human being with dignity and respect when you pass him on the street.

The reason we as Manitobans thrive here at Manito Ahbee, where the Spirit lives, is because we take care of each other. But we must not forget that those who are struggling deserve our respect and our understanding. One of our most disadvantaged citizens has shown us by example how to treat one another and we must follow his lead.

So to you, Mr. Hall, on behalf of the Province of Manitoba, for saving the life of a young man and reminding us the Great Spirit lives in all of us, for being the face of courage, humility and compassion that makes this province great, I say to you: Wopida, meegwetch, mahseecho, ekosani, Thank you.

[applause]

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, it's with great pride that on behalf of the Progressive Conservative caucus, I rise today to congratulate a humble Winnipeg man named Faron Hall, who demonstrated remarkable courage on Sunday as he rescued a teenaged boy who fell off the Provencher Bridge and into the frigid Red River.

Faron Hall is one of Winnipeg's unfortunate citizens who is without a place to call home. He has said he doesn't want the hero treatment or even to be labelled a hero. He simply wants better treatment for the homeless people in this province. We couldn't agree more with Faron. We thank him for bringing this issue to the forefront in our province, and for reminding all of us that the worth of a human being is not attached to an address or a status but to our virtues within.

Mr. Speaker, we know many people in this province who are homeless suffer from disabilities of one form or another, but they deserve our support, compassion and commitment.

Faron has asked all of us not to judge people who lack the comforts of a home but, rather, to support them, and today I challenge all political parties to work toward helping and supporting the homeless people in our province.

Mr. Speaker, I'd like to thank Faron, and, of course, Wayne Spence, who was with him at the time of his brave act and assisted him, for being a great example of courage for everyone in our city and our province. I would like to again commend him for his bravery. Thank you.

Hon. Jon Gerrard (River Heights): Mr. Speaker, I ask leave to speak to the minister's statement.

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

Mr. Gerrard: Mr. Speaker, I would like to join other members of this Assembly, on behalf of the Liberal caucus, to say thank you to Faron Hall and to recognize that everybody, no matter what their condition may be, has talents. Faron Hall has demonstrated to us that he has some extraordinary talents in spite of the fact that he's had some significant challenges from time to time.

I think it is perhaps significant in this year, when we have had to deal with so much problems with the flood and with water, to have Faron Hall show us in an outstanding fashion how individuals can triumph over the challenges of rivers like the Red River and to challenges of circumstance where a young fellow ended up in the river, and Faron Hall was there with character, with incredible determination and with talent and ability to come to the rescue.

So, I say, thank you, Faron Hall, as the others do. Let us remember today and continually that when we meet somebody on the street who has had

difficult circumstances that they, too, have talents and deserve respect for they, too, are people like all of us. Thank you.

Introduction of Guests

Mr. Speaker: I'd like to draw the attention of honourable members to the Speaker's Gallery, where we have with us today Mr. Faron Hall, who is the guest of the honourable Minister of Culture, Heritage and Tourism (Mr. Robinson).

On behalf of all honourable members, I'd like to welcome you here today.

Also in the public gallery we have with us from Neepawa Area Collegiate 25 grade 9 students under the direction of Michelle Young. This school is located in the constituency of the honourable Member for Ste. Rose (Mr. Briese).

Also in the public gallery we have from Ashern Central School 25 grade 9 students under the direction of Mr. Paul Armitage. This school is located in the constituency of the honourable Member for Interlake (Mr. Nevakshonoff).

Also in the public gallery from Kelvin High School we have 30 grade 9 students under the direction of Jerry Banner. This school is located in the constituency of the honourable Member for River Heights (Mr. Gerrard).

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

ORAL QUESTIONS

Provincial Debt Repayment

Mr. Hugh McFadyen (Leader of the Official Opposition): Firstly, we'd like to thank the minister for the very strong and powerful comments, as well as the Member for Lac du Bonnet (Mr. Hawranik) and the Member for River Heights (Mr. Gerrard) for their comments as well, but, most particularly, Mr. Hall for his outstanding example for all Manitobans. Thank you.

Mr. Speaker, in speaking to Manitobans, we know that there's a great level of anxiety today about the current state of people's finances and their jobs. Many Manitobans are concerned about the state of their jobs, and others who are approaching retirement are concerned about the impact of the decline in markets on their ability to make ends meet as they face retirement.

Mr. Speaker, we understand that measures are called for in order to meet these short-term concerns, but many Manitobans are expressing to us concern that Bill 30 goes well beyond what is required or called for, goes well beyond what was even in the budget in terms of piling the debt onto Manitobans at a rate faster than they can pay it off.

At \$21 billion, or \$20,000 for every person in Manitoba, our debt today is higher than is the combined debt of Saskatchewan, Alberta and British Columbia. Against that backdrop, the government proposes to give themselves the ability to make no repayment on the debt for a period of three years; as I said, well beyond the budget and well beyond what most Manitobans would expect in terms of meeting present needs without creating an unnecessary burden on the next generation of Manitobans.

In light of that, Mr. Speaker, will the Premier reverse his Finance Minister's terrible decision to stop repayment on Manitoba's credit card for the next three years?

* (13:50)

Hon. Gary Doer (Premier): Mr. Speaker, the decision on the budgetary situation of the government of Manitoba, that decision will be made by members of this Legislature. There is a budget in the Chamber. Members opposite, as they usually do, almost like Pavlov's dog, they vote against the measure.

We put forward a positive agenda in the budget. We are one of two provinces under GAAP financial budgeting that is balanced this year. We think that's very positive. We note last year many provinces in '08-09 fell into a deficit situation and, so far, our projections are, even with year-end, that we're going to do modestly well in terms of the fiscal situation in Manitoba.

We chose to reduce, not eliminate the debt payment. On top of balancing the budget, we chose to reduce the debt payment, but we chose also to increase the infrastructure spending. Members opposite should know that there are tens of millions of dollars more in our highways budget. Members opposite should know there is money with the federal and provincial governments to go to the inland port. Members should know there's money in the budget for the Selkirk treatment plant. Members should know that there's new modernization for the airport in Brandon. Members should know there's a new recreation centre being expanded in the city of

Portage, so the Portage Terriers can win the championship from that new arena down the road. Members opposite should know that we are building a better Manitoba by investing in colleges, university colleges in the north.

So we have choices to make. We're balancing the budget, spending more on the stimulus package, as called on by their federal cousins in Ottawa. We think that that call for a federal stimulus is sensible. Some provinces are spending money on infrastructure with debt. We're fortunate enough to do so by just reducing, partially, the debt payment in Manitoba in this budget, Mr. Speaker.

Mr. McFadyen: Mr. Speaker, with the amount of waste and mismanagement already undertaken by this government and the amount of waste planned in terms of \$640 million on a hydro line to nowhere and many other examples, Manitobans are asking why it is that this government can't find one-half of 1 percent in order to send a signal that they're going to stick to their debt repayment plan.

Contrary to what the Premier says, this Bill 30 doesn't require any repayment on Manitoba's debt for the next three years. It goes beyond the budget. It goes beyond what they voted on even seven months ago. Seven months ago, every one of the NDP members stood up and voted in favour of a \$110-million-a-year debt repayment. Five months ago, five months ago, after the financial crisis started, the Premier got up and he made the comment that he's committed to a \$110-million-a-year debt repayment.

And here we are five weeks after the budget, Mr. Speaker, and they've reneged on those commitments. They've backtracked on what was in the budget, and they are going to leave a legacy of more debt for the next generation of Manitobans, debt that will have to be paid off by working longer hours for less pay and by having to make do with less. We support doing things that provide help for Manitobans today but not at the expense of the next generation that will repay this record debt with interest, when the interest rates are going up.

Mr. Speaker, yesterday when we asked the question, rather than dealing with the issue, the Premier tried to portray those who are in favour of debt repayment as extremists, but his own government's pre-budget polling campaign that they launched with taxpayers' dollars showed that 54 percent of Manitobans who had an opinion on the issue said it was wrong to slow down debt repayment

in Manitoba. Fifty-four percent of Manitobans said it was wrong to slow down debt repayment. They oppose this policy.

Why is he calling 54 percent of Manitobans extremists? Will he apologize to them for calling them extremists but, more importantly, will he apologize for saddling them with unnecessary debt?

Mr. Doer: The man from one-half of one percent is up again today in his extremist views on the future of Manitoba. We already dealt with all these out-of-date and factually incorrect preambles yesterday in the first question.

I want to point out to the member opposite, he may believe a transmission line is a transmission line to nowhere. That's what I would expect from a Conservative, because there were no transmission lines. There were no dams. They were nowhere on building Hydro because they wanted to sell it.

There is a transmission line for the reliability of Winnipeg. That's not nowhere; that's to southern Manitoba for all of the citizens of Winnipeg. He may call Winnipeg nowhere. We call that a significant community.

There's a transmission line to Minnesota. He once said that the deal we had with Minnesota was written on the back of an envelope. He hasn't apologized for that factual error. There's a transmission line to Minnesota. That's not nowhere. That's millions of people, Mr. Speaker, buying our power. There's going to be a transmission line to Wisconsin. That's not nowhere. That's the future.

The future is building, not the past of going nowhere with Conservatives, Mr. Speaker.

Mr. McFadyen: Mr. Speaker, he's going to build a transmission line with 400 extra kilometres in it, which is going to cost upwards of 50 megawatts of line loss a year. That could have gone towards shutting down a coal-fired plant in Wisconsin or Minnesota. That's what we would have done, shut down the coal plant in Wisconsin and Minnesota and not waste hundreds of millions of dollars in electricity by building a power line that's 400 kilometres too long and \$640 million more than it needs to be.

Mr. Speaker, the Premier said only five months ago that he was committed to a \$110-million debt repayment this year. He's now calling that an extremist position.

I want to ask the Premier: Was he an extremist five months ago when he made that commitment, or is he just lousy at planning?

Mr. Doer: I seem to recall that seven months ago, or in September, every national party was saying they were going to run a deficit. Obviously, the economy changed. Most provinces are running deficits in Canada.

The members opposite voted against one of only two budgets, one of only two budgets in Canada that's balanced and still makes a payment—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. Let's have a little decorum, please. The honourable First Minister has the floor.

Mr. Doer: Mr. Speaker, they're voting against one of only two budgets in Canada that's balanced. Now, that's what I call extremist, the extremist position of members opposite. They are the one-half-of-one-percent party in Manitoba with their great, great stand that they're taking against putting money into infrastructure, against putting money into more doctors, against putting money into universities, against money-putting into rural Manitoba, against putting more money into agriculture, against putting money into the University College of the North.

They are the no party, the no party, the no party, and we're the can-do party, the can-do party and the can-do government, Mr. Speaker.

Provincial Debt Repayment

Mr. Rick Borotsik (Brandon West): I guess the can-do government includes the future of a vote tax. The can-do government includes the future of \$13 million wasted on enhanced identification.

Mr. Speaker, last fall the Minister of Finance, in Bill 38, presented a debt repayment of \$110 million. Last month he reduced that repayment to \$20 million in his own budget which those members voted for. Now he is the sponsor of Bill 30 which reduces that payment to zero.

Is the Finance Minister such a terrible manager that he cannot find a token amount of \$20 million to fulfil his commitment to his own budget?

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, there will be a \$20-million payment for the general purpose debt. There will be a \$136-million payment for the pension liability, which was never paid down by members when they

were in government. When you take the \$136 million and the \$20 million, you get \$156 million which is double what they ever paid on the best day in the best year when they were in government. So we're doing twice as well there.

In addition to that, we're paying another \$135 million of debt down through amortization, and we're paying another \$128 million of debt down through principal repayment.

We have a total of \$417 million of debt retirement payment in this budget, which is significantly more than \$75 million. It's six times more than they ever paid on their best day.

* (14:00)

Mr. Borotsik: Mr. Speaker, that's absolutely not true. Bill 30 does take the \$20 million that was identified for debt repayment out of the budget. That's what we're talking about right now. I should also say that the debt will increase by \$1.7 billion in this next year by debt that's going to be incurred by this government. So the repayments, if you're repaying \$400 million and borrowing \$1.7 billion, it doesn't calculate.

Let's put this in proper perspective. This minister has revenue of \$10.2 billion. He needs to find only \$20 million to keep his own promise. That is two one-thousandths of a percent.

Mr. Speaker, let me give you some perspective: A family with after-tax income of \$100,000 would have to come up with \$200 to make a minimum payment on their credit card. Why can't he make his minimum payment on his credit card?

Mr. Selinger: All the governments in the world have made a commitment to stimulating the economy at a time when consumer demand is significantly down, at a time when credit has shrunk and disappeared for the private sector in many cases or is only available at additional cost, very high cost.

In a time of global recession, government has a responsibility to provide a stimulus to the economy. This budget, on the incremental capital spending, will provide another 10,000 person years of employment. A recession starts for somebody when they lose their job. We are providing jobs for the two-thousandths of 1 percent that the member is concerned about. We get 10,000 person years of employment.

Why is he voting against that?

Mr. Borotsik: Why is he not supporting his own budget?

He made a commitment to Manitobans to put in \$110 million back at Bill 38. He made a commitment to put in \$20 million of debt repayment in his own budget. It's obvious the Finance Minister does not see debt retirement or a token debt retirement as a priority.

The Minister of Science, Technology, Energy and Mines (Mr. Rondeau) continuously tells this House what a great financial planner he is. Maybe the Finance Minister should ask his own minister for some help, because it's obvious he can't balance his own budget and he can't pay down his debt.

Mr. Selinger: The member can do all the finger pointing he wants. We've had six credit-rating upgrades. We've addressed the pension liability for a total of \$136 million in this budget. In the 11 years the members were in office, how much money did they put towards the pension liability? Zero, not \$1.

We've done over \$900 million of debt repayment including pension liabilities. We add to that \$20 million plus \$136 million for the pension liability debt; we add another \$135 million for debt through amortization; we add another \$128 million for principal repayment of debt: \$417 million of fiscal discipline and the members opposite are nitpicking for two—

Mr. Speaker: Order.

Manitoba Hydro Bipole III West-Side Cost

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, yet another prominent Manitoban has voiced his concern over this government's decision to blow hundreds of millions of dollars on the hydro west-side line. Jim Collinson, former head of Parks Canada, in today's *Free Press* says, and I quote: "An east-side Bipole has appeal."

Mr. Speaker, even more appealing is the fact that we'd have to borrow an extra \$640 million for a west-side line. Given Bill 30 and the fact that we can't meet our current obligations, how can the minister justify running up our credit card debt even further?

Hon. Greg Selinger (Minister charged with the administration of The Manitoba Hydro Act): The financial health of Manitoba Hydro with the debt equity ratio at 75-25 is significantly better than at any time when the members opposite were in office.

The reality here, Mr. Speaker, is we are managing three types of risk with our hydro development. First, environmental risk: The east side is one of the only remaining intact boreal forests in North America, the largest piece of intact boreal forest in North America and the second largest in the world. We have an obligation to protect that.

The second risk is the risk to Manitoba Hydro through reliability, which was never addressed in their office. We have to address that and, also, to protect our export markets worth \$20 billion.

We're going to protect those things. They can roll the dice if they're ever in office. I challenge them to say—

Mr. Speaker: Order.

Mr. Cullen: Well, Mr. Speaker, for the minister's information, Mr. Collinson was a two-term president of the UNESCO World Heritage Site, and he can't understand what this government's thinking. I want to use a quote from Mr. Collinson: One can only imagine the assault on logic that periodically takes place in the Manitoba Cabinet room.

Here, after 10 years, and we have Bill 30. We can't even meet our debt obligations, Mr. Speaker, and now this government wants to borrow another \$640 million for an ill-conceived west-side line. Where is the logic in that?

Mr. Selinger: Mr. Speaker, I'm glad the member asked a question about public policy logic because there is a very clear logic. It's about managing risk to Manitoba. The first risk to manage is to protect the intact boreal forest on the east side, an environmental risk which should be managed. There's a broad consensus throughout the entire world that this piece of boreal forest has unique qualities that need to be protected. That's risk No. 1.

Risk No. 2 is to the local people. The local people have made it very clear that they're not happy with the transmission line going down the east side. They prefer a strategy of development on the east side which protects the ecological integrity of that side, which protects their cultural integrity.

The third risk we are managing is to Manitoba Hydro's reputation through its export revenues and through its increase in reliability. That's the logic. I would like the members opposite to refute that logic.

Mr. Cullen: Mr. Speaker, the Minister responsible for Manitoba Hydro should have a look at a hydro map some day because there's a hydro line that runs

halfway up to Gillam already. Also, he should talk to his Minister of Infrastructure and Transportation (Mr. Lemieux), because he's going to carve down the boreal forest putting up a road through there.

Mr. Speaker, Mr. Collinson, who has done social and economic studies on hydro development, says a new look at Bipole III is warranted.

Not only is a new look at Bipole III warranted, a new look at Bill 30 is also warranted. When will the minister use some logic and revisit Bill 30?

Mr. Selinger: Mr. Speaker, we're prepared to be accountable for our public policy logic. We're prepared to demonstrate that to all comers, Manitobans first and foremost, and to bond-rating agencies, and we're prepared to put our record up against anybody in terms of fiscal management in the province, one of only two provinces that have balanced the budget this year with \$417 million of fiscal discipline.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. We need to hear the questions and the answers. Let's have some decorum. The honourable minister has the floor.

Mr. Selinger: Thank you, Mr. Speaker. I've dispensed with the fiscal discipline and the logic. Now, let me turn to the logic of protecting Manitoba Hydro. Three major risks: risks to reputation, export markets and reliability; risks to the culture and the people on the east side; and risks on the reliability side as well as risks to the environment.

We're managing all three of those risks. You have a single focus. You have a single extreme focus in all cases, and in all cases, that single extreme focus has no support.

Photo Radar Tickets Construction Zones

Mr. Kelvin Goertzen (Steinbach): The Minister of Justice has now had a couple of days to reconsider a decision that he made to keep money that law-abiding citizens put out, paying for tickets that the court said they should never have had to pay for and never should have been issued.

The minister has had many, many e-mails, and I know I've been copied on many of them as well, Mr. Speaker. He's received correspondence from a 54-year-old grandmother who was given a ticket on Thanksgiving Day who couldn't get time off work to fight the ticket and an e-mail from a mother whose

son was a new university graduate who couldn't afford to miss time away from work to fight this ticket that he got in a construction zone where there were no workers.

After reading these e-mails and many, many others, I wonder if the Minister of Justice can tell us today whether or not he's reversed his wrong-headed decision.

Hon. Dave Chomiak (Minister of Justice and Attorney General): Mr. Speaker, as the Minister of Justice, I have a duty to try to uphold both the letter and the interpretation of the law as provided to us.

Upon learning that there were some evidentiary issues, the Crown indicated they could not prosecute those particular tickets, and, therefore, they were stayed based on evidentiary issues.

Mr. Speaker, we've learned that there are approximately 60,000 tickets dealing with construction sites. We've asked the City today to stop using photo radar in construction sites. We've asked them to review and we're going to review and probably change the regulations to ensure that it's only safety, which was the reason that this Legislature brought in photo radar.

* (14:10)

Mr. Goertzen: Well, I think we found out the real answer why the minister isn't going to change his mind, 60,000 people. What a cash grab that was for this government.

According to a Freedom of Information request, at the end of this year there were outstanding court-ordered fines of \$43 million in the province of Manitoba, \$43 million of unpaid court-ordered fines in this province. Up until this week, most Manitobans would have probably looked at this and said that people were wrong for not paying their fines. Now they might look at it a little bit differently because under this Minister of Justice, the only way you can get your money back if a law is overturned or struck down is to not pay that fine.

How is it that he isn't going to go after the \$43 million of unpaid fines and yet he won't return the money to the 60,000 or so people who got tickets who should never have gotten those tickets in the first place?

Mr. Chomiak: As usual, the member is wrong. Even in the information I provided, we found out that there are 60,000 tickets issued, not 60,000 individuals, Mr. Speaker.

We've asked the City to stop using photo radar in construction zones. We've asked the City to look at the regulation, and we're going to review the regulation to ensure that the intent of the legislation, which all members agreed, was that it be safety, and, thirdly, we're going to sit down with the City and look at the issue of retroactivity.

It is very clear, Mr. Speaker, that the credibility of photo radar and use by the City is on the line, because it appears—and I have to admit it appears to the public that it looks more like a fine and a cash issue—

Mr. Speaker: Order.

Mr. Goertzen: This is an issue of cash for the government. For us, it's an issue of fairness. A court said that these tickets should never have been issued for individuals who were driving in construction zones where there were no construction workers present.

This is a Minister of Justice who sits on \$43 million of unpaid court-ordered fines. This is a Minister of Justice who is spending \$13 million on an enhanced driver's licence system and he can't even give those away.

Instead of having \$43 million sitting there in unpaid fines, \$13 million for a licence he can't give away, why doesn't he go after those individuals, cancel the other program and give the money back to the individuals who should never have gotten those tickets in the first place?

Mr. Chomiak: Mr. Speaker, the fines from the tickets go to the City of Winnipeg, which is a separate entity. There are also resources that go to the Justice Department for court costs, et cetera, and administration, and that's true.

I have said, Mr. Speaker, the credibility of photo radar, particularly in construction sites, is a problem now in the perception of the public and we have to solve that. If we have to change the legislation, we'll do it and we're going to sit down with the City who administered the program—

An Honourable Member: Put up the signs.

Mr. Chomiak: —who administered the program and ensure they put up the signs, Mr. Speaker, and we're going to try to get back to the original intent of photo radar which was safety and not for generating funds. That's where we're going to go.

Health-Care Services Health-Care Aide Vacancies

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, 1,471 doctors have left Manitoba under the NDP and Manitoba is short almost 1,300 nurses under the NDP. Now, health-care aide vacancies have skyrocketed under the NDP.

So I would like to ask the Minister of Health: How could she have allowed health-care aide vacancies to double under her watch?

Hon. Theresa Oswald (Minister of Health): Mr. Speaker, of course, let's clarify some facts for the members of this House in Manitoba because they have been presented in an unfactual way.

Of course, Manitobans are interested most clearly in the net increase of health providers to our front line. We know that virtually every year in the 1990s, we saw a net decrease in the number of doctors. Since 1999, we've had a net increase every year. We're now at a net increase of 288 doctors.

Further, Mr. Speaker, we know that we have seen a net increase in the number of nurses in Manitoba, with numbers posted just recently to show we had 245 net new nurses in Manitoba. That brings our total in Manitoba to over 2,000 nurses. Again, for every one that they fired during their time in office, we brought two back.

Mrs. Driedger: Mr. Speaker, we're talking about health-care aides that have doubled under the watch of this government. Health-care aides are support staff to nurses in hospitals and personal care homes. There is a shortage of over 700 health-care aides, and they can't blame this one on the Tories. This is happening under their watch.

So, Mr. Speaker, I would like to ask the Minister of Health to explain why she has failed to ensure that nurses have these much needed health-care workers there to support them in their work every day.

Ms. Oswald: Well, Mr. Speaker, it's my absolute pleasure to talk to the members opposite anytime that they want to about bringing health professionals to the front line. They made decisions during the last recession that included cutting the spaces in medical school. They made decisions to fire a thousand nurses and, of course, they made the other decision to freeze health capital.

I can let the member know that according to the 2008 Manitoba Nursing Labour Market Supply, we are aware that the report shows that we have created

an additional 3,403 nursing positions, which includes health-care aides, because they are very important to nurses on the front line. That's since the year 2000, and we have filled more than 80 percent of those positions, Mr. Speaker.

Mrs. Driedger: Mr. Speaker, the spin machine is certainly at work across the way.

Mr. Speaker, it is this same report that she was just referring to that shows that we have over 700 vacancies of health-care aides. This is under her watch, and it is at an all-time high in 10 years.

Mr. Speaker, a health-care aide in The Pas recently said, because of the shortage there, patients are not being turned and they are getting bed sores. So while the minister might like to stand up here and do all kinds of spinning, the fact is patients do not get good care when you have a shortage of 700 health-care aides, a nursing shortage of almost 13.

So I'd like to ask this Minister of Health: Why has she failed again? Why is she so incompetent in keeping her commitment to Manitobans?

Ms. Oswald: Mr. Speaker, let's be very, very clear, that health-care aides' positions filled are up. In the year 2000, we had some 6,200 positions; in the year 2008, 7,300 positions. Health-care aide positions are up.

Let's make one other point, and it's not a small one. Members opposite, from time to time, get up and crow about a particular vacancy rate that may have existed during their time. Guess what? When you eliminate all the positions that you can think of eliminating, there aren't vacancies. Not so sure they should be bragging about that.

Lake Dauphin Fishery Government Strategy

Mr. Stuart Briese (Ste. Rose): Mr. Speaker, we've seen another season of mismanagement and half-baked solutions to the crisis on the Lake Dauphin walleye fishery.

Mr. Speaker, the Minister of Water Stewardship (Ms. Melnick) said in Estimates that another \$10,000 was spent this year on the development of a co-management plan for the fishery. That brings the total expenditure over nine years on this plan to approximately half a million dollars, but we still haven't seen a copy of the plan.

Mr. Speaker, will the minister commit today to putting a co-management plan in place prior to the next walleye spawning season on Lake Dauphin and its tributaries?

Hon. Stan Struthers (Minister of Conservation): Mr. Speaker, we have worked very hard with the chiefs and councils and the West Region Tribal Council on a co-management agreement. We've committed to do that. We're still committed to doing it. We will do that on an ongoing basis.

But let's be very clear. As opposed to their approach, we actually did consult on a closure on the tributaries. We put a real closure in place and we really did enforce it, unlike what we've seen in the past from our friends across the way.

* (14:20)

Mr. Briese: Mr. Speaker, rather than trying to conserve the fish in the first place, the government's emphasis has been on the harvested end instead.

For example, the Minister of Water Stewardship is spending between \$55,000 and \$70,000 to supply frozen fish fillets to fishers during parts of closure. She wouldn't need to do this if she had properly protected the fish stocks years ago.

Mr. Speaker, I ask: Is this action going to become one of the long-term solutions to the crisis in this fishery, or is it just another Band-Aid political decision made on the spur of the moment?

Hon. Christine Melnick (Minister of Water Stewardship): Well, again, Mr. Speaker, it is a shame that members opposite see no benefit in working with the local community. We know they didn't consult when they put out a press release for a closure in 1999 and did absolutely nothing. Six thousand pounds of fish were taken.

We wanted to make sure that we did a complete consultation, that we were aware that this may cause hardship on some of the most vulnerable people in the province, Mr. Speaker. So we worked with the community and we provided sustenance so that families would not go without while they respected the closure.

I would like to thank the people in the area who respected the closure, who came and very peacefully partook of the fish that was offered. I also want to make sure that the House knows that the fish that is remaining is being distributed through the Dauphin Indian and Métis Friendship Centre for all the families in the area, Mr. Speaker.

Mr. Briese: Mr. Speaker, the only sustenance around here is political sustenance for a government that's failed to protect the fish stocks. The minister's actions are akin to surrounding the last buffalo herd and driving it off a cliff. When the walleye are gone, they're gone. There won't be any for sustenance. There won't be any for commercial fishers. There won't be any for recreational fishers.

Anytime Lake Dauphin walleye are taken pre-spawn, it is wrong. It threatens the long-term viability of the fishery for all users. It's time for the minister to stop playing politics, do the right thing and conserve the fishery.

Mr. Speaker, will the minister commit to a full closure on Lake Dauphin and its tributaries next year?

Ms. Melnick: Well, Mr. Speaker, again, instead of relying on political rhetoric and non-action at the political level, we rely on science. We relied on the science that was presented by the department. We respected the science that was presented by the department.

The member, two weeks ago in this House, tabled pieces of the document that we used to go out on consultation that showed that we needed to bring in a closure this year.

The science told us we needed to bring in the closure on the two main tributaries, with limited fishing of six fish per day on the other tributaries. That's what we did, Mr. Speaker.

Again, it's a shame that members opposite don't agree that we should work with the community to make sure that hardship is not visited on the people who are respecting the closure.

Health-Care Services Hospital Midwife Availability

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, in the last 10 years, we've all witnessed the NDP government double the cost of health care, while at the same time one questions in terms of the services that are being delivered in our community hospitals, and we see the burgeoning huge increases of bureaucracy and funding thereof.

We in the Liberal Party want to give the Minister of Health an idea. The idea is why not allow our community hospitals to provide births by allowing a midwifery program at each one of our community hospitals.

Hon. Theresa Oswald (Minister of Health): On the subject of providing a variety of options for maternal care, we are working with the midwives and with the regional health authority, in particular in the development of the south-end birthing centre that we committed to. It's going to be a very important project.

We know that we're going to continue to work with families in meeting their maternal care needs, as we're going to continue to work with our community hospitals: Concordia, in continuing to develop its centre of excellence in orthopedics; at Victoria, continuing to work to build on their new oncology program; at Seven Oaks, with their fantastic new ER; and at Grace Hospital, with the work that we're doing with clinical assistants in the emergency room.

We're expanding. That's where we're spending our money. We call it an investment.

Mr. Lamoureux: Mr. Speaker, the minister might call it investment. We call it a reduction in services. It was the NDP that closed obstetrics, whether it's in Seven Oaks Hospital, the Victoria Hospital and I even believe the Concordia Hospital.

Here we're coming up with a viable alternative that could really put some value back into our community hospitals. It'll only cost a fraction of what you're spending on the bureaucracy, and that is to provide parents the option of having their children or babies inside our community hospitals; nothing wrong with developing a midwifery program that would enable babies to be born in community hospitals.

Will the government commit to at least look at the idea with the possibility of bringing it in sometime in the next year?

Ms. Oswald: Again, the member opposite is putting his judgment ahead of medical doctors. We know that decisions about obstetrics, we know decisions about cardiac care consolidation, those recommendations were made by medical individuals. We're not going to substitute the judgment of politicians for medical individuals like the member did recently in talking about bringing cardiac surgery back to community hospitals, directly against the recommendation of Dr. Koshal and, indeed, the Leader of the Liberal Party.

And, further, Mr. Speaker, we're speaking with midwives and regions in improving maternal care. This may come as a shock to the member opposite

but, in fact, many women want to seek the care of a midwife because they don't want to go to a hospital.

Mr. Lamoureux: Mr. Speaker, it might come as a shock to the Minister of Health that people are not seeing the types of benefits that they should be seeing, given the amount of money that you're spending in the Department of Health. You've doubled the cost of health care in the province of Manitoba in nine to 10 years, Madam Minister.

What people want to see is they want to see results. They want to be able to have the option. Why not provide the option to being able to have babies in our community hospitals? There is nothing wrong with providing that option. It's a valid idea and it is something that will work. You can get the professionals that will agree to it.

My question to the minister is: Why will she not reverse some of those horrible decisions that she's made, and this NDP have made, in the past and accept this as a good idea?

Ms. Oswald: Well, first of all, Mr. Speaker, he makes reference to—or claims, untrue claims, of course, that we're not getting more for money that we're investing. In the money that we're investing in health care, we know we have 288 more doctors in Manitoba. We know that we welcomed the biggest medical school class ever with 110 students. We know that we have over 2,000 more nurses working in Manitoba than we did in 1999. We know we've brought down wait times for lifesaving surgery, like cancer and cardiac. We know that Manitoba has hip and knee wait times that are down 66 percent since 2005. We know that ultrasound wait times have been cut. We know that we're home to the first Gamma Knife. We're going to be home to the first CyberKnife. The list goes on and on, and the investments go on and on, and the member is just wrong again.

Eating Disorders Treatment Community-Based Programs

Ms. Erna Braun (Rossmere): Mr. Speaker, eating disorders have the highest mortality rate of all other mental illnesses. They affect every age group of both men and women across the province.

Given this week is Mental Health Week, I want to ask the Minister of Healthy Living: What has been done to further assist those who suffer from eating disorders?

Hon. Kerri Irvin-Ross (Minister of Healthy Living): Yesterday, I was joined here at the rotunda with the Member for Fort Rouge (Ms. Howard) talking with community activists as well as survivors and parents of men and women dealing with eating disorders in Manitoba.

Yesterday, we were proud to announce the first ever community-based program for eating disorders in Manitoba. This community-based program will provide individual and group support to survivors, as well as support to their families, Mr. Speaker. This community-based initiative will be run by a multidisciplinary team that will include a nurse practitioner, a psychologist, a mental health clinician. With these supports, it will make a difference for all Manitobans.

Mr. Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

Wendy MacDonald

Mrs. Myrna Driedger (Charleswood): I rise today to congratulate Wendy MacDonald, founder of The Horse Connection in Charleswood, on being the 2009 recipient of the Royal Bank Local Hero Award. She was presented with the award at the Volunteer Dinner and Awards at the Convention Centre on Wednesday, April 22.

I recently had an opportunity to visit The Horse Connection at WW Stables on McCreary Road. This program provides instruction and coaching for at-risk youth on horsemanship.

Pembina Trails School Division currently sends 16 students to participate in this program for the fall and spring sessions. This is an innovative and amazing program, and it is the only such program in Manitoba. It was amazing to watch the kids' faces light up when performing required tasks. This feeling of accomplishment will do a lot towards keeping these students engaged and in school.

After a pilot project which began six years ago, there have been 70 students who have benefited from the program. The program is all about intervention and prevention, reaching out to students before a cycle of events and poor decisions lead them down a negative life path. The success of this program is evident when you see the results.

Last year, two of the grade 9 students volunteered at that program. One of these students chose to use pictures from the classes for a school PowerPoint project. The ultimate intention of these

classes is to keep more at-risk students in school. Schools and students alike rave about the impact that The Horse Connection's Therapeutic Riding Intervention Program has on students' positive growth and development. This program depends on volunteers to fundraise, design a Web site, develop a brochure and logo, as well as be volunteer leaders, assistants and board members.

Wendy MacDonald, the current volunteer president of The Horse Connection, is doing a wonderful job, and I must commend her dedication and hard work. She is truly a local hero and important to our community.

Thank you, Mr. Speaker.

*(14:30)

Canadian Red Cross 100th Anniversary

Hon. Nancy Allan (Minister of Labour and Immigration): Friday, May 8, the Canadian Red Cross and the Winnipeg Senior Citizens Radio Club will be hosting an open house event to celebrate Red Cross Day and 100 years of the Canadian Red Cross.

On May 19, 1909, an act of Parliament paved the way for the Canadian Red Cross to serve Canadians. Mr. Speaker, 2009 is the 100th year of this great organization. The Red Cross is Canada's national organization that focusses on delivering humanitarian assistance in improving the lives of vulnerable people.

In Manitoba, we have been the beneficiaries of this organization many times, and, most recently, this year, during the flood. The Red Cross helped people evacuate their homes and are currently helping people recover from flood damage.

The Winnipeg Senior Citizens Radio Club was formed in 1982, and has been located in St. Vital in the old fire hall at St. Mary's and St. Anne's Road for over 20 years. The purpose of the club is to establish, operate and maintain an amateur radio station and provide communication services to the community in emergencies through organizations such as the Red Cross, the Emergency Management Organization or to recognize non-profit organizations whose activities benefit the community such as the Girl Guides, Boy Scouts and the Manitoba Marathon.

Together with the Manitoba regional Red Cross, the two organizations have decided to raise awareness of the Red Cross disaster management and amateur radio. The open house will focus on how the Red Cross disaster management team works and how

amateur radio communications assist in times of emergencies.

I encourage all members of the House to make their way down to the old fire hall in St. Vital and learn about these two great organizations in our community.

I congratulate the Red Cross on 100 years of great work and wish them 100 more.

Olivia Gerula

Mrs. Bonnie Mitchelson (River East): It's with great pride that I rise today to congratulate Winnipeg's own, Olivia Gerula for winning the World Boxing Council's female super featherweight championship title in Edmonton last month.

Olivia took the world title away from Edmonton's Jelena Mrdjenovich, scoring a unanimous 10-round decision over the reigning champ in her home town. The win was especially sweet for Olivia after losing to Jelena in a knockout match nearly five years ago. This time, however, Olivia was prepared. The personal trainer and mother of two spent the past five years training and perfecting her fighting techniques, and she was more than ready to face her opponent in Edmonton's Shaw Conference Centre.

Despite being the underdog, Jelena's record, that was the previous champ, was 23-3-1 before the fight to Olivia's 11-10-2. Olivia was hungry for the win. She took control early on and applied constant pressure throughout to bring down the reigning five-time champ.

It is the first time since Donny Lalonde won the light heavyweight world title in 1987 that a Winnipegger has taken home a world boxing title.

Olivia has some time to celebrate her win with friends and family before preparing for the next fight which is tentatively scheduled on June 12 in France against current European champion, Myriam Chomaz.

Mr. Speaker, I'd like to thank Olivia for being an ambassador for our great city and province, and I would like to, once again, congratulate her on this momentous win. Thank you.

Healthy Horizons for Children and Families

Ms. Jennifer Howard (Fort Rouge): Mr. Speaker, I rise today to honour an extraordinary couple who are making a positive difference in the lives of people

here in Manitoba and half a world away in the Central American country of Honduras.

Steve Malone and Sharon Creech are founders of a volunteer-run charity called Healthy Horizons for Children and Families. This grass-roots organization is working in the remote village of Jesus de Otoro and the surrounding areas in Honduras. They envision a transformation of the orphanage and medical clinic in Jesus de Otoro and are working with the local people to develop self-sustaining programs in education, health care and agriculture.

Healthy Horizons brings food and medical brigades into poverty-stricken areas and teaches the people there emergency medical care, CPR and first aid. Volunteers also work with the community to develop important preventative measures in health care.

The donations and contributions received by Healthy Horizons enable Steve, Sharon and their volunteers to distribute medical equipment, vitamins and food to those that desperately need them. During their most recent trip in February, Steve and Sharon brought with them an estimated \$24,000 in medicine, vitamins and equipment and close to \$4,000 in cash donations, which were used to purchase food for local residents.

The compassion and dedication of this couple and their volunteers is making a big difference in the lives of Hondurans.

I ask the House to join me in congratulating Healthy Horizons for Children and Families for the good work they continue to do and to wish Steve and Sharon a safe trip as they prepare for another visit to Honduras next November. Thank you, Mr. Speaker.

Darfur Petition

Hon. Jon Gerrard (River Heights): Mr. Speaker, yesterday I received a petition from Ami Bakerman of Winnipeg Walk for Darfur. This petition calls attention to the present troubling situation in the Darfur region of the Sudan. It's signed by more than Manitobans.

I'll read the petition. It says: We the undersigned residents of the province of Manitoba wish to bring to your attention Sudan's Omar al-Bashir has been charged with murder, rape, extermination, forcible transfer by the International Criminal Court for acts against the people of Darfur.

In response, Bashir has ordered the eviction of humanitarian groups like Doctors without Borders,

OXFAM and Mercy Corps, threatening to worsen life for millions in Darfur.

Therefore, we call upon the Canadian government to express support for an ICC process against Bashir that is robust, efficient and sensitive to its short-term impacts on civilians, to honour our commitments to UNAMID and to advocate for the mission's full deployment. For the ICC's work to be effective it must be supported by a robust peace process.

Mr. Speaker, as we are all aware, the people in the Darfur region are living in difficult times and have had troubles in that area for quite some time: severe difficulties in many ways and a lot of lives being lost, as well as a lot of crimes being perpetrated.

We also, of course, need to be aware that there are other parts of Africa, particularly the Congo at the moment, where we should be paying attention because of similar major problems. Indeed, in my office this morning I talked to a Manitoban who came from the Congo and expressed his deep concerns on the situation there as well.

It's important for all of us to know what is happening in Darfur and in Congo and to push for more involvement of Canada and the international community to help in achieving long-run solutions which respect human rights and human dignity and which can lead to peaceful development in the years ahead in these regions.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Steve Ashton (Deputy Government House Leader): I would like to ask if you would please canvass the House to determine if there is agreement for the Estimates sequence to be changed so that the Estimates for Intergovernmental Affairs will be considered in the Chamber following the completion of the Estimates for Science, Technology, Energy and Mines.

Mr. Speaker: Is there agreement for the Estimates sequence to be changed so that the Estimates for Intergovernmental Affairs will be considered in the Chamber following the completion of the Estimates for Science, Technology, Energy and Mines?
[Agreed]

Mr. Ashton: Mr. Speaker, could you please dissolve the House into Committee of Supply.

Mr. Speaker: The House will now resolve into Committee of Supply.

Would the Chairs please go to the respective rooms where they will be chairing. In the Chamber will be Science, Technology; in Room 255 will be Conservation; and in Room 254 will be Health and Healthy Living.

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

HEALTH AND HEALTHY LIVING

* (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 Health and Healthy Living. We have one remaining resolution for this department.

Resolution 21.1: BE IT RESOLVED that there be granted to Her Majesty a sum not exceeding \$12,834,000 for Health and Healthy Living, Administration, Finance and Accountability, for the fiscal year ending March 31, 2010.

Resolution agreed to.

This completes the Estimates of the Department of Health and Healthy Living. Thank you very much.

The next set of Estimates to be considered by this section of the Committee of Supply is the Department of Family Services and Housing.

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

Thank you. Yes, we will recess.

The committee recessed at 2:43 p.m.

The committee resumed at 2:50 p.m.

FAMILY SERVICES AND HOUSING

Madam Chairperson (Marilyn Brick): 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 Family Services and Housing.

Does the honourable minister have an opening statement?

Hon. Gord Mackintosh (Minister of Family Services and Housing): Yes Madam Chairperson. This year's budget provides over \$1.2 billion for the Department of Family Services and Housing, which is a net increase of \$63.2 million, or 5.3 percent over the '08-09 adjusted vote.

A number of key areas for investment include the largest ever increase in social housing investments; additional supports for low-income families and for persons with disabilities, including children with disabilities; as well as increased funding for child welfare, for child care, family violence and for the sexual exploitation strategy called Tracia's Trust.

One of the major goals of the department is, of course, to reduce poverty and increase Manitoba's participation in the labour market in concert with other departments and agencies and, indeed, all Manitobans. Since 1999, we've continued our commitment to reduce the effects of poverty. We continue to make important strides toward addressing low income in the province and supporting low-income individuals get access to employment and income assistance and to become self-sufficient.

Over the past years, Manitoba's poverty rate has decreased dramatically. For example, between 2000 and 2006 there's been a 40 percent reduction in the child poverty rate using the market basket measure and, in 2006, Manitoba had the third-lowest poverty rate among the provinces for all persons as well as for children. In 2006, Manitoba showed a decrease of approximately 19 percent in the incidence of poverty for all persons. The most recent market basket measure data shows that, in 2006, 10.8 percent of Manitobans were living below the market basket measure threshold. Clearly, this is not acceptable, and any decreases in the poverty rate are no consolation to a family or an individual struggling in poverty. There is much to do.

We have, however, in '08, increased shelter rates for single non-disabled adults living in private rental accommodation, equalizing the shelter rates between single non-disabled and disabled individuals. With the additional \$35 a month directly from the shelter benefit, the shelter rate for a non-disabled single adult on income assistance increased to \$320. Our room and board rates for individuals requiring care and supervision or living in residential care facilities

also increased by 2 percent. Income assistance for persons with disabilities increased by \$300 annually beginning in February of '08. Budget '09 has allowed us to increase board and room rates for individuals requiring care and supervision living with a relative from \$441 to \$566 a month, effective April 1.

In this tight rental market, low-income people need help to pay for their rent and, to this end, we continue to make improvements to the Manitoba Shelter Benefit. That's a monthly benefit for low-income families and eligible persons with disabilities and seniors who spend a large portion of their income on rent. A flat rate is also available to some persons receiving income assistance who are not living in subsidized housing. In '08, the benefit, the shelter benefit, was extended to provide the flat rate benefit to non-disabled single adults and couples without children on income assistance.

In January '09, enhancements to the Manitoba Shelter Benefit were implemented to allow a higher income eligibility limit, an increase to the amount of rent that will be considered in the calculation of the benefit and an increase to the maximum monthly benefit. The Manitoba Shelter Benefit will further increase for all eligible disabled adults and non-disabled single adults and childless couples who are on income assistance. In 2010, the benefit will be further enhanced by adjusting the income and rent eligibility levels for those not on income assistance. Affordable housing benefit for persons with a mental health disability will also be announced.

Two years ago, we introduced Rewarding Work. It's an important element of the anti-poverty strategy of the Province. It's a four-year strategy to enhance opportunities for people receiving income assistance to participate in education and training and make it easier to work and succeed. Since then, the department has implemented many new initiatives aimed at helping people find and keep jobs. At the end of its second year, there are early indications that Rewarding Work is making a difference in addressing the barriers to employment and the training needs of people on income assistance.

The number of people working while on welfare is higher one year after their earnings exemption doubled. Over 3,000 training plans have been approved for people on welfare to take a training or education program to help them find better jobs, and approximately 900 people on welfare are being supported by Job Connections and the marketability

staff to get ready for employment or to succeed in an education or training program.

In '09-10, the department will be partnering with Competitiveness, Training and Trade to take proactive measures to help workers displaced by the current economic downturn rebound. It will be a new element of Rewarding Work to provide a number of initiatives to assist workers in transition.

Affordable housing, of course, is an important step on the road to a productive and stable life. Our government continues to strive to provide housing at an affordable rent to individuals, seniors and families in need, supporting community-driven construction or renovation of affordable homes for lower-income Manitobans while other new investments are enhancing the existing public housing stock, homeless shelters and basic home repair.

The number of affordable housing units built has increased since 2000 and the number of affordable housing units renovated in Manitoba has increased, for example, from 196 in 2000 to 409 last year.

Budget 2009 represents the largest increase in funding for social housing. In '09-10, \$131.3 million in new Loan Act authorities being allocated to fund a number of other capital investment initiatives including \$3 million to provide for the development of new social housing units in the north.

It's anticipated that the three projects in Brandon, Thompson and The Pas will each be 24 units in size for a total of 72 units. Of the 72 units, six will be fully accessible and the projects also include visitable units, Madam Chair. Other investments include \$23 million for the further development of Waverley West; \$62.5 million for funding of the Manitoba Housing Renewal Corporation's modernization and improvement program to perform major refurbishments at Lord Selkirk Park, Gilbert Park, at two Central Park projects, one community in Brandon and four other rural housing communities in Neepawa, Dauphin, The Pas, and Swan River. There will also be a number of smaller-scale rejuvenation projects throughout the province.

In October '05, the government launched its Aging in Place policy and it was adopted as a central principle for the planning of all provincial government housing and long-term care initiatives. We're working hard to recognize that we have to better meet the need for affordable, accessible housing for persons with disabilities who have

complex health needs and require support services to live independently in the community.

We have, since 1999, made services for persons with disabilities a priority area for the government. We have now put in place ministerial responsibility and, as well, under Full Citizenship, the Manitoba strategy, we've improved income assistance for persons with disabilities and work toward building public buildings and homes using the visitable design model.

In '08, a disability lens was announced to ensure that the impact of new government initiatives on persons with disabilities is assessed in advance by policy and program developers. Effective January '09, the primary caregiver tax credit is providing up to \$1,020 a year to individuals who are primary caregivers for spouses, relatives, neighbours or friends whose needs are assessed at home care level 2 or higher, and we'll be increasing the mechanisms to ensure that that is truly accessible.

Participation activity limitation survey data for 2006 indicates that, in '99, 57.3 percent of Manitobans with disabilities were employed at some point during the year. By '06, this number rose to 65.8 percent. That puts Manitoba in second place in comparison to other provinces, but we must redouble our efforts. Therefore, in December of '07, we announced marketAbilities. That was a component of Rewarding Work to further assist Manitobans with disabilities get training and find jobs. That includes the Personal Attendant Community Education program, the Sara Riel work placement force program, doubling the liquid asset exemptions and the marketAbilities team that provides intensive specialized services to persons with disabilities.

We've increased the funding and this budget increases funding once again for the Supported Living Program. I believe that the funding has actually increased by over 200 percent since 1999.

*(15:00)

Children's Special Services gets increased funding with this budget as well. In the area of child welfare, the Circle of Care campaign has been very successful in recruiting new foster beds as well as reducing very significantly the use of hotel rooms. The additional funding has been allocated for Child Protection which increases funding for workload, for child maintenance and family support services, for salaries, increase for funding for community agencies, effective July 1, and other funding to

continue with the implementation of the Changes for Children initiative.

The sexual exploitation strategy is getting an increase of \$1.2 million for Tracia's Trust implementation in this budget. As well, child care gets new funding for additional spaces—

Madam Chairperson: We thank the minister for those comments. Does the official opposition critic, the honourable Member for River East, have an opening comment?

Mrs. Bonnie Mitchelson (River East): I want to thank the minister for his opening statement, and say at the outset that I know he has a heavy workload with both the former Department of Family Services and the Housing. The combination is something I'm not sure should have happened. I know there are lots of overlaps and lots of areas where housing and supports and services to people are critical to be co-ordinated, but I do know sometimes it doesn't allow the minister the ability to focus in any detail on any one area of the department because he has a pretty overwhelming workload. So I have to say to those that work in the Department of Family Services and Housing, I know it's an onerous task, and I know there's a lot of hard work and activity.

There've been some good things that have happened. There isn't any government that does everything right or everything wrong, so I do want to say at the outset. I have said this to the minister before, there are some areas where we believe there has been good progress and continued progress in the areas of support for people that are vulnerable in our community.

The one area we have significant concern about is the whole area of child protection. I will be focussing a lot of my energy and my questions, over the next few days, in the child protection area. I don't want to say anything more at this point in time. I think we want to get into the detail of the Estimates, and I certainly will have many questions for the minister as we move forward over the next few days. Thanks.

Madam Chairperson: We thank the critic from the official opposition for those remarks.

Under Manitoba practice, debate on the Minister's Salary is the last item considered for the department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 9.1.(a) and proceed with consideration of the remaining items referenced in Resolution 9.1.

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.

Mr. Mackintosh: Staff will come to the table as their area comes up for questions. I'm joined by Martin Billinkoff, the Deputy Minister of Family Services and Housing, and Sheila Lebrecht, who is the Assistant Deputy Minister of Finance and Administration.

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

Mrs. Mitchelson: I think, if it's okay, we'd like to have a global discussion. We've done that in the past. I guess I might just seek a little bit of advice. I wanted to go through the human resources and the staffing component, and I'm wondering if I could sort of hop from area to area. Does that make sense, or do I need to do that as I'm asking questions on different branches?

Madam Chairperson: I think, as the minister has indicated, that's fine with the minister.

So is it 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. Mitchelson: I'll just sort of go through the Estimates book where I have some areas flagged, and we may get into a little more debate than just the staffing in these areas.

The first area that I wanted to talk about was the Agency Accountability and Support Unit. Could the minister indicate—I see in the Estimates book that there are 12 FTEs in this year's budget. Can I ask the minister who the Managerial staffperson is?

Madam Chairperson: Just prior to recognizing the minister, could you tell us what page you're referencing, please?

Mrs. Mitchelson: Page 39.

Mr. Mackintosh: Yes, the unit is headed by Denise Koss; that's K-o-s-s.

Mrs. Mitchelson: Can I ask the minister how long Denise Koss has been in that position?

Mr. Mackintosh: I'm advised it was July of last year.

Mrs. Mitchelson: Madam Chair, can I ask who was in that position prior to Denise Koss?

Mr. Mackintosh: Paul Cormier.

Mrs. Mitchelson: Madam Chair, how long was Paul Cormier in that position?

Mr. Mackintosh: I was advised he was in that position about two years.

Mrs. Mitchelson: Can the minister just refresh my memory, because I know that the Agency Accountability and Support Unit came back into the department from the Department of Finance. I'm just wondering when that was.

Mr. Mackintosh: It's my understanding that the unit didn't come from Finance; it was created from scratch. There may have been some persons that came to fill positions from some other departments, but it was a new creation following the review of the challenges at Hydra House.

Mrs. Mitchelson: So what year was that?

**(15:10)*

Mr. Mackintosh: The creation was first announced in the fall of '04. Then it was later expanded, and it looks like in the '07-08 fiscal year.

Mrs. Mitchelson: I think the expansion went from six employees to 12, if I'm correct.

Mr. Mackintosh: I believe the original was five members, but whether that includes support staff is a question. Then it was increased to 12 FTEs.

Mrs. Mitchelson: Are all those positions filled?

Mr. Mackintosh: It's my understanding there are currently two vacancies. One's a mat leave, two vacancies.

Mrs. Mitchelson: Has the unit ever been fully staffed?

Mr. Mackintosh: Yes, there's been approval to fill the vacant positions. The recollection of the ADM is that we may have been one short as a result of turnover over the years.

Mrs. Mitchelson: I'm wondering if the minister and his staff could provide for me the names of the individuals that compose, I guess, the 10 FTEs that are Professional/Technical. I understand that there's one on mat leave, and there's one position that isn't filled, but could I possibly have the names of the other individuals and what responsibilities they would have? I know that there are many service

purchase agreements in the department and in different branches. I'm wondering if staff have responsibility for certain areas of the department.

Mr. Mackintosh: So, aside from Ms. Koss, Marilyn McEachern, the senior business comptroller, CMA; Craig Hepworth, financial management consultant to the CMA; Mr. Ray Harper, the financial management consultant of CGA. Amy Wang is the compliance officer with CGA. Sylvester Aghidi, compliance officer, CGA; Gary Ma, compliance officer of the CGA; Sandra Morrison, compliance officer who's a CA. Wendy Bloomfield is the senior agreement consultant, and Jade Blair is administrative support.

Mrs. Mitchelson: I didn't quite get all the names, but they will be in *Hansard*. So I thank the minister for that.

Now, the first three names that he provided, they have a different title than the next three. Then there were—maybe I should start by asking how many service purchase agreements the department negotiates. There are a couple of things I want to ask, so maybe we can start by asking how often are service purchase agreements negotiated, and how many service purchase agreements in each branch of the department.

Mr. Mackintosh: I'm advised they're typically three-year agreements. There were 199 agencies as of May 1, I'm advised. What did I say? Madam Chair, 199 SPAs—is that what I said?

There are two being renegotiated. Well, there will always be some being renegotiated, I suppose, and there are two new ones under negotiation.

Mrs. Mitchelson: Can I ask what the two new ones under negotiation are?

Mr. Mackintosh: One is M.I. House, and the other is a community unemployed help centre. Actually, that one we're expecting to have signed that any day now and, the other one we expect to have signed in the near future.

Mrs. Mitchelson: Can I just ask what M.I. House is?

Mr. Mackintosh: Yes, my understanding, it's a supported living agency providing residential care.

Mrs. Mitchelson: So there are 199, then, and when the two new are negotiated that would be just over 200, 201, is that—can the minister give me a

breakdown of what branches those 199 service purchase agreements are in?

Mr. Mackintosh: We don't have that answer at hand here. We'll have to provide that breakdown. There are some rough numbers but I think the member is entitled to get the accurate numbers, and we'll provide that.

Mrs. Mitchelson: Madam Chair, and I am wondering if I could have that information for tomorrow, if that would be possible, if you could get that.

Mr. Mackintosh: Yes, we'll make all the best efforts. I'm confident the information is at hand; it just has to be brought into the room.

Mrs. Mitchelson: Then there was a question that I asked just a little earlier. Which employees, I guess, within the branch, then, would have responsibility for actually negotiating? Do they have responsibility for certain areas of the department?

Mr. Mackintosh: The negotiation of SPAs is led by Wendy Bloomfield, but will involve the participation of others in the department in the area that the services are provided under.

* (15:20)

Mrs. Mitchelson: So, then, in each program area there would be staff that would be responsible to work with Wendy, who is the lead negotiator. Then, of course, there would be someone from each of the agencies that the agreements were negotiated with that would be involved.

Mr. Mackintosh: That reflects the practice.

Mrs. Mitchelson: How many of those 199 or 201 service purchase agreements are with Child and Family Services agencies?

Mr. Mackintosh: Well, the department—we have agreements with non-mandated agencies. The mandated child welfare agencies are the responsibility of the authorities. We have SPAs with the authorities, the child welfare authorities.

Mrs. Mitchelson: So the minister is indicating, then, that out of these 201 agreements none of them are with Child and Family Services agencies but that they have a service purchase agreement with each authority, and is it negotiated under this agency accountability unit?

Mr. Mackintosh: Well, I'm advised that there are 34 service providers that are CF extras, external

agencies or CFS authorities funded through the Child Protection branch. They have SPAs. One, B&L Homes, is being renegotiated. That's the status of those agencies.

Mrs. Mitchelson: So, out of this unit, there are four service purchase agreements with the four authorities?

Mr. Mackintosh: I'm advised that the formal term for the service purchase agreements for the authorities is contribution agreements, but it is basically the same purpose and format type. The department is developing a new form of contribution agreement, but there are agreements in place, I understand.

Mrs. Mitchelson: So these contribution agreements then are negotiated through the Agency Accountability and Support Unit?

Mr. Mackintosh: Yes, like with other agreements, they are negotiated with the involvement of the Agency Accountability and Support Unit but with the involvement of the Child Protection branch and, of course, the authorities themselves. The Child Protection branch has a critical role to play, participating in that process.

Mrs. Mitchelson: Who'd be the lead person in the Child Protection branch that would be responsible for the contribution agreements with the authorities?

Mr. Mackintosh: I'm advised that, under the authority of the child welfare director, Claudia Ash-Ponce, Brian Ridd has been assigned lead but is not alone in working on these. He works on this with other staff from the Child Protection branch, but Brian Ridd would be the answer to the question. I believe his title is authority relations manager.

Mrs. Mitchelson: Out of the 201 service purchase agreements, there would be four. Are these contribution agreements included in the 201 service purchase agreements?

Mr. Mackintosh: I'm advised that's the case, yes.

Mrs. Mitchelson: Is there a template for the contribution agreements? There must be a template for all service purchase agreements. They would be different in different areas, or are they consistent across the board in the department?

Mr. Mackintosh: It's my understanding the service purchase agreements have two main components; one is a boilerplate basic agreement that's been worked on over time. As well, then there are

attachments that deal specifically with the agency or the area of service.

Mrs. Mitchelson: Is there a boilerplate for the authorities?

Mr. Mackintosh: Yes.

Mrs. Mitchelson: Could the minister provide that to us tomorrow? Would that be possible?

Mr. Mackintosh: I understand that can be made available. Just to clarify, the member wants the contribution agreements with regard to the authorities?

Mrs. Mitchelson: Yes, please.

If I go back to the last annual report in 2007-2008 and we look at the agency accountability support units, it says the estimate of expenditure in 2007-2008 was \$401,000 approximately, and the actual amount that was spent was \$204,000. The note that is attached to that other expenditure says that the variance is primarily due to underexpenditure of audit costs. I guess I would like to ask what audits were planned that year that didn't occur that would have seen the actual that was spent, about half of what the estimate was.

Mr. Mackintosh: I'm advised the amount is available to the unit for contracting out for professional services. They have that option, or they can use the services of internal audit. In that year, I'm advised that there would have been a propensity to use internal resources rather than the contracting out.

* (15:30)

Mrs. Mitchelson: So are we saying, then, that in the Estimates the total amount every year is for services that might be contracted out?

Mr. Mackintosh: The member will see, on page 39, there's a line there of \$257,000. So that is the amount that is available for contracting out if the unit deems it appropriate or useful to pursue that, rather than using internal audit services.

Mrs. Mitchelson: I guess my question would be, what kinds of audits would be contracted out versus what kinds of audits could be done internally?

Ms. Jennifer Howard, Acting Chairperson in the Chair

Mr. Mackintosh: I'm advised that the amount is a contingency amount. It's for unexpected expenditures for special investigations which may arise from time to time, but it certainly allows the unit to be nimble

in terms of responding to any issues that might arise and need a swift investigation.

Mrs. Mitchelson: Where would I find, in the Estimates, then, the internal audit function?

Mr. Mackintosh: The internal audit is a central government service that's provided through the Department of Finance.

Mrs. Mitchelson: Is that the internal audit function that was around years ago? I guess I'm sort of questioning—I know the minister has spent a lot of time talking about agency accountability and how that's been brought back into the department, and that this line, in the Estimates, and the 12 employees, that are here, are negotiating service purchase agreements, which would have been a function that was done in the department before the Agency Accountability and Support Unit was established in the department, because service purchase agreements have been part of what the Department of Family Services and Housing has done forever, I think—for a long period of time, anyway.

So, if the minister is telling me that the internal audit function is the same process that was done before 2004, when the agency accountability unit was established, what kinds of accountability functions are happening in the Department of Family Services and Housing other than the service purchase agreement function that always existed?

Mr. Mackintosh: The Department of Finance, in the provision of its central service, really is a consulting service for departments on the financial issues, but it has not had a role in negotiating or creating service purchase agreements, for example.

Mrs. Mitchelson: Madam Acting Chair, I know that the Department of Finance never has had that kind of function in its internal audit capacity, but service purchase agreements have been a part of what Family Services has done for many, many years. It's not new.

So I guess my question is: Is the main role of the Agency Accountability and Support Unit to negotiate service purchase agreements?

Mr. Mackintosh: First, the Agency Accountability and Support Unit reviews financial reporting with a view to ensuring that what has been happening historically is strengthened, and that often requires working with community, arm's-length organizations to strengthen their financial reporting and, going beyond that, also, of course, to comply with the

financial reporting requirements that are set out in the SPAs. They also have responsibility for any special investigations.

The SPAs, as the member noted—I mean, you look at the SPAs in the department, they were stalled. I think there was a minority of SPAs. By 1998, I think that only about just over 20 percent of the agencies had SPAs with the department. I think now we're up to, you know, about a hundred percent, if it's not a hundred percent.

But, as well, as the title of the unit says, it's not just about accountability, but also supports. We have all of these, hundreds upon hundreds of community-driven organizations, these boards, that are comprised of well-meaning Manitobans who are doing some great work, but often they need the additional support that the unit can provide, and the training is one. There is a number of board training workshops that have been launched as a result of the strengthening of the Agency Accountability and Support Unit.

* (15:40)

So we see that as a key part of the prevention networks that are needed to avoid problems that can arise from time to time. We're seeing, not only there but in the child welfare sector, the importance of board training and the development of strong procedures in place to deal with issues that have been identified, including by the Auditor General in the past.

Of course, the unit also does the liaison with the branches in the department, and from time to time, some other departments of government, in particular Finance.

I think this unit is very important. I think it has to remain in place. The department provides funding, the Legislature provides funding, of course, to many organizations. I think Manitobans might think that Family Services and Housing directly provides services to Manitobans, when, in fact, I know that this may be trite for the member, but the services are provided through these arms-length organizations all across the province in so many endeavours of social services.

I think that there remains good work ahead that's needed to strengthen boards and put in place preventative practices as well as making sure that the financial requirements in the SPAs are followed. Because there are some long-standing practices that may have worked very well for certain boards for

many, many years, and people on boards that have come from even the financial sector and do have an understanding, but are pursuing practices that now are being recognized as not best practices.

So that will continue to be an important role for this unit, one that has to be, I think, an integral part of government. I will say this, finally, is that, yes, this unit is part of administration, and some may perceive this as increasing the bureaucracy and not front-line service, but you can't have the front-line service delivered with accountability and support without this kind of function.

I can understand why, in the '90s, there was a decision to disband the agency relations unit in the department. In tight times, people look to see how administrative costs can be reduced, but I think that is short-sighted, and this is the right way to go. I think we're on the right path now, but we still have work to do. We recognize that, to make sure that the unit is fully staffed and is working with as many external, arm's-length agencies as we can possibly enable.

Mrs. Mitchelson: I wonder if the minister could indicate, then, back in the 2007-2008 annual report, there was \$204,000 spent on other expenditures. Could the minister indicate what was done with that money?

Mr. Mackintosh: The officials have given some examples of some of the expenditures. But, perhaps, the member is best owed a breakdown that we could provide. That information would be available, but would include operating expenditures, include information systems and contracts, those kinds of expenditures. But we could break that out for the member.

Madam Chairperson in the Chair

Mrs. Mitchelson: Thanks. I would appreciate receiving that information.

What special investigations were done because I know that the minister did indicate in one of his answers, just not long ago, that special investigations are done out of this unit.

What special investigations have been done—maybe if we just go back to 2007-2008, 2008-2009.

Mr. Mackintosh: I think a good example would be, and one known to the member, the Cree Nation Child and Family Services special investigation that was done as further action on the review of that

agency by the northern authority, INAC and the department.

Mrs. Mitchelson: So then there would have been someone in the Agency Accountability and Support Unit that was assigned specifically to do that work on behalf of the provincial government?

Mr. Mackintosh: The unit would have had involvement in helping to supervise that or oversee it, take part in the direction overall, but the work was done under a contract for services.

Mrs. Mitchelson: I think I probably asked a question that had been answered before, and I think the minister indicated there was contingency money in here to contract out services, and so I think that clarified in my mind then, what some of that money used for. Was that just in the last fiscal year?

Mr. Mackintosh: My understanding is the bulk of that expenditure will be in the last fiscal year, but there will be expenditures expected in this fiscal year. The work is not yet completed.

Mrs. Mitchelson: That's one example. Are there others that could be identified?

Mr. Mackintosh: I just should add that the Cree Nation cost is being shared with the federal government, INAC, in particular.

Another example was given, and we'll look to determine others, but there had been an allegation about a group home operated by St. Amant in the last year, and that was another example of a funding participation by the unit.

Mrs. Mitchelson: Madam Chair, I thank the minister for those answers. I think at this point in time, until I maybe get information that the minister has agreed to provide, I may have some follow-up questions, but that's all, right at this point in time.

Just one more follow-up question. I know that the annual report isn't out for last year. We should be getting that probably—I don't know what the anticipated date for that is.

Mr. Mackintosh: I'm advised the usual time is September.

Mrs. Mitchelson: I don't know whether the department can provide for me any information on what was spent in the last year. Was the money expended then, had been estimated to be spent in this area, or is it too early to be able to provide that information?

Mr. Mackintosh: It's my understanding that that amount may be available, may be known, may well be known. So, if it is, we'll provide that.

* (15:50)

Mrs. Mitchelson: I would imagine that some of the Cree Nation audit function would be a part of that resource that was spent last year.

I had some detailed questions on EIA and some of the support programs but I really haven't got staffing issues around that. So do you want me to go through the staffing piece or does it really matter?

Mr. Mackintosh: We can rally staff in here fairly quickly for an area the member wants to raise.

Mrs. Mitchelson: I just had one question. On page 63 of Employment and Income Supports, and it's down to the—it's on the Manitoba Child Benefit program. I know that this is a new program that replaced the CRISP program in the department, and I'm just wondering whether the minister could tell me what the difference is in the old program versus the new.

Mr. Mackintosh: Yes, there is a number we were looking for and weren't able to quite find it here in terms of the increased take-up of this, which has been a good success.

First of all, there was some initial perception that this was simply another word for the CRISP program, but it's not, in a number of areas. First of all, the amount is increased, an additional monthly amount. There was an asset test before for CRISP. It was a \$200,000 asset test, and that has been dropped. That was found to be very—that was really penalizing the ability of farm families to apply, where they had assets, but may not have adequate incomes, so that was a change. As well, the coverage is broadened.

As well, I might just say that while you still have to apply for this, we've developed promotional efforts with agencies, with staff, and we're just trying to get the figure but we know that—I think this is modest, but we've doubled the number of children who are benefiting from this one. But we have a ways to go with the objective of bringing that home by way of an agreement with the federal government integrated with the child tax benefit so that no application is necessary and that families will automatically receive it. So those discussions have begun, and there has been some federal Treasury analysis, we understand, of this one. But we are pursuing this one with the federal government,

hoping that over—I wouldn't even say the longer term, but the medium term—that we can broaden the take-up by way of that technique.

So that was the plan originally as well. It was our hope that this could be administered through the tax system. I think we enunciated that at the time and we're pursuing that.

* (16:00)

Mrs. Mitchelson: I would think that probably that is the good way to go. But I guess when I look at—and if you're looking for a number I'd appreciate that number, because when I look back to the CRISP program over the years and go back, go all the way back to 1998-99, I see that there was about \$1.3 million spent on CRISP, and then, over the years, that number decreased to a point where, I think, in 2004-2005, it was down to \$839,000, and if I look at—just have to find it in the annual report—for 2007 and 2008, it was down to \$698,000. Was the new Child Benefit implemented at that point in time or was it implemented after, because it does say Manitoba Child Benefit in the annual report?

Mr. Mackintosh: The Manitoba Child Benefit was introduced in January of '08, so the numbers wouldn't reflect the benefit expenditures on an annual basis.

Mrs. Mitchelson: If I look at the annual report, the estimate in 2007-2008 was \$3 million—oh, \$3.1-plus million—as the estimate and at the end of the year, the actual was only \$698,000. The notation beside the Manitoba Child Benefit states that the variance is primarily attributable to slower than expected activity.

I guess my question would be: If it has been advertised, how many families are taking up the application?

Mr. Mackintosh: The intention with the Manitoba Child Benefit is to—and it remains the intention and the intention originally was to estimate this as a 100 percent take-up program as a result of integration with the federal government's co-operation. We hadn't achieved that. We want to work in a positive way with the federal government on this one. We have made the necessary interventions with the federal government and there was number crunching. There were meetings held, I understand, and special delegations to Ottawa and everything that can be done to bring attention to the interest of Manitoba in having this integrated and we're going to continue to do that.

In the meantime, we all recognize it's a challenge sometimes to reach families and that's why a strategy has been launched to promote this. We want it for all. We want it on reserve as well for First Nations. Hopefully, we'll have some good news in the near future on that one. It was designed as a multiyear strategy, and at least we're on our way now to significantly increasing the uptake. I think, too, as well, we saw with CRISP that there were increases in family incomes over time and that would be reflected then in the year-end expenditures under CRISP.

I should introduce Grant Doak who is the ADM responsible for the disability programs and employment and income assistance area.

Mrs. Mitchelson: Madam Chair, I do know that the three staff members that have been at the table so far from Family Services are long-time—

An Honourable Member: Old.

Mrs. Mitchelson: No, and I didn't say that, because it would make me—

They maybe have some questions about my longevity, but I just want to indicate that they were excellent employees and have been over many, many years in the Department of Family Services. So I do want to certainly give them credit for the good job that they do.

I guess my question is, when the minister said they are looking for 100 percent take-up on the program, I would like him to explain what that means and how many children are we looking at. How many families are we looking at when we talk about 100 percent?

Mr. Mackintosh: It's estimated that, if the tax system could be used to distribute this benefit, it would be almost 100 percent: I'm told anywhere from 95 to 97 percent. There may be some who just don't file, but when you have a family, though, and you can enjoy the tax benefits, then some people file even when they don't have income. It would approximate 100 percent or close to that, if we could achieve this working relationship with the federal government. We think it has the potential, then, of reaching up to 33,000 children in the province, including on reserve.

We've made some offers, and there's been some response. We're not pleased with that yet, but we still remain hopeful that we can achieve some movement. Perhaps even the member could help us in that regard with some of her colleagues.

I think this would be an excellent way to demonstrate to Manitobans that this is an excellent example of how the provincial and federal governments can attack poverty in a united way. I think the Manitoba Child Benefit has one of the single greatest potentials to directly alleviate poverty for families in Manitoba. We think the program is designed right; it's just the delivery has to be improved with the help of the federal government.

We've been able to get some very positive responses from the federal government recently in the area of child welfare, with some discussions on working together to address on-reserve issues and with Jordan's Principle. Those are two areas where I think we've had breakthroughs in the last year or so alone. This is one that we remain hopeful because it was always part of our original strategy to try and bring down the welfare wall with the federal government by helping low-income families with children.

* (16:10)

The federal government has, likewise, though recognized the role of the welfare wall. Rewarding Work is about the welfare wall more than anything. It was shortly around that time when we brought in Rewarding Work the federal government brought in the working income tax benefit or WITB. Minister Flaherty, I think, probably recognized that that welfare wall could be attacked by the federal government as well. So we see this as a complementary initiative to that. So I'm looking forward to some positive responses from our colleagues in Ottawa on this.

Mrs. Mitchelson: Is the Manitoba Child Benefit available on reserves today?

Mr. Mackintosh: There's been a fair bit of dialogue, particularly around child welfare about the fiduciary obligations of the federal government to Aboriginal people, First Nations people, living on reserve. This is an area, as well, where we respect the federal jurisdiction. It's important to continue that respect, but we think that they could join with us to ensure that the benefits are matched on reserve with the child benefit.

Mrs. Mitchelson: My long-term memory is pretty good, still, but I'm just wanting to go back and revisit the National Child Benefit at this point in time because the National Child Benefit is for all children, be all Manitoba children, and that would include on

reserve. Can you tell me how the National Child Benefit works?

Mr. Mackintosh: The Manitoba Child Benefit is in addition to the National Child Benefit. It would enhance incomes for families with children.

Mrs. Mitchelson: So then the National Child Benefit is paid equally, across all provinces, by the federal government, both on and off reserve.

Mr. Mackintosh: Yes, that's right.

Mrs. Mitchelson: So I guess, in negotiations with the federal government, the Province is, and, I guess, I would ask what dollar figure they're looking at contributing and what that would mean per child, and are they, then, asking the federal government to pay the Manitoba Child Benefit on top of the National Child Benefit on reserve? Manitoba is saying that we want to provide a child benefit, but only to children off of reserve and we would like you, as the federal government, to pay that child benefit, to top up the National Child Benefit on reserve.

Mr. Mackintosh: We think it's important that there be additional assistance for low-income working families and to focus additional assistance, where families have children, is the right way to go. I think it's a good bang for the buck in terms of providing greater opportunities for families and addressing the welfare wall at the same time. So, respecting jurisdiction, we're doing our part and we're growing this exponentially, but that's why we need the federal government to really bring this home and making sure that it's a benefit available to all Manitobans. So we're going to continue our efforts.

Mrs. Mitchelson: I do know that there was a change in the National Child Benefit when government changed. The Member for Burrows (Mr. Martindale) is here at the table, and I know that he accused us, as the government, of clawing back the National Child Benefit to those that received welfare. I know that the policy was changed when this government took over, and the National Child Benefit is being provided to all children, low-income children, regardless of whether they are working families or families on welfare. Am I correct in that assumption?

Mr. Mackintosh: So the National Child Benefit is available to those on EIA and not on EIA. The government, it was a very bold decision to end the clawback of the National Child Benefit. In Manitoba, I understand that we have the most fully restored benefit flowing to families of the provinces, that other provinces that have moved to end their

clawback have only cherry-picked how the clawback should end.

There are other provinces, though, big provinces like Ontario and British Columbia, that continue to claw back the National Child Benefit.

By the way, this investment, we've invested about \$75 million more per year in low-income support since 1999, and I think one of the single biggest investments of that \$75 million was the \$13.7 million going to end the clawback. So, it was a very significant investment.

Mrs. Mitchelson: I was part of the negotiations across the country for the National Child Benefit, and the whole focus of the National Child Benefit at the time was to ensure that low-income working families were better off than those that were on welfare. That was the premise right across the country, and that was the premise that all ministers signed on to the National Child Benefit.

The federal government agreed to give money to the provinces for those families that were on welfare to help to develop programs that might move people off welfare and into the work force. It's much more difficult to move people into the work force when you're receiving more money on welfare than you are in a low-income job. That was the premise of the National Child Benefit, and that was what all provinces bought into and negotiated.

That money was provided to provinces for those that were on welfare to try to help in programming. You can correct me if I'm wrong, but I think, I believe, that was the premise of the program at the time.

I think we began to develop, as the result of that, some programming that worked for families on EIA to try to move them out of that cycle of poverty, because I've always been one that believed that a life on welfare will always be a life of poverty. That's reality. I don't think they can ever afford to provide support to non-working families that would raise them above the poverty line, and I know that's something that some may strive to achieve, but I don't believe that we as a society would ever be able to afford that. The ideal, of course, for all of us, would be meaningful employment for absolutely everyone but trying to ensure, if you're a low-income working person, that the supports are available to you for your children, for your housing and other things that may need to be provided for families.

* (16:20)

So I know that the government made a decision and moved in a direction that would allow that National Child Benefit to flow directly to all families, regardless of whether they were low-income working or families on EIA. That was their choice and decision, and I hear the minister say that other provinces have cherry-picked, and some of the provinces haven't moved in that direction. But I still believe that support needs to go to low-income working families, and that would be—I guess I would ask the question of whether the Manitoba Child Benefit, when we talk about 33,000 children that might be impacted by the National Child—maybe I better just go back on the National Child Benefit and ask the question, then.

All of the money that comes—the federal government doesn't pay the money, the National Child Benefit, directly to those on EIA. Is it the Province that provides that money?

Mr. Mackintosh: Those two comments, first, the federal government's National Child Benefit does flow directly to the families now. It is not considered in the income eligibility test for EIA. But, I mean, a fundamental disagreement, I'm sure, that is obvious there is that we think that flowing the benefit to the families has had an impact on our poverty rate. We have had some, not enough, but we have had some improvements, particularly to single parents, single moms and their families—in fact, a very significant decrease in the rate there. Not good enough, no consolation, but, as well, though, focussing this benefit as a flow-through is about children. It, of course, isn't a flow-through of some benefit that would go to everyone on welfare. It is to those families with children on welfare. So that is an important distinction.

But I also just want to conclude that, I think that while there may have been some thinking that a clawback would be justified because programming could be developed to deal with those on welfare, even by ending the clawback, not only have we not cut any of those initiatives, but we've grown them, and now, two years ago, we launched Rewarding Work, which is a whole new tomorrow in terms of addressing the welfare wall based on some of the best practices anywhere. A lot of that is from efforts in the U.K. and Caledon Institute's research, and some other initiatives and some other jurisdictions; I think Saskatchewan is doing some work like that.

But people still have to survive, you know, when you have children. I think that it was the right

decision. There are groceries and rent to pay so, in concert with Rewarding Work, I think we're now—what's under development in Manitoba is truly a modern approach to enabling people to get off of welfare. You look at some of the initiatives that are focussed just on those who are working in Manitoba. Allowing people on welfare to keep more of their earned income, I think, is resulting in more people on welfare working. I talked about some of those numbers earlier, but I think the movement is the right one. I'm sure those philosophies have gone to work in the past on the floor of the Legislature, but we want to move it on now and get this Manitoba Child Benefit take-up significantly enhanced with our federal partners.

Mrs. Mitchelson: So just explain to me, the National Child Benefit, then, flows to the Province and the Province provides that to families with children?

Mr. Mackintosh: The benefit is income tested. I understand there's a very complicated formula that does include, though, essentially an analysis of income and the number of children in the family, and it's based on information provided in the previous year's tax return. That's my understanding.

But the question from the member is whether the money flows directly from the federal government to a family, and it does. I understand that there's a monthly cheque that is mailed to every family.

Mrs. Mitchelson: So that those that are on EIA also get a cheque directly from the federal government?

Mr. Mackintosh: Yes, everyone, whether on EIA or not, the families would get the cheque directly. I mean, the difference with ending the clawback then was that the eligibility for EIA changed. That income was exempted from the calculation of income when calculating whether someone was entitled to EIA benefits.

By the way, there's a trend; I mean, we're focussing on a number of exemptions. In the last number of years alone and under Rewarding Work, there have been a number of new exemptions. Most recently, there've been settlements, for example, from residential school claims that have been exempted from income. Liquid assets are a big move. That is about welfare wall and an incentive. I think we have among the most generous work incentives now in the country. We've doubled those, and we've doubled more for persons with disabilities just last December, as I recall.

So that was how it worked. It was just them not recognizing the cheque that comes monthly as income for that family.

Mrs. Mitchelson: Does that flow directly on reserve to families too? Do you know?

Mr. Mackintosh: Yes, I'm advised it does.

Mrs. Mitchelson: I guess the minister is indicating that the Manitoba Child Benefit will not really be able to become as successful as the minister would like unless the federal government comes on board.

Mr. Mackintosh: Well, in the meantime, we're making best efforts and we're looking at how we can intensify those by way of ads, by way of agencies and our offices having the application forms and information available.

I'm sure the member has seen the ad campaign alerting Manitobans to the Manitoba Child Benefit and some basic information that would attract some interest. That is showing some success; we're significantly increasing the take-up, but what we want to see—and we enunciated this when we announced it—was that it be integrated with Ottawa's scheme and in that way, we can certainly grow it almost immediately rather than the incremental growth that, although showing some success, is incremental over time. So we think that both governments have a vital role to play in helping to deliver this in a way that can best serve the needs of children.

Mrs. Mitchelson: How much is the Manitoba Child Benefit today? When the application goes out, is it income tested or is it a straight flat rate?

Mr. Mackintosh: We started the—and by the way, we anticipate being able to enhance this program over time because we think it's a good model—but it is income tested up to \$35 a month per child. There's a formula. In other words, it can be a partial benefit depending on your income per child, but the maximum is \$35 a child on a monthly basis.

* (16:30)

Mrs. Mitchelson: I see in the annual report of 2007-2008, the last one that we have, that the uptake was, I guess, 783 families and 1,668 children for a total of 698,000. That was '07-08. Do we have the numbers for '08-09, the actuals?

Mr. Mackintosh: I'm advised that the department's in the process of getting the updated numbers now. The year that the member referenced, though, had

only a partial year implementation. It was the January start in '08.

Mrs. Mitchelson: So somewhere else in the annual report, if it only started in January of '08, there must have been a CRISP program, or was that cancelled? Where would I find that in the annual report?

Mr. Mackintosh: I'm advised that number would show the expenditures for CRISP and the Manitoba Child Benefit in the year together in one line.

Mrs. Mitchelson: I know that the annual report isn't completely finalized for last year, but I guess I'm just wondering whether the minister could tell me whether we had a significant increased uptake. I don't need actuals. That will come out with the annual report, but I'm just wondering whether there was a significant increased uptake.

Mr. Mackintosh: We were scratching all our papers here looking for that number, because I did see a number just a few weeks ago. As I recall, I think the number was an increase of over 200 percent uptake, but those would be preliminary figures that would have been for perhaps a portion of the fiscal year. We can get that information for the member, because I saw it recently in some notes somewhere.

Mrs. Mitchelson: Is there any expectation—I know the minister maybe had indicated not long term, but maybe medium-term resolution with the federal government? What are we talking about? I mean we're looking at negotiations that might lead to a resolution in the next couple of years?

Mr. Mackintosh: The strategy is to attempt to forge some agreement for the next federal fiscal year, but not get what we had hoped for last year. There has certainly been some interest at the federal government, at INAC, and I know there were meetings that were ongoing, some in Ottawa from our officials. I believe the ADM and the DM were part of that. We're going to continue to strengthen our approach with the federal government in this regard, including involving the political level. That is our focus now.

Mrs. Mitchelson: I look forward to hearing good things as the result of those negotiations for children in Manitoba.

We can move now to page 71, and we're now into Child Protection.

Madam Chair, just while we're waiting for staff to come, I wonder if the minister—and probably, I just want to indicate to him that, probably, we'll spend

most of the day tomorrow on Child Protection. Just so that staff have an idea where we might be going and that they're not sort of—and I know what it's like when you've got some significant responsibilities and staff from different branches sort of waiting. So if I can just indicate that to you.

We may be able to get started with some basic questions on staffing, or should we wait for staff to arrive?

Mr. Mackintosh: It just depends on the nature of the question. It may be that the ADM present will have the answers.

Mrs. Mitchelson: On page 71, Strategic Initiatives and Program Support in Child Protection, I see that we have 34 full-time equivalents in this branch, eight Managerial. I wonder if the minister could indicate to me who those eight people are.

Mr. Mackintosh: Joining us at the table is ADM Carolyn Loeppky, Child and Family Division; as well as Claudia Ash-Ponce, she's a relatively new director of child welfare; and the executive director of Strategic Initiatives and Program Support is Ben Van Haute.

Mrs. Mitchelson: I just want to thank the minister and welcome staff here.

* (16:40)

Mr. Mackintosh: The eight positions are as follows, because I understand that you wanted the names as well: the assistant deputy minister, Carolyn Loeppky, is one. The next one is the executive director, Ben Van Haute; manager of strategic initiatives, the CFSIS work, Richard Asselin; the director of finance and strategic development, Lissa Donner; the manager of Planning and Policy, Rhonda Warren; the manager of Coordination/Development, Paul Vincent. The manager of Comptrollership is currently vacant. There's been a selection to fill that, final stage of selection. Finally, the manager of regulation is Rick Ratte.

Mrs. Mitchelson: I'm just wondering, rather than taking the time to read all of this into the record, is there an org chart that I could have? I don't know whether I can have it today or maybe at the beginning of the day tomorrow, because I know that the minister was reading from an org chart. Is there anything that we could have? I would like that for the whole Child Protection division, for every branch within the Child Protection division. Is that possible to have?

Mr. Mackintosh: I'm advised that there are org charts immediately available as the member requested, but if she wants names as well, it could take some additional time. It has to be updated, but we can provide the org charts tomorrow.

Mrs. Mitchelson: Right, and that would be fine. I guess, just as we're going through things tomorrow, if I could have the blank org charts now, but I will be asking for names tomorrow, just so that you're aware.

Mr. Mackintosh: They don't have all the org charts here. They don't have Family Violence and Child Care here today. We have up-to-date org charts, with names, for Strategic Initiatives and support program. I talked about some of the managerial positions and as well the Child Protection branch overall. So we'll table these.

Just to clarify, then, does the member want org charts, then, for Family Violence in child care, as well? We don't have those here.

Mrs. Mitchelson: There's no rush for those. We're going to probably be talking Child Protection branch most of tomorrow, so if I could get those at some point that would be great.

I notice that, if I look at the annual report for 2007-2008, the last one that we have, there were 19 FTEs under Strategic Initiatives and now we have 34. Can the minister indicate why the increase?

* (16:50)

Mr. Mackintosh: These increases in FTEs are internal transfers. There are three areas that have received enhanced support.

The first one is for the renewal of CFSIS; that's the information management system. Work began under the Changes for Children initiative for that. Number 2, there are the two positions for legislation, review and development of legislation. Number 3, there has been an expansion, this is under Rhonda Warren's area of work, expansion for data collection and analysis. I can back up the department's analysis on this one, and a need for a better capacity to analyze trends in data, provide information. As well, though, there's a new funding model that is coming into force as a result of budgetary decisions, and that has been assigned to that area.

Now, I ask, if we had the numbers for each one, we can provide that if the member wishes, but at least those are functions where the new supports have been directed.

Mrs. Mitchelson: Thanks. What's the new funding model?

Mr. Mackintosh: There's been work for approximately a year and a half with federal officials and, as well though, within our own department with agencies and the authorities to develop what's called a funding model.

It was recognized as a need in external reviews to better ensure that resources are flowing to where there is greatest need. So, for example, there are certain oversight functions that—it was identified as needed by agencies and the authorities.

The work with the federal government has been proceeding very well. We're optimistic that we can have a funding formula that will be on both sides of the child welfare equation in Manitoba, recognizing that the disparity between federal and provincial funding is only increasing with Changes for Children.

So, there has been a new-found interest by the federal government in concluding a funding formula that mirrors what the Province is doing, but on reserve.

The funding model, as well, recognizes the need for a greater workload relief and new investments in the area of prevention. So in both protection and prevention.

I think one of the most important areas of this development has been the development of what is being called the family enhancement stream for child welfare so that, where child safety is not at risk, there can be interventions offered to a family that can get to the root causes of what would usually be categorized as neglect. There may be issues of addiction, there may be issues of mental health, employment—a number of those, and they would vary from community to community. So, that is part of this initiative as well.

There have been some agreed-upon formula ratios that form a core part of the funding formula. So, we see this as a major breakthrough, both in terms of provincial funding, but, as well, the discussions with the federal government.

We know the federal government has earmarked some funding for this and it's important that this now be delivered to Manitoba.

Mrs. Mitchelson: I know, in the 2007-2008 annual report, under the AJI-Child Welfare Initiative, the estimate in 2007-2008 was \$730,000 and only

\$372,000 was spent and it says in the notation next to that that the variance is primarily due to a delay in initiating project work. Can the minister indicate to me what was delayed in 2007-2008 that would lapse about half of the money under the AJI initiative?

Mr. Mackintosh: There are two major efforts that have required significant planning and research and, of course, joint work, so in other words, the ability to move it ahead relies as well on the federal government.

The first is in the area of legislation. That also involves work with the authorities and standing committee. Legislative review was committed to beyond the authorities legislation, but to look at the authorities legislation, the child welfare act and The Adoptions Act, and so the necessary research and profiling of issues has been developing.

The other is the funding model itself and that really was work that was very intensive and required the ongoing involvement of the federal government. So those two areas now are moving well.

Mrs. Mitchelson: I guess maybe I could ask what projects were done, then, with the \$372,000 that were spent in 2007-2008.

Mr. Mackintosh: We're going to have to look at the records to determine what the allocations were for that dollar amount.

Madam Chairperson: Order. The time being 5 o'clock, committee rise.

CONSERVATION

*(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 Conservation.

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

Hon. Stan Struthers (Minister of Conservation): When the vote was called yesterday, I was in the middle of an answer. The question related to whether we had a co-management plan or not for Lake Dauphin, and my friend from Tuxedo had said some very nice things about the Intermountain Sport Fishing Enhancement group, and I was saying some very nice things about the same group of people.

I was making the point that those folks, not only are they good at organizing suppers and raising money, they have played and still play and will continue to play a very integral role in maintaining that pickerel fishery on Lake Winnipeg. They have raised a lot of money over the years, participated in a lot of—Lake Dauphin, I'm sorry—raised a lot of money for pickerel fishing in Lake Dauphin. They've done a lot of work in terms of fish habitat. They've done a lot of work in bringing back the lake from the 1980s when that lake was really in peril. They need to be given all kinds of credit for the work that they've done. They need to be given lots of credit in terms of educating people who fish in the area, whether it's the slot size that's in place, whether it's working with commercial fisherpeople in terms of quotas and quota reductions have taken place, and working with chiefs, councils and Aboriginal people in our area to talk about reasons not to fish during a spawn. So this is a group that I think needs to be given lots of credit.

In term of a co-management plan, we have been working with West Region Tribal Council for quite a while now. We signed a co-management agreement with West Region several years ago. We have in place a co-management plan that has got agreement from both sides, chiefs and us, in all matters but one. That was the discussion about the closure of Lake Dauphin and the fish and the tributaries. Our position is that we need to have the tool of a conservation closure available for us in any management plan. We believe it should be part of that management plan, at least a two-week closure to cover the fish spawn. The West Region Tribal Council believe that should be a voluntary closure.

In some ways this spring we got the best of both worlds. We did do the closure. I think we have proven that we can successfully do that. It took a lot of work. It took a lot of work to get this in place. It took a lot of work to do section 35 consultations, which members previously, in the '90s, were not willing to do. We announced a closure, a real closure that resulted in, I'm told from the field, a 90 percent reduction in the amount of fishing that was going on at these tributaries. That needs to be recognized as a positive step. It happened along with the education and discussion that took place. It happened with a serious move towards enforcement. We have officers there. We have laid charges. We have issued warnings. We have officers who have talked with a whole number of Aboriginal people on the banks of those rivers. Enforcement isn't just about the numbers of charges and numbers of warnings that

were given out, although I'll put that record up to any record, even the '99 sort of closure that was put in place at that time.

We remain committed to working with the West Region Tribal Council towards that co-management agreement. We think that we have some good, positive experiences to build on. We think we have some challenges, of course, mostly emanating around whether or not we do a closure. But what is very clear is that we have a section 35 obligation, a duty to meaningfully consult and accommodate, which we've done.

We have, I think, a very wise Supreme Court decision in *Sparrow v. the Crown*, which very clearly indicates the hierarchy, I suppose you call it, in terms of who has rights and where they all stack up. Very clearly, *Sparrow* says, conservation and safety considerations are paramount; they are at the top of the list. Treaty rights, rights holders are next, and then everybody else follows that. We've made it very clear that we were putting forward a closure that would infringe on treaty right. We made the commitment that would be as least an infringement as we could, which I think is what we accomplished.

What we saw was very much a reduction in the amount of fishing that went on. Early kind of estimates suggest that this year the take on the fishery was somewhere in the area of 1,600 to 1,700 pounds, which is a very small number compared to years previous to that.

One final point I do want to make, I know that friends in the opposition were making light of an accommodation that we initiated, in terms of handing out fillets of pickerel at the grotto, right in the community of Ste. Rose, near the Turtle River and along the Valley River.

We have case after case of a First Nations person, a rights holder, who went down to the Turtle River, sometimes fishing rod in hand, to exercise their right, saw the sign that said the closure was in place. Instead of going and fishing at the lake, turned to these people that are being mocked by some and said, I'd rather have the fish that you have in the back of that half-ton. Those are fish that were not spawning pickerel. Aboriginal people themselves making good environmental decisions—and I think we should give credit to those people—took the fish and went home.

People can mock that strategy if they like. It worked and did its role in bringing down the

numbers of pickerel that were allowed to spawn in the Turtle and the Valley rivers, which is 75 percent of the pickerel that spawn on Lake Dauphin.

I think there's a lot of credit, with this successful closure, there's a lot of credit that needs to go to Aboriginal First Nations people, Métis people, who made very good environmental decisions and co-operated with our Conservation officers and with those of us making decisions having to do with protecting this pickerel spawn.

So we are very much looking forward to meeting with First Nations and continuing the work on the co-management agreement, and I'm very much looking forward to sitting down with the Sport Fishing Enhancement group and the Dauphin Game and Fish Association to continue to have their input into this very important pickerel fishery as well.

*(14:50)

Mrs. Heather Stefanson (Tuxedo): Who is all involved in the co-management agreement?

Mr. Struthers: Mr. Chair, first and foremost, it's a co-management agreement between our government and the government of the First Nations in our area.

I believe that this will be very successful as long as we honour that government-to-government relationship. I would be remiss, though, if I thought that anything would work without the input of a stakeholder like the Sport Fishing Enhancement group or the Game and Fish Association. So I've been trying to make sure that I keep those groups up to date. I make sure I get their advice and get the wisdom that they've got and all of the work that they've done to help us maintain that pickerel fishery, but in the end I will honour, and our government will honour, the government-to-government relationship we have with the chiefs and councils and I think we will continue to build on the success that we had this spring.

Mrs. Stefanson: Can the minister table the co-management agreement?

Mr. Struthers: Until we get final sign off from both the West Region Tribal Council and our government, it remains a draft document. Once it has become finally approved, then, by all means, I think we'll be making that document public, Mr. Chairperson. But until then I think it would only be right for me to honour a government-to-government pledge that we have with the chiefs, and make sure that we get that

co-management agreement worked out and then we'll be making it public.

Mrs. Stefanson: When will the final agreement be completed?

Mr. Struthers: Well, that depends on how soon we can square right now what is a round circle in terms of a disagreement over the closure.

As I said earlier, the only thing separating us is our view that the two-week closure is something that should be part of the management framework. West Region Tribal Council chiefs believe that it should be a voluntary closure. Our position, though, is that we do have the ability to do that, as we have shown this spring. So, in all cases, we want to work first and foremost to get all of our partners onside. I think it makes things much easier in terms of enforcement and decision making, but I don't know how long that will take. It could be fairly soon; it could be a while. What we need to do is have the Province and the chiefs of the area remain committed to working this out.

Mrs. Stefanson: So the co-management agreement and the finalizing of the agreement is held up right now because of the issue over the closure on the tributaries during spawning season.

What is the minister's plan to resolve that dispute?

Mr. Struthers: My commitment, and the commitment that we've made as a government is, as early as we can, sit down again with the West Region Tribal Council, take a look at all of the issues surrounding the Dauphin Lake fishery, looking at the data and the information that fish biologists in the department have come up with, sitting down with elders, because I think it's absolutely crucial that we take a look at the traditional knowledge that they have gained and incorporate that into our decision making. As soon as we can, I think we have to sit down again and work out these problems, as we've done in the past.

In the 1990s, and around the turn of the century, that lake was plagued with nets, and the numbers of people that were—one individual putting 50 nets into the lake every day, over and over again. That wasn't domestic fishing. That was commercial fishing.

The chiefs were very co-operative with our government in sitting down and talking about placing a restriction on the number of nets that could be placed out on Lake Winnipeg. As a result, that is not

a problem on our lake. I should knock on wood, because I don't want it to re-emerge as a problem, but we worked through that with the chiefs, and we worked very co-operatively to have that happen.

At one time, there were dip nets and pitchforks. There were a whole number of devices that were being used. We moved to angling only, fairly recently, and enjoyed the co-operation of First Nations leadership, and, the First Nations peoples themselves in terms of that.

We've been converting commercial licences to First Nations, to Aboriginal licence holders. I believe 11 of 30 are First Nations now. We have had very much a number of successes working co-operatively with First Nations, working co-operatively with Métis leadership in order to solve those problems. I am absolutely confident that we will solve this problem that is standing in our way of actually having this management plan in place.

Until such time, our government has shown, this spring, that we are willing to move forward to protect the fish stocks, that we are willing to do the things that are necessary to make sure that the pickerel have every opportunity to spawn.

Mrs. Stefanson: How long has the government been working on the co-management plan?

* (15:00)

Mr. Struthers: The co-management agreement was signed in April of 2001. West Region Tribal Council chiefs and our representatives have been working very hard in each of those years, up to and including the lead-up to this spring's spawn. We think that we're on the path of coming up with something that is going to be unique in terms of co-decision making on Lake Dauphin, and that that will, in and of itself, relieve much of the pressure on pickerel fishing during the spawn. I'm sorry, I misspoke. November of 2000, which may actually make the member's case a little stronger because that means we've had a lot more time—right?—to work on it, if I can guess where the Member for Tuxedo's going on this.

But I do want to remind the Member for Tuxedo we've had a lot of progresses from November 2000 that we could talk about, now that I've set myself up.

Mrs. Stefanson: Well, Mr. Chairperson, I remember November 2000 quite well, because that's when I was first elected into office, eight and a half years ago. I'm feeling right now that it was a very, very

long time ago, so certainly—but getting back to the issue at hand.

Again, it's been eight and a half years, and the main issue that is in dispute is with respect to the closure of the tributaries during the spawning season. The No. 1 priority, as the minister has stated, for the government is to ensure the conservation of the pickerel population. If that is the No. 1 issue, and I understand they're in dispute, but at what point do you move forward and say, okay, look, and make a decision here of what's in the best interest, you know, for conservation purposes to ensure that there is pickerel there for sustenance and for commercial fishing, et cetera, down the road. It's been eight and a half years. At what point do you say okay?

What is the plan? I think that's what I'm getting at here, and I've asked already. What is the plan to put closure to this to ensure that there is a co-management agreement in place and to ensure that we do have protection of the pickerel population on Lake Dauphin? Is the plan, perhaps, to look at bringing in a mediator? Is that what the government is looking at doing? What is the plan to ensure that the agreement, after eight and a half years, can be completed so everybody knows, including anglers and First Nations, et cetera, what we're dealing with here, because to drag this on longer and longer and longer I think is doing a disservice to everybody out there.

I guess, what is the minister's plan going forward to ensure that this dispute is resolved?

Mr. Struthers: The Member for Tuxedo says, at what point do you move forward? Well, that's pretty clear. Spring, '09, spring spawn of '09, we moved forward. We got to that point where we said we had to move forward and do something about this, unlike previous governments who didn't. We did.

I want to remind the Member for Tuxedo that, in the year 2000, when we sat down and inked the deal, the co-management agreement, and brought people from chiefs and councils and the Province together at the same table to work towards this, Lake Dauphin had individuals with nets, some of them with up to 50 nets each, out on the lake. That was really doing damage to the pickerel stocks. There were nets in the tributaries in the '90s and previous to the signing of this agreement. In the tributaries there were nets. There were examples of—you know, the rule at the time was that you couldn't stretch a net the entire length, or sorry, the entire—all the way across the Turtle River. There were people that were putting a

stake in at one end, running it across the river to about a foot or less away from the bank across the river; then, about four inches away, putting a net that started at the other bank and running it about a foot away from the other side, essentially catching everything that was going up there.

We don't solve those issues simply by sending our Conservation officers out there to deal with it. That problem was solved because chiefs came forward and spoke with us and said, here's what we should be doing. We worked out a way to do that; that's the essence of co-management. That problem we solved a number of years ago. I don't want the impression to be left on the record that we signed a co-management agreement in November of 2000, and haven't done anything about it since. We solved, together with chiefs and their councils and their elders, we have solved some pretty big issues on Lake Dauphin and on the tributaries of Lake Dauphin.

I think we took a big step this year in terms of not only enforcing a closure but showing that we could consult, showing that we could actually take seriously, our section 35 obligation to meaningfully consult and accommodate. I think we've shown this year we could do it. I think a tremendous amount of credit needs to go to chiefs who, we must understand, are in a tough spot because they've got people who want to exercise their rights. If I was a chief and council and I've seen my treaty rights being trampled on generation after generation, I'd be pretty worried too.

But, to their credit, whenever we wanted to sit and talk about these issues, the chiefs sat down with us and we worked through it. Sometimes we agreed to disagree. And you know what? In a democracy that's fine. More often than not, we agreed on things and we solved some things.

We actually, together, did a pretty good job this year of protecting those pickerel stocks on that lake and swimming up those tributaries. At one time my biggest worry was that Mother Nature wasn't going to co-operate and that if it didn't warm up in time, that there'd be pickerel swimming up the river, turning around because it was too cold to spawn and going up back into Lake Dauphin and re-absorbing those eggs and not having a spawn at all.

We need to be sitting down again with the chiefs and councils and working through this particular challenge like we've sat down and worked out a whole number of challenges since November of

2000. That's our commitment. Mr. Chairperson, we are open to, first and foremost, honouring our government-to-government relationship that we've built with chiefs and councils and using that to solve this problem. We've done it before; I'm confident we'll do it again.

Mrs. Stefanson: I guess my main concern here, Mr. Chair, is that there still is no agreement in place. As we understand, upwards of \$500,000 has been put into this agreement by various government departments and eight and a half years later we still don't have an agreement in place.

I guess I'm wondering, is this a point—and the minister talked earlier—is this a point where you agree to disagree and move on, or is this a point where how are we—how much more money are you going to put at a dispute that probably will continue and continue and may never be resolved? Or is the plan perhaps to bring in a mediator? If the government is sort of on one side and the First Nations on the other, how do you resolve this when it's been going on for eight and a half years?

* (15:10)

Mr. Struthers: First of all, I think the member needs to understand that not every year did we have the same conditions in terms of the pickerel fishery as we had this spring spawning season.

For example, the 2001 spawn of pickerel—and Water Stewardship has graphs that they used in the consultation that they did—the 2001 spawn year was a huge spawn. In a sense we've kind of, pardon the pun, I guess, but we've been dining on that spawn for several years now as it has worked through our system. The problem that we're coming across now is that the fish we're going to be depending on in the '02, '03 and '04 spawns are very small. For whatever reason, they didn't have a very successful spawn in those three springs.

My worry, as is the worry of a number of people including chiefs and councils, is when that '01 spawn kind of cycles its way through, and I'm not sure how old the pickerel is before he or she—[interjection] if it's four or five years, then we're really getting to the end of the productivity of that '01 spawn. We're then relying on much smaller spawns.

I think it would be unwise if the member is advising me that we should be pulling back our commitment to money and our commitment to the co-management agreement, and think we can go back to those days of the 1990s when nothing was

being done to protect pickerel stocks on Lake Dauphin.

We need to co-manage. We need to sit down co-operatively with chiefs and councils. We can dream all we like that maybe they don't have rights, but you go argue that case with the Supreme Court if you like. I'm not willing—I'm just a school principal from Rorketon. I'm not going to take on nine Supreme Court justices, but I do know we have obligations.

We have to consult under section 35 if we're infringing on a right, and we have to understand that we did infringe on a right. This is a right that is established, and unless we're willing to take the steps necessary on consultation and accommodation, which is where the pickerel fillets fit into this that were being distributed, then we're going to take steps backwards and find ourselves in a less advantageous position to protect pickerel stocks.

I think the best advice people could give our government is to say, continue to meet with the chiefs, continue to support their ability to participate in the co-decision making, to participate in their ability to get data, their ability to incorporate the traditional knowledge, the traditional ecological knowledge we need. I think that kind of a commitment from our provincial government and the chiefs and councils will provide a solution to this as it has provided solutions to the other challenges we've faced.

My feeling is the discussions that have taken place over and around and in and about this '09 spring spawn have moved us closer to agreement rather than pulled us further apart in terms of what needs to be done, in terms of closures to protect pickerel.

Mrs. Stefanson: I guess my concern here is the fact that there really is no plan in place, and decisions are being made here and there and everywhere. It's leading people out there, whether it's the First Nations or the anglers or whoever, dangling in terms of what is the next decision going to be with respect to the closure on the tributaries from this government.

I think it's up to this government to take a leadership role with respect to the closures on the tributaries and to ensure that, first and foremost, the obligation of a Conservation minister is to conserve the pickerel population. I just would hope that, at some point, there is something put in place so that

each and every year it's not everyone coming back and oh, my gosh, what are we going to be dealing with this year.

We need to just set it into place so that people know what they're dealing with. There are industries—and a commercial fishing industry, that depends on our lake and the fish population for their livelihood. There are First Nations that depend on the fish population for sustenance. There are all sorts of people in play here, but the problem is the government is making ad hoc decisions here and there, and there is no sort of long-term plan of how and what the plan is to conserve the fish population.

So I think it's incumbent upon the minister to take a leadership role with respect to this to ensure that people are not left out there dangling and that they understand and that the minister gives a clear and direct message to people out there as to what they can expect on a year-to-year basis. Each year we come back to the table, and we're asking more and more questions. What is the plan of this government to conserve the pickerel population in Lake Dauphin? Each year we have people that are coming to us that are really concerned about what's happening out there, the fishing during spawning season, et cetera, et cetera.

I mean, it's one thing to have to continue to react, but I would hope that the minister would take more of a proactive approach in the future so that each year people are not sort of left dangling out there as to what they can expect for the next year when they're trying to make their plans for their families, plans for their businesses, et cetera.

I would ask again if the minister has a plan in place. Will he agree to share that plan with us? If he doesn't have it today, will he at least agree that sometime between now and next spawning season, next April, May, as it is this year, but will he agree to ensure that a message is sent out there, before the spawning season, as soon as possible, to ensure that everyone's on the same page, everyone knows what to expect, so people can go on and plan their lives?

* (15:20)

Mr. Struthers: Let's not for one moment leave the impression on record that anything about this is ad hoc. I'll go through the steps that went in place over the last—little over a year to make sure that we were successful in this year's spawn.

First of all, out of last year's spawning season, the Department of Water Stewardship undertook a

great deal of test netting, creel counts, all of those things that their technical people, their technicians, their biologists do in order to determine the spawn, in order to determine the strength of the pickerel fishery. They did a whole number of tests in the tributaries and on Lake Dauphin to determine scientifically exactly what we were up against.

They came back to us and very clearly said that we needed to do something about the spring spawn in 2009. That was months and months and months ago. We knew right at that point that our first obligation, once we decided that a measure had to be taken, was to turn to the chiefs in the area, under section 35 of our Constitution, and fulfil our obligation to meaningfully consult and accommodate. So those meetings started months and months and months ago.

We had meetings in the communities. We had meetings, our technicians to their technicians. We had meetings of ministers to chiefs. We had elders involved. We very much ensured that we fulfilled our legal obligations to consult with the chiefs and those communities. Nothing ad hoc about that. We did that right up into the month of April. We were meeting, in some cases, more than once with different chiefs in their communities. We came forward once that was completed—we came forward with a report out of that consultation and then announced a real closure, not a phony-baloney closure like we've seen in the past.

We announced a real closure on the Valley River and the Turtle River and limits on the five other tributaries, not based on politics, as I see happening in the Legislature once in a while, not based on politics, but based on the advice that we got from (a) the consultations that we did with First Nations, and (b) the information and the data presented to us by the technicians, the fish biologists that are schooled and educated and trained to make those kinds of determinations.

It was based on that information, and based on the advice that they gave us that the closure of those two rivers and the limits of six pickerel a day on the other tributaries would be the best scientific decision to be made and could be justified scientifically. Anything more would have been considered (a) unnecessary, scientifically, and (b) too much of an infringement on treaty right, because you have to balance between the scientific information you get, the traditional knowledge that you obtain from

elders, and the scientific information that we got from our technicians.

That has to be done in such a way that you minimally infringe upon a right. So the decision was made. We made the announcement, April 20 to May 3. We realized that Mother Nature wasn't quite co-operating as well as she could have and the temperature of the water, given some snow conditions we had in Dauphin which was disappointing to see, but you can't do much about that. We then realized that we had to extend that closure, so we did, from May 3 to May 8.

I notice that, in the *Dauphin Herald*, my friend from Tuxedo, you know, a day late and a pound short, is talking about extending the moratorium when it was already done, back last week. Talk about ad hoc. I mean, we've made those decisions. We made our announcements very clear. We did the work that was necessary to be done and we had a very successful reduction in the amount of pickerel, down to somewhere in the area of a couple thousand pounds, is what I'm told by our people out in the field, a huge reduction from other years, and it was enforced. We had people on the banks at the Turtle and Valley rivers plus all those other tributaries. It was enforced and there were charges laid. There were warnings given—unlike 1999, when the total charges came up to zero, the total warnings totalled to zero, and the total presence of Conservation officers at that time was nil.

This was a real section 35 consultation. It was a real closure and it was a real enforcement of that closure and it worked. We reduced, drastically, the number of pickerel that were taken and did a good job in defending that spawn.

So the minister—sorry, the member. *[interjection]* This minister—future minister, I mean. I don't know. I would never ask those kind of questions if I was the critic, you know? Well, I might.

But what we had was a success this year. On Friday night, the member knows very well that the Sport Fishing Enhancement folks, who I've been meeting with and keeping in the loop on this, were very supportive of the closure in the first place. They were very supportive of the extension of the closure and—I want to be very clear—they were very supportive of the section 35 consultation that we undertook. Those guys in the Sport Fishing Enhancement group, they get this. They knew what

we were doing, and they supported what we were doing.

Mrs. Stefanson: Well, I'm glad the minister is on the record as saying that he may actually ask some of these questions himself, so I appreciate him recognizing how important these questions are for Manitobans.

I would like to ask, and move on here to another issue. How long have discussions been taking place between the provincial government and the Tim Horton Children's Foundation over the proposed youth camp?

Mr. Struthers: I've read in the paper that there have been some secret meetings that the government has had with the Tim Horton foundation. What I want to make clear to everybody is that they shouldn't always believe what they read. Tim Hortons and our government, about a year ago, spoke with each other about the possibility of a camp for disadvantaged kids in Manitoba. Tim Hortons has a number of these camps around Canada. They were looking for a place, kind of in the Prairies—Manitoba, Saskatchewan—so we said, okay, let's take a look at what we have. We have 110,000 lakes after all. Certainly, somewhere in there, there'd be a lake that would fit the bill and, certainly, a number of those 110,000 lakes would clearly not fit the bill. There are some lakes that we, for environmental reasons, should just not go near. We ruled out many of the lakes that we looked at.

We took our time last summer and into the fall with Tim Horton foundation, some of their representatives. Our Conservation staff, they took their time, they were thorough, they looked at a whole number of different possibilities. My attitude on this was that, if we can do a good job in the lead up, if we can do our homework to begin with, then we can come up with a possibility that would minimize the amount of criticism, that would minimize the amount of concerns, that would minimize, most importantly, the environmental impact. So we did rule out a number of lakes as being environmentally not suitable, and the Tim Horton foundation was fine with that, as were we.

So, when we narrowed it down to Meditation Lake, Meditation Lake, you know, seemed to be fine for our needs in terms of the environment, and Tim Horton foundation needs in terms of what they want to offer for the kids that go to their camp. We started to take a good hard look at that site. I want to be clear that, you know, we ruled out places, a number

of places—in Atikaki, Nopiming, some of those places. We ruled out areas, like even in the Whiteshell in the back country areas where development is not suitable. Meditation Lake, we realize, is in a Resource Management Land Use category which was developed, I'd say, I think, quite well done by the government in the '90s, right?—that put those in place in about 1997, I think it was. You know, here's to Glen Cummings, I think that those land-use categories make a lot of good sense. If we had picked an area that was in a back-country spot—we wouldn't have picked it, we didn't pick it. But, if we had picked that, I think we'd have opened ourselves up to a lot of criticism, justified criticism.

In this case, we are proposing, or, more accurately, Tim Horton foundation is proposing to build this camp for disadvantaged kids on Meditation Lake, where there is a road that goes almost all the way to it through a rock quarry. It's located in an area, I would say in the 1960s or '70s, there may have been a blow down or a fire and it's all been replanted, regenerated—humans doing that, humans replanting those trees. It's not as pristine as some would have you believe, but it sure serves the purpose for kids having some fun out in the wilderness.

The other thing that we have to take very seriously is the water. This lake, like Lake Winnipeg and Lake Dauphin and like others, has experienced, from time to time, problems with algae blooms. It doesn't mean in Dauphin we don't go out to Rainbow Beach for a picnic, but there could be a sign on the beach saying you can't swim there. I wish there was never those signs and I wish there was never algae blooms, but we have to deal with that. The way we deal with that is Water Stewardship doing their job to monitor our lakes, and this one is one of them; collecting data, testing the water, and if there is a reason to tell the kids not to swim, then there'll be signs posted. Water quality is very important in this.

I want to make very clear, and to the other part of this that is very important, is that once we had something tangible that we could go to the people of Manitoba with, we went to the people of Manitoba. We made our announcement with Tim Horton foundation. We've done two open houses; one in Winnipeg and one up in the Whiteshell, very well-attended. Most of the people there were interested in the facts. Rather than waving placards, they were interested in some facts. Our officials were there and available and Tim Horton foundation

officials were there and available and answered many questions and got a lot of good advice, I think.

Until the end of the month people can still make their comments. If the Member for Tuxedo has a good idea, which, I know, she does from time to time, put in on the Web site, let us know—*[interjection]* No, I think she does, but let us know. We are taking comments right up to the end of the month so that we can incorporate the advice that we get. We have been in contact with First Nations in the area because I think that is important. Tim Horton foundation has had a very good working relationship in some of the other camps with some local First Nations and have worked out very good programs for kids on First Nations to be able to come out and participate in their camps as well.

So no final decision on any of this has been made. We are open to ideas that come forward as part of our public consultations that we've been doing and I look forward to this whole process moving through its natural course.

* (15:30)

Mrs. Stefanson: The minister indicated that there were other sites under consideration and other lakes under consideration. He mentioned, I guess, specifically, Atikaki and Nopiming and lakes within those areas. Why were those lakes ruled out? What were the lakes? I guess if he could list them, and why were they ruled out.

Mr. Struthers: Yes. There's really two angles on this. First of all, Atikaki is a wilderness park. We want to be able to make decisions that minimize the activity. Nopiming—the land-use categories there were not suitable for resource management for development of this type, so any of the lakes in those areas we ruled out. You can only imagine if we had decided in a wilderness park that we were going to build a kids camp, the kind of criticism that we would have come under. If I was the critic, I would have been complaining about that too. So we didn't want to go there.

The other angle on this is Tim Hortons—the foundation's need too. Part of what they wanted was a camp that was fairly close to Winnipeg and if we could find one closer to Winnipeg than farther from Winnipeg and it was in the appropriate land-use category, then that would fit the needs of both us from an environmental standpoint, and them from an accessibility standpoint.

Mrs. Stefanson: Is the minister satisfied that the unique qualities of Meditation Lake can be preserved with the construction of the camp? Has that been looked into?

Mr. Struthers: I'm very confident that we will put the Tim Hortons camp through a very rigorous environmental process that, if it is shown that there's a reason not to be there, then I'm not going to force a camp at this lake if there's an environmental reason saying not to do it. The work that we have done so far has not indicated that. The work we have done so far has indicated that it probably will be a good place to build this camp. That, in conjunction with the kinds of commitments that Tim Horton foundation has made in terms of sewage management, water management, those sorts of things, which was one of the things that came up at the public houses that we had, having to do with water quality. The system that they put in place will require environmental assessment, which we more than have the capability of doing in our department and that kind of rigour will be done.

Mrs. Stefanson: I'm just wondering if the minister can indicate to us how he responds to concerns that have been raised that there aren't proper management plans in place for the provincial park.

Mr. Struthers: Well, the fact is there is a management plan in place. I think the point that the member might want to make is that it dates back to 1983 and that's factual. I accept that. We have management plans that date back to that date. We have management plans that are more recent than that. We continue as a department to work on the management plans of all of our 81 parks, 80 of which, I might add, don't include commercial logging anymore. I'm just being gratuitous there.

But we do do that work on management plans. What also needs to be said, and needs to be included and should be included anytime we talk about the management plan, is the land-use categories that go along with those management plans. I've been quite disappointed in some people's blatant disregard for what really adds to the protection when layered upon the management plan, and that is the land-use category.

Those land-use categories are very important to protect our parks, to protect the environmental integrity of our parks. If we were putting this park into a land-use category that wasn't appropriate, then we should be criticized. The fact of the matter is though, we are putting this proposal—this camp is

being proposed for a land-use category that is totally appropriate, that was passed somewhere in '95 or '97, not that long ago, and is an appropriate use given that land-use category.

Mrs. Stefanson: Right, and this is, as you had mentioned, a camp. I know Tim Hortons has other similar camps for disadvantaged children.

I'm wondering if the minister could explain what this will teach or what the purpose is of the camp in the location that it is.

* (15:40)

Mr. Struthers: This is a unique camp in many ways. Its focus is on leadership. It will take kids, who maybe in some cases have had experience in a Tim Hortons camp, and offer them that next level of leadership training, leadership education, opportunities and programs.

I'm sure that the Member for Tuxedo has been to camp when she was a kid. I know I was. I can remember vividly Camp Rayner on Lake Diefenbaker. It was a 4-H camp in Saskatchewan. If I started to explain all the things that I learned at that camp, in that one week of camp, I'm sure the member would accuse me of filibustering Estimates because there were so many things that I learned as about a 12-year-old kid in Saskatchewan in those days.

I would expect that those are the sorts of things, in addition to the programming that Tim Hortons would offer in this wilderness setting, that would be absolutely invaluable to these kids who would attend.

I had the privilege of speaking with a young woman who attended a camp. She was from Winnipeg. She attended a camp, I believe, in Ontario and spoke to us and spoke to the media the day we announced this. She was very articulate in telling of the things not only that she learned but she felt other kids had learned from her as an experience in the camp that she attended.

I would like to very much to be able to see kids in our province and kids in other provinces coming to this camp, have those same kinds of opportunities and do it in such a way that we protect the environment and teach about the environment at the same time. I think it was also very interesting to talk to that young woman's father who really thought it was a good idea and really supported the foundation and really supported Tim Hortons for doing this.

Mrs. Stefanson: I know, certainly, I did spend time when I was a child at camp, and I know, as a matter of fact, we were out near Gimli and Camp Arnes last weekend or two weeks ago in the fine constituency of Gimli, and it was fantastic. She was out at dance camp and she learned lots out there but a lot more than just the dance side. You're right. There are many things about the wilderness that we can learn at these camps and about the outdoors.

That really isn't sort of the question here. I think people recognize the value in these camps for children. I think what the concern is out there is that there was a process that took place, and there's some concern over the process. The minister mentioned that he spoke and started discussions with Tim Horton Children's Foundation about a year ago. Those discussions have been taking place, and all of a sudden it's come out in the media that there's going to be this camp in the middle of this place where—I mean, people are very concerned who are from the area, who are concerned about the area. I think they just wanted, and they would like, to have had an opportunity to have been informed about the discussions that were taking place about a camp that was going to be situated near a lake that is obviously very dear to many people in our province.

The public consultation process, and I know, in Estimates, this has come up year after year after year, that there needs to be more public consultation when decisions of this nature, which are very important decisions, that are coming forward that are going to affect people's lives, that people be informed as soon as possible and that they have the ability to participate in the process and the decision-making process.

I think it's unfortunate the way that this has come out because it seems like it's a bit of a done deal for some people, and I think that there is a concern out there with respect to that. So I wonder if the minister could indicate what his plan is to deal with the concerns of those individuals who feel they have been left out of this process from the get go. He's mentioned that there will be some public meetings, et cetera, now, but why weren't those public meetings held much earlier in this decision-making process?

Mr. Struthers: Just before I get to that, I want to also point out that part of the concept Tim Hortons is looking at, or the foundation is looking at, is very much complementary to what we've been doing in our provincial parks, in terms of the yurts that they propose to build, much along the lines of ours at

Nutimik and Bakers Narrows and Spruce Woods and a number of other places. I also want to be very clear that part of what is being proposed is this camp, but also an accessible public hiking trail in the same area.

I get concerned. I want to hear from all Manitobans on this, and if 1.2 million Manitobans had showed up to those two open houses, I'd have been a happy minister. We had good numbers show up. We had a lot of good advice, and everybody who wanted to participate was able to participate. We did that, in the member's terms, as soon as possible. I wasn't going to go and have a public open house if there was nothing on the table to talk about. I don't want the member to be making statements like it's a done deal, because it isn't a done deal. It just isn't. That's factually incorrect. It's not a done deal. We're still accepting comments right up until the end of this month. That advice, those comments, will be incorporated into the way we move forward, if we move forward.

Mr. Tom Nevakshonoff, Acting Chairperson, in the Chair

Meditation Lake doesn't belong to a few people. It belongs to the people of Manitoba. The government has an obligation to make sure the people of Manitoba can count on a process that includes them, and that is what we have. We have a process. It's part of The Parks Act. It says we need to consult when we make decisions in our parks. There's a process there that 1.2 Manitobans can count on. And, you know, the water treatment facility is subject to environmental licensing on behalf of all the people of Manitoba, not just a few, not just a few who think that certain parts of our province should be treated as if they were private. This is a public area. This is Crown land, the Province of Manitoba stewards Crown land.

We must have a process in place that includes all Manitobans, not just a few. That's what we put in place, and everybody who has an interest in this has an opportunity to let me know their thoughts on this. There's no two ways about that.

Mrs. Stefanson: Well, I think that there are other people out there that would disagree with you in terms of the consultation and the lack of consultation with respect to this project. I think a kids' wilderness camp for disadvantaged children is a wonderful opportunity for our province. I think that there are a number of Manitobans and, you know, lots of Manitobans who would agree with that.

The unfortunate part is sometimes the way this is brought forward to the public. I think what people have a problem with is that they just don't feel that they had the opportunity at an earlier stage to be involved in this. As we know, with many projects that come forward and, you know, with no disrespect, but with this government, we've talked about consultation at this table several times. The problem here is—I mean, it's a screaming message out to the this government that people want to be consulted when projects are coming to Manitoba because, ultimately, the devil is in the details with many of these projects that sound like wonderful opportunities for Manitobans.

I mean, again, I haven't seen all the details with respect to this project. I'm sure it's a wonderful opportunity for Manitobans, but, again, we need to ensure that there is more consultation for people to have input at earlier stages when it comes to these projects.

So I think at this point I am going to leave it there. I think the Member for River Heights has some questions.

Hon. Jon Gerrard (River Heights): Just to start with a point of clarification here, it's my understanding—I heard the minister say that there is not a current up-to-date management plan for the Whiteshell. There is only one from 1983. Is that correct?

* (15:50)

Mr. Struthers: There is a current one, and it was put in place in 1983. It is backed up, more importantly, by the land-use categories that were put in place in the mid-to-late '90s, '96-97. I think, where the Member for River Heights is going is that 1983 isn't current. This is 2009, he can make that argument if he likes, but there is a management plan that is there and it is backed up by the land-use categories that are much more recent than that.

Mr. Gerrard: I think most people would feel that a management plan should be updated more often than once every 25, or so years.

This Meditation Lake development, I hear that there's been some work on the road going into Meditation Lake. Is that right?

Mr. Struthers: Well, first of all, there are two parts to the question. One, is the road that has previously existed up through—if the member is familiar with the area—up through the quarry pit that is there, and most

of the way along towards the site that is being proposed along Meditation Lake. A small part of that last remaining piece, there has been some work done on that in order to allow crews to go in there to do some site investigation, soil sampling, soil testing, that sort of thing, that couldn't have otherwise been done in order to help us make a decision on this. That work was done through that area I referenced earlier in the question to the Member for Tuxedo (Mrs. Stefanson), in that plantation that occurred after an event in 1957, a cutover or a burn that took place, and then humans went in and replanted, regenerated that bit of the forest. That is where a small part of the work is done on a road to allow for that kind of soil sampling and testing.

Mr. Gerrard: I'm hearing a little bit of concern that there was work done before the public consultations were undertaken. Is it normal to do work on the location before the consultations are undertaken?

Mr. Struthers: What we had to do was we had to get some information so that we could then turn to the very people that you're talking about who need to be consulted. We had to get that kind of information so that we could come forward to Manitobans with this proposal coming forward by the Tim Horton foundation. Without that kind of work, we wouldn't have had much to talk about with the people of Manitoba.

I know the member wants to make the point that there's all this—by the time he's done, it may look like a four-lane highway with a toll bridge on it, I don't know. But we had a scraper go in there and move some dirt around to make sure that we could get the equipment in to do the soil sampling and soil testing necessary for us to help go to the open houses and say, here are the facts, Manitobans.

Mr. Gerrard: It's the minister who's talking about a four-lane highway.

Mr. Struthers: Don't tell the Finance Minister I said toll bridge running in there.

Mr. Gerrard: When there was original separation of the Department of Conservation and the Department of Water Stewardship, I asked the question of who was responsible for the fish. But it looks more and more like the Department of Conservation is doing more and more work with fish on Lake Dauphin, and elsewhere.

Let me ask again: What is the separation here?

Mr. Struthers: Well, we all like fish; we all want to do our part in protecting fish. But it's pretty clear the policies and the rules that have been put in place are developed through Water Stewardship. The enforcement is accomplished by our Conservation officers which are part of our regional operations in the Department of Conservation. We also are the signatories to the co-management agreement that we have with West Region Tribal Council—that's Conservation.

I do want to be sure that the member knows that we don't intend to build a bunch of silos in our departments and have departments not speaking together and not working together on these things collaboratively. That may cause confusion at the Estimates table sometimes, but I'm a firm believer that if there are some good ideas in Water Stewardship and some good ideas in Conservation, we should get together and work with the chiefs in the area to make sure we have a good co-management plan in place. In short, the co-management agreement, our department has taken a lead on and we are responsible for enforcement, through our Conservation officers.

Mr. Gerrard: So what I hear that with respect to Lake Dauphin, at least, the minister and the Department of Conservation have the lead both on the management and the enforcement.

Mr. Struthers: Water Stewardship is responsible for the regulations and the policy, that sort of thing. We take the lead in the enforcement. We take also the lead with the co-management plan because it was signed between former Minister Oscar Lathlin and when he was Conservation Minister, but make no mistake: when we sit, as part of the co-management plan, when we sit and speak with chiefs, there are representatives from both Conservation and Water there. If policy questions come up from the chiefs, Water Stewardship will answer those. If there are other questions come up, then Conservation answers those.

Mr. Chairperson in the Chair

We try to hit that balance between knowing what the hierarchy and kind of the lines of command are, along with collaboration between the two departments. I want to be clear in saying that I think it has worked pretty well out on the ground, and the credit for that needs to go to those folks in our regions, Water Stewardship employees and Conservation employees who really do make that work on a day-to-day basis out there.

Just one more example for the Member for River Heights, Mr. Chairperson. Water Stewardship led the section 35 consultations that took place, leading to the announcement of the closure. He will have noted that it was my colleague who announced the closure because that is a policy statement. Conservation led the enforcement of that closure.

Mr. Gerrard: What you are saying is that the agreement which, as was pointed out earlier—the memorandum of understanding, I think, was signed in November of 2000. I have asked many times over the years where was the plan. It's still out in the ether somewhere and we're still waiting for it. I presume that the plan, even though it is under the responsibility of the Department of Conservation, will deal with what should be the regulations as well as what should be the enforcement.

* (16:00)

Mr. Struthers: Yes, and that will entail a lot of collaboration between the Department of Conservation and Water Stewardship. I don't know if the member heard earlier, but it's not so much that this plan is in the ether somewhere. I don't think he's accurate in that. The plan is a draft plan that has one outstanding issue that the Province and the chiefs of the West Region Tribal Council have not come to an agreement on, and that is whether or not a closure should be a voluntary one, as proposed by the chiefs, or whether the Province has the right to put a mandatory closure in place.

Once that issue is resolved, the word "draft" will be removed from the document, and it'll be public. But, until then, I think we have to be very careful to maintain a true government-to-government relationship with our partners in the co-management agreement. We need to honour that and make sure that we make every effort to solve that last outstanding issue.

Mr. Gerrard: Does the minister and his department have a role in any memorandum of understanding, co-management plans, regulations with regard to the Lake Winnipegosis fishery?

Mr. Struthers: Yes, again, the policy and that side is clearly with Water Stewardship. The enforcement is clearly with Conservation. The management plans that have been discussed for Lake Winnipegosis, in that case, have been led by Water Stewardship, and that's mostly because the stakeholders in that area, on Lake Winnipegosis, involve a number of commercial fishermen.

At least, back when I was a kid and fishing in the area when there was actually a lot of angling being done, it involved some anglers. It doesn't involve the kind of challenges, when it comes to rights holders, treaty and Métis rights holders, that you would see on Lake Dauphin.

That was what prompted the chiefs and former Minister Lathlin to sit down and work through a co-management agreement. That's a little bit different on Lake Winnipegosis, where Water Stewardship has led that side of it in terms of management plans.

Mr. Gerrard: It's taken eight and a half years, and we still don't have the management plan for Dauphin.

When are we going to have a management plan for Lake Winnipegosis?

Mr. Struthers: I really hate to do this to my friend from River Heights, but I'm going to refer him to my colleague in Water Stewardship. Unfortunately, I understand her Estimates are finished, but I'm sure she'll take the time to sit and chat with the Member for River Heights.

On Lake Winnipegosis, Conservation's role is more of an enforcement role. Water Stewardship has taken the lead in terms of the management plan, meeting with the stakeholders. I know there has been a group that the minister has been working with in Lake Winnipegosis. I know almost all those people that have been working on that, and they're a very dedicated group of people who want to make the right decisions for the long-term health of that fishery.

So, again, we would enforce the rules that are put in place by Water Stewardship and the group of people that she has locally working on that lake.

Mr. Gerrard: Yes, I did ask her, and apparently it's out in the ether too.

I'd like to ask the minister a little bit about the Fisher Bay provincial park and the progress, or lack of it, in terms of where we are now.

Mr. Struthers: The first thing I want to say is that the Member for River Heights has used the word "ether" a couple of times, implying kind of a negative connotation, but those of us who have spent any time on the farm and have tried to start an old John Deere tractor know that sometimes a good shot of ether is just what the tractor needs to get going and to be a very positive thing and can start some very good things. I know the Member for Ste. Rose

(Mr. Briese) will back me up on that. You don't want to—[interjection] Absolutely. You don't want to be using ether too much, but once in awhile it gives a shot to it.

So I was very pleased that Chief David Crate came and approached me a while ago, sort of gave a shot of ether to our discussions in terms of the Fisher Bay Park Reserve, and I know that the Member for River Heights (Mr. Gerrard) is very interested in this. He has spoken to me in the hallways and around. I know that he's been in contact with Chief Crate and with members of CPAWS, which, I think, is good. I think the more people we can get interested in a good project like this, the better.

I do want to take a minute to put some facts on the table. First of all, this park reserve is in place, and that land is protected until October 31, 2010. We have a number of park reserves that are coming up before then that we are working on as well. My commitment to the chief—well, my commitment is twofold: one, I won't let that land lapse and go into an unprotected state. I've made that commitment to Chief Crate. As far as I know, he's pleased with that. Having said that, I don't want this to drag out until October 31, 2010, because I know the chief had some very definite ideas as to how this park can work in his favour. The other commitment I made to the chief, of course, was to work with him collaboratively in terms of development of cottages. I'm very impressed with the work that Chief Crate has done with that, the level of co-operation that he has received and the amount of work that he's done with members of my department on the cottaging side as well.

One thing that I think has been a little bit misleading that I've seen in the campaign is the number of times I've seen people talk about, oh, Minister Struthers, it's been 10 years; it's been all—well, that's not altogether true. The new boundaries of the proposal were brought up in, I believe, October of '06, and we have assigned staff to work on this, on not just the original park reserve that was put in place, but the proposal to expand those boundaries. That has changed, so it really hasn't been 10 years as I've seen in, you know, different quotes in the *Free Press* and other media. We've taken that request very seriously. We've looked at it. We've assigned people to follow up with it.

In my most recent meeting with Chief Crate—I think it was in the last couple of weeks I met with the chief—we need to have assurance that the concerns of

the Peguis First Nation are identified and dealt with, if any. We've heard that there is support from Jackhead, that First Nation, but we need to be very sure that there are no concerns there and we need to be following up on concerns expressed at one time or another by Chief Kemp, and Chief Crate knows that. He takes that very seriously, and he understands that he's in the best position along with our help to deal with his neighbouring chiefs. We will make sure that we follow the process that we have in place, a consultation process outlined in our statutes that makes sure that we not only consult with First Nations on a government-to-government basis, but that we deal with a number of stakeholders in that area.

Understanding the difference between a First Nation government and a stakeholder, I think, is essential but we have obligations to the stakeholders too. There are hunters in the area that are concerned about the expanded boundaries and their opportunities to hunt; they need to have a say in what goes on and they will have that say. There are quota holders in the area providing jobs for people, running their businesses, who depend on a steady supply of fibre for their operations; they deserve a say in this and they will have that say.

We will go through a process of identifying those stakeholders that need to be spoken with and that they will have public sessions just like we do with any other park reserve. They will have public sessions to make sure that their views are known.

We have to make sure we understand the mining issues. The MELC, Mineral Exploration Liaison Committee, that can play a useful role in this and there are a number of outfitters in the area with businesses that are operating right now that, again, need to have a say and will have a say in this process.

Having said that, I'm very confident that at the end of the day we will be moving forward in co-operation with Chief Crate with some kind of an entity that I would hope reflects not just his vision but also incorporates the concerns of the stakeholders in the area.

* (16:10)

Mr. Gerrard: There has been a proposal for a World Heritage site designation for the Turtle Mountain corridor, as it were, from the area along, I think it's Flint River in the Dakotas and north. Maybe

the minister would comment on his position with regard to this.

Mr. Struthers: I hate when I have to do this but this is going to be the second time and I'll apologize for doing it but it's the right thing to do, I guess.

Culture, Heritage, Tourism and Sport have been leading up the work that has been done on that. I believe they've been in contact with American officials. It is a heritage request. They've been leading that one. Our department has been involved with the UNESCO World Heritage Site designation on the east side of the province, the Pimachiowin Aki. So I would refer my friend from River Heights to the Minister of Culture, Heritage, Tourism and Sport (Mr. Robinson).

Mr. Gerrard: Can the minister, then, give what might be a rational time line for what happens on the world heritage site on the east side of Lake Winnipeg for which he is responsible for?

Mr. Struthers: I think this is something that all Manitobans should be very excited about. This puts us in kind of the world community of the Great Barrier Reef and the pyramids in Egypt. This has a huge amount of potential.

Having said that, usually when something—my parents taught me that if something is worth having it's usually worth doing a lot of work to get. And there has been a lot of work done on this project, not only by our officials in this department and other officials in the province of Manitoba but, most importantly, and key to the success of this Pimachiowin Aki, is the work that First Nations have been doing.

The First Nations of Poplar River, Pauingassi, Little Grand Rapids and Pikangikum over on the Ontario side, in conjunction with our two parks, with the Caribou Park in Ontario and our park here on the west side of the boundary, this is a First Nations-led endeavour, and that is the reason this is going to be successful.

It's all about planning. It's all about convincing UNESCO that the First Nations have plans in place for the areas that are their traditional area, that they have community land-use plans that provide a level of protection for that part of the boreal forest, that they have areas that they would like to see developed because these First Nations have high unemployment rates. Key to this is the fact that it's been First Nations first and foremost, the First Nations accord, that launched this initiative and it's key to their

success in getting this designation, that they can show that they have been in a position of decision making and that their plan forward from designation on is that they will be at the table for that decision making. That's why the Member for River Heights (Mr. Gerrard) should be supporting Bill 6 that I've introduced in the House, because this allows for that kind of planning. This allows for a resource management board, for those three communities on the Manitoba side anyway, to put those community land-use plans in place.

This will take time. We've called upon reputable entities, such as the International Institute for Sustainable Development, who's doing a couple of studies that need to be done to be part of the package going forward. The University of Manitoba has been involved, of course, our department and very good co-operation with the natural resources department in Ontario.

We are targeting 2010 to get the nomination document all together. I know everybody involved. If we could get it done even earlier than that, there'd be a sense to do that. We want to get it right, because you just get one shot at this. When I was in Québec last summer, I attended one day at the conference. It was interesting to see, the projects coming forward, how intricate they were and how thorough Parks Canada was when they presented these in conjunction with the provinces and the local folks that were putting these projects forward. A project in Nova Scotia-New Brunswick was successful this year. But, at the same time, I saw leaders from Afghanistan trying to make the case to get an archeological site reinstated, redesignated as a heritage site. The problem was that they had too many armed vehicles bombing their way through the heritage site so they were de-designated.

So we have to be very careful with this. I'm not suggesting we're going to end up with military vehicles going through the accord lands. Don't get me wrong. It suggests to me that we have to make sure we do all our homework to make sure this is done. The target date for that is 2010.

Mr. Gerrard: That was quite a rambling response that got into a lot of military vehicles along the way.

An Honourable Member: You looked like you were interested, though.

Mr. Gerrard: I think the Manitobans are keen to understand that there is substantial work being done and that there is progress being made and that this

can be presented for approval at least by 2010. Okay, I'm going to pass this on to—

* (16:20)

Mr. Stuart Briese (Ste. Rose): I think just one short question on one issue, and then I'll move into some other things. I've talked to the minister many times about the Daniel and Shelley Warrener issues with the department. I've talked to them as recently as Saturday night. Some of the terms of the agreement have been met, about half of what was supposed to be done, and they pulled out of there again citing being out of money again for the third year in a row, and their frustration level's getting awful high, and I know you told me at one time that you had instructed the department to be flexible and to deal with this issue, and I'm just wondering if you're going to.

Once again, we're past the season to do what needed to be done. It had to be done on frozen ground. So I'm just wondering if he'd make a comment on it.

Mr. Struthers: I'm going to ask my officials here to follow up with this. The one thing that I want to say is that I don't need to tell my folks to be flexible and to work with producers and to be fair. I think they come by that naturally. But I do know that, in the case of the Warreners, and I've met with them in the past as well out at my constituency office, my commitment has been that those commitments that we have made we will follow up on. It involved some fencing; it involved some clearing of land. I know the Warreners are—they have a herd of cattle that they are concerned about and we want to work with them to make sure that we allow that to happen.

Mr. Briese: This particular issue, I've got a copy of the agreement sitting right in front of me here, and I know it hasn't been totally fulfilled. It started in 2006 and they've told me that half the land's been cleared that was promised to be cleared and they pulled out of there again, and that was cleared about a month ago or so. So it needs to be resolved. I can understand their frustration.

I'd like to touch on the on-site waste-water regs and get a little feedback on—I know the consultation process is still going on, I believe, till May 8. From what I'm hearing, there's a lot of consternation from municipal people especially on this, and especially the rural municipalities, but also into the urban municipalities because, in a lot of cases, they're

going to see more pressure put on their infrastructure with the proposed new regulations.

I just did some rough math here myself and, in my own municipality, we have about four people per square mile. That's one person per every 160 acres, and to go in with some regulations that appear to be pretty strong regulations when we've got such a low population on those areas, I think it needs to be looked at again and rationalized. Most of us in the rural area have ejector systems which aren't going to be allowed, as I understand. From this time forward, they will have to be upgraded to—if "upgraded" is the right word—to fields or holding tanks with the transfer of the property. I have an ejector myself that goes into my spruce trees and probably doesn't go anywhere from there. And there's significant cost. If these regulations go through, they, in essence, have devalued my property.

I'll leave it at that and get a response out of you at this point.

Mr. Struthers: I'm pleased that the Member for Ste. Rose noted that we've expanded the time in which people can get back to us with comments on this proposal. Specifically, the Association of Manitoba Municipalities, when they met with me, had made the case that it needed to be extended, and I agreed to that. So May 8, that's right around the corner, now that I think of it. That is the extension period of which we've extended it to. I fully intend to look at all of those, the comments that we've received, to get a good cross section of what Manitobans are telling us in terms of this.

I do know, and I believe the Member for Ste. Rose, as well, is very much interested in water protection. I don't doubt that for one minute. This is part of our water protection, a comprehensive plan that we've had discussions on. You know, Bill 17, which is part of that plan, the City of Winnipeg and the CEC report on their waste water treatment facilities, that's part of our plan—along with other municipalities. Our approach with cottagers is part of that plan. This is part of that plan, as well, to protect Manitoba water.

I want to give credit where credit is due. Dating back into the '90s, the party that the member is part of, who formed government, participated in a third, a third, a third infrastructure programs that saw communities, like my own community of Dauphin, benefit in terms of—at least in terms of drinking water. But with waste water as well, there's a long history of provincial governments and federal

governments working together with local officials to put money in place to upgrade our ability to deal with sewage. I think all governments, including the current federal, provincial and local governments, need to be commended for that.

We just had an announcement in my own constituency in Roblin having to do with waste-water protection, and those are good things. But what we need to do is that we need to assist people to get to those better systems in places where that makes a lot of sense.

When you look at the Red River area, the area Winnipeg and north, there's some very sensitive lands, flood prone lands that we need to be concerned with, with a high-density population. We need to be able to put in place, first of all, inspectors, which we've hired more of, who can go out and work with homeowners to help make good decisions in terms of what they do with their grey water, what they do with their sewage and the treatment. We need to get those communities into better technologies and better systems to handle that sewage. So I want to use this in such a way to help municipalities do that, and then they can end up with more money, more money to do that through our programs.

Ejector systems is something that has come up. I understand the argument that is being made by the Member for Ste. Rose in terms of those being in a different place than a crowded urban centre. I understand his point of view. We need, though, to be able to answer the questions in terms of the human health—problems that that poses. One of the things we've talked about in the department is the difference between human sewage and animal sewage in terms of the transfer of disease. As we move forward, once we see all these comments, I think we have to be able to move forward with a framework that understands that, but also protects sensitive areas and also doesn't become a huge burden on homeowners.

* (16:30)

Mr. Briese: There are certainly some areas where I would differ with you on this whole proposal. I realize that there are areas where there's dense population, where you need to address, and there are areas in floodplains and things along that line. But by putting a blanket coverage over the whole province, I don't think it's a very fair way to address it. I think you should look at these issues more regionally and more site by site.

You get out into the rural areas, one of the things you're going to do—and I'll name a municipality. The R.M. of Rosedale has four villages. They have no lagoon. If they go to some other form of waste management there, it's going to cost major, major dollars. That's fine as long as the Province is there to help them with those dollars, but right now all they have is an agreement with the R.M. of Westbourne which is about, roughly, a 30- to 35-mile haul on most of it, maybe even a little further.

Once again, in the rural areas in Saskatchewan and Alberta, ejectors are mandated. In Manitoba, it appears we're going to do away with them. I'm certainly in favour of water protection. I have no qualms with water protection. I don't think in a lot of these very rural areas such as I live in, that this has anything to do with water protection. I don't think it has any impact at all. I honestly don't. As I said, four people per section of land, one for every 160 acres, the human waste is not impacting the water. Quite simply, it just isn't. The population isn't dense enough to cause any problems.

I think there's a lot of consternation in the urban centres, too, because ultimately most of our sewage lagoons are in urban centres, and they don't want the extra stress put on stuff coming in from the country that, in all likelihood, doesn't need to come in, or coming in from cottage areas as well, in which case, there does have to be a disposal of some sort, but we've already got overtaxed municipal facilities.

And let's think about what really happens in a municipal lagoon. It sits in one cell for a while. The solids settle out. It goes to the second cell, and then it usually discharges into a waterway, and they're all set up that way. Why are we not better to keep this out on the land rather than discharging into waterways?

Mr. Struthers: Well, first off, the member would be I think very pleased to know that on April 1 we met with the R.M. of Rosedale and they had a chance to talk to—*[interjection]* And I'm very pleased the member himself was there. That's good. I know that he's interested in this. I know that he's interested in water protection, and I know that he's interested in human health, and he wants us to make good decisions in terms of all of that.

The one thing I do want to make clear is that when you look at the lagoons around rural Manitoba, what's being discharged into the rivers is treated sewage. If there are problems that end up with anything other than treated sewage, then our officials

work with local folk to make sure we correct those situations.

I do understand his point in terms of the difference between a highly populated urban area in a floodplain versus a rural area with the wide open spaces that we all love as rural Manitobans. So what I want to assure the member is that the consultations that we've done, the advice that we've given, will be analyzed and will be incorporated into the approach that we go forward with, as we've done in these kinds of consultations before. So I appreciate his advice and I look forward to looking at the kind of advice that we get from Manitobans as part of this consultation.

Mr. Briese: I just want to question the minister's statement that the waste water going into the lagoons as treated sewage. It goes directly out of the sewers of most of those towns. There's no treatment plant. There's no nothing. It's raw sewage going into lagoons.

I was recently told, in one of the municipalities, that part of the plan for a new lagoon they were putting in, they had to have a direct channel access to the lake for the overflow, eventually, out of the lagoon.

Mr. Struthers: Having said that, I think there are some very creative things that are going on in many of our rural communities in terms of the treatment of sewage, including incorporation of natural wetlands, in many areas that go along with—even if it's treated sewage that go through a wetland.

I'm going to brag a little bit as a local MLA. The town of Roblin has a very, I think, unique system in which they flow their treated sewage through a wetland that the grade 12 students, a number of years ago, actually helped by planting bulrushes all around the end, and that further takes up the nutrients that we don't want to see entering into our river systems.

So I understand the Member for Ste. Rose's point. I think we both know that there are some very good things happening out there in rural Manitoba.

Mr. Briese: I would just remind you that in the rural areas that's what we're doing, too. We're processing them through the wetlands and the cattails. We're doing it just as well as your department is. Thank you.

Mrs. Stefanson: I think it's important when we're talking about these waste-water management regulations, and I think where the Member for

Ste. Rose was going, and the concern that we have is that this will eventually cause more of the dumping of the sewage into nearby lagoons. This has to go someplace, and the problem that we have is an infrastructure problem, across our province right now, where lagoons are overflowing, and the problem that we have here is that, here's a regulation that comes forward and does this. But the problem is there is no long-term plan for the upgrades to the lagoons, on the part of Infrastructure.

I know if I asked a question about infrastructure here, that the minister would probably refer me to the Minister responsible for Infrastructure, so I won't ask him a question about the upgrading of lagoons and when it comes to Infrastructure. Maybe concurrence is the time we can sit down and ask Water questions and Conservation questions and Infrastructure questions because it's all part of the plan, here. It's all part of what your government needs to do and the overall bigger picture of what needs to happen here. It's fine to say that you're going to take more sewage and deal with sewage in such a way, but it has to go someplace. If we don't have the infrastructure in place for it to go, then, we're going to have serious problems and it's going to make no effect except more of a negative effect, in fact, on the rivers and lakes.

I just wanted to make a comment on that. I know that time is moving on here and I do have a whole host of questions that I have in a number of different areas.

I wanted to just ask the minister with respect to the cottage-lot draw. I know, last year, in May, he said, and I quote: We have committed to another 1,000 of the cottage-lot draws. He said, we're absolutely certain that we will fulfil this like we did—I think I'm sort of paraphrasing here—what we did in the first round of one thousand.

I'm just wondering what has happened with the other thousand. Can you give us an update as to what's happening with the cottage lot draw?

* (16:40)

Mr. Struthers: Sure, but first of all, Mr. Chair, I would not want to refer my colleague on to the Minister of Infrastructure—Manitoba Infrastructure and Transportation—if I could answer her question here. I'm going to answer her question by giving her a good example of what happened last week when the federal Tories, the provincial NDP and some local leadership got together and made some

announcements on infrastructure right across this province including Gimli, where we have a huge opportunity to set up a regional—to really put a regional approach in place to handle sewage. Not just Gimli, but many of the communities along that western side of the lake.

In terms of her question on the cottage lot draw, and I think she's right, by the way, and I think there needs to be more work done in terms of the infrastructure and more of those kind of co-operative announcements between all governments.

We are working on the next round of a thousand cottage lots. One of the focuses that I want to bring to it is not just offering up lots, but offering up lots in conjunction with First Nations. We have some very good work being done at Fisher River, which I had mentioned a little bit earlier, and Black River First Nations. Construction is planned this year at Fisher River. We will bring a number of cottage lots on stream to be offered to Manitobans. We are working co-operatively with Black River and have been working towards an agreement there which I think will be a very positive one.

We've also been in contact with chief and council at Hollow Water. There's some very beautiful area right along the eastern shore of Lake Winnipeg close to the city of Winnipeg just off of the highway, the paved highway up there. I expect in the not-too-distant future we will be making some announcements towards that thousand and we'll do it in conjunction with those three First Nations, at least to get us started on our next thousand.

Mrs. Stefanson: Well, my concern with this is that it's almost verbatim the same answer that I had last year. The minister talked about Black River First Nation and Fisher River First Nation and that they had signed a memorandum of understanding, et cetera. He goes on to say that he's totally committed to the next lot of a thousand. That was more than a year ago that we had that conversation. When can we expect this to be moving forward?

Mr. Struthers: Well, first of all, I understand the member's frustration in that my answer this year sounds like the one last year, except that I did say, different this year, is that Fisher River will be up for construction this year. That's different from last year. That would be part of the thousand.

The other thing is that we need to be very careful on is our, again, our duty to consult. We need to do that. That is different than dealing with the R.M. of

Shell River, for example. I'll use one of my own constituent R.M.s. We do have a duty to consult with First Nations. We do sit down with them. We do a lot of work to make sure that we get it right, and then when that's done, we will come forward. I can't predict what date that would be. I can't give the member a time line right now, but I want to assure her that we're working closely with our First Nation partners and that we're doing it as quickly as we can.

Mrs. Stefanson: The minister had indicated yesterday that he would get back to me with respect to the cost associated with printing of the provincial park passes, as well as the number of passes that were printed. Does he have that information for me today?

Mr. Struthers: No, I'm going to have to continue to endeavour to get that for the member.

Mrs. Stefanson: Could we maybe look at the end of the week? I'm just wondering, how long would it take to sort of get—I mean, I know that people are busy in the department, et cetera, and I don't want to be unreasonable, but I think it's probably a figure that's probably not too difficult to find. Can you just indicate if it would be reasonable to expect that by Friday?

Mr. Struthers: I think the commitment I can make is by—I think, by early next week I can probably get that. I'll try my best. I'll try really hard; really, really, really hard.

Mrs. Stefanson: So many questions, so little time.

I would be remiss if didn't ask a question about the forestry industry and the provincial government's commitment to plant five million trees over the next five years. I think that commitment was probably made last year. So have the trees started to be planted? Where have they been planted? Who is planting them? Was this sort of outsourced or can you just give me an update on what's going on there?

Mr. Struthers: Mr. Chairperson, at the end of the second year we will have two million trees in the ground. In the first year we planted 250,000 trees. The bulk of our time was spent in preparation of the land, planning, getting people signed up to participate in the program. A lot of work went into that in the first year.

Anyone that my friend from Tuxedo knows who wants to get involved, send them my way. If they have some land on which we can plant some trees we will certainly do that.

We've had First Nations come to us. I think out of that total, about 103,000 or so were planted at Long Plain right on reserve land there. We need to continue looking for people who will co-operate and has land available for us to plant. We need to continue to prepare that land for that. We've been talking with the City of Winnipeg in terms of some land that they're interested in working with us on.

One of the very important partners in this is going to be private landowners, and people with a substantial chunk of land that we can plant a lot of—mostly it will end up being hybrid poplars that we'll end up planting. So there's been some good work go on now. We do have an ambitious summer ahead of us in terms of tree planting, and I'd be more than glad to join with the Member for Tuxedo and plant a couple with her.

Mrs. Stefanson: Sounds like a wonderful opportunity to have some trees planted on people's property. I think that's wonderful.

An Honourable Member: Where do you live?

Mrs. Stefanson: Yes, I would love to have several trees planted on my property. That's great.

I just wanted to move on here and touch on endangered species. Certainly, obviously, protecting endangered species in our province is a very important endeavour, and we want to ensure that we continue to do so, as much as we possibly can. I was intrigued and wondered why the funding for special conservation endangered species fund, why that was cut in half, if the minister could explain what happened here. I guess part of the explanation that was perhaps given is that there weren't as many species-at-risk project funding requests that came in, but to me it seems odd. Is there something more to that? Could we be doing more to promote this type of work or what's the plan there?

* (16:50)

Mr. Struthers: First of all, the amount the member sees listed in the Estimates we believe will support the main work that we do in terms of protection of endangered species, and we're able to say that, I'm able to say that, because we have found some partnerships we've worked with that are bringing in more money than what we have seen in the past. A good example of that is the partnership that we have with the Nature Conservancy of Canada, in which we work with the Nature Conservancy to protect areas in the southeast part of the province, to protect the western prairie fringed orchid. We worked with

opportunities with Manitoba Hydro and increased funding they've been able to bring forward on many of these projects.

We have been using the Sustainable Development Innovations Fund to cover many of the costs that we incur, and I do want to point out that what isn't apparent in that line that the member is looking at are the two biologist positions that we've hired specifically to work with caribou in the northern and eastern parts of our province. So those aren't reflected in that but we're very careful that the base funding there would be enough to protect animals, plants that are endangered in our province, right down to the lowly prairie skink that is prevalent in places in southern Manitoba.

Mrs. Stefanson: I know, last year, one of my colleagues mentioned and talked about and asked questions around the beverage container recycling. The minister had indicated that they were coming forward with regulations. Have those regulations come out, and if so, what is the plan for this?

Mr. Struthers: Cabinet has passed a regulation calling upon our industry partners to come to us with a comprehensive business plan that looks at all the products that are contained within the paper and packaging industry including plastic bags, including pop cans and bottles, including all of those things that you see in your blue boxes. So industry is coming back to us with a plan. We will be taking a look at that plan, and if it's a good plan, we'll sign off on it. If it's not a good plan, we'll make sure that they come back with a better one.

Mrs. Stefanson: I thank the minister for that. There are so many issues here, and I know there are so many other issues in Estimates, as well, that I think I am supposed to wrap up today.

I know, of course, that this Estimates process doesn't stop the dialogue from happening, and I just wanted to say that I certainly do appreciate the minister. I know I have contacted him on a few occasions. We've been able to work very well together, I think, on dealing with some issues for constituents. I appreciate his co-operation when it comes to that, and look forward to a continued dialogue moving forward.

I think, at this point in time, I will pass this—not pass it, but whatever happens from this time forward. You can pass your Estimates.

Mr. Chairperson: We think we thank everyone for those comments.

Seeing no further questions, we'll now move to resolutions.

Resolution 12.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$72,509,000 for Conservation, Regional Operations, for the fiscal year ending the 31st day of March, 2010.

Resolution agreed to.

Resolution 12.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$25,843,000 for Conservation, Conservation Programs, for the fiscal year ending the 31st day of March, 2010.

Resolution agreed to.

Resolution 12.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,087,000 for Conservation, Environmental Stewardship, for the fiscal year ending the 31st day of March, 2010.

Resolution agreed to.

Resolution 12.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,196,000 for Conservation, International Institute for Sustainable Development, for the fiscal year ending the 31st day of March, 2010.

Resolution agreed to.

Resolution 12.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,509,000 for Conservation, Minor Capital Projects, for the fiscal year ending the 31st day of March, 2010.

Resolution agreed to.

Resolution 12.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,460,000 for Conservation, Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2010.

Resolution agreed to.

Resolution 12.8: RESOLVED that there be granted to Her Majesty a sum not exceeding \$17,357,000 for Conservation, capital investment, for the fiscal year ending the 31st day of March, 2010.

Resolution agreed to.

The last item to be considered for the Estimates of this department is line item 12.1.(a) Minister's Salary, contained in Resolution 12.1.

This time we thank the minister's staff very much for their time with us here today and ask they leave the table for consideration of this last item.

The floor is open for questions, if any.

Seeing none, Resolution 12.1.

Resolution 12.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,366,000 for Conservation, Administration and Finance, for the fiscal year ending the 31st day of March, 2010.

Resolution agreed to.

The Chair is now seeking the will of the committee.

An Honourable Member: Rise.

Mr. Chairperson: Committee rise?

Some Honourable Members: Rise.

Mr. Chairperson: The hour being 5 o'clock, committee rise.

SCIENCE, TECHNOLOGY, ENERGY AND MINES

* (14:40)

Madam Chairperson (Bonnie Korzeniowski): This section of the Committee of Supply has been dealing with the Estimates of the Department of Science, Technology, Energy and Mines.

Would the minister's staff please enter the Chamber.

We are on page 148 of the Estimates book. As previously agreed, questioning for this department will proceed in a global manner. The floor is now open for questions.

Mr. Cliff Cullen (Turtle Mountain): Madam Chair, I think the minister was interrupted yesterday in response to one of my questions. So, if the minister wants to carry on today let's leave him the floor.

Hon. Jim Rondeau (Minister of Science, Technology, Energy and Mines): I'd like to thank my honourable colleague from across the way for allowing me to finish the comments that we were doing.

Basically, I was just talking about—we mentioned about the Mineral Exploration Assistance Program, the prospectors' program. We were talking about the money in geoscience, and I'd like to compliment the people in the Geological Survey who are working to do a lot of investigation and mapping throughout the province. I mentioned that we were working with the federal government on a \$3-million, three-year, cost-shared geoscience program for the far north where there's very little mapping. We want to continue working with industry, and I'm pleased that the geoscience initiative is working with industry, with a number of partners in order to get the basic investment in geoscience that people need to develop their exploration programs. They've done a good job, and a number of members of the Geological Survey have been recognized for their hard work and their delivery of basic science and mapping. It's been good that way.

As far as the business environment, I'm pleased to say that we continue to work on the training for industry, and there's a new \$1-million Forestry and Mining Training and Workforce Retention Initiative through the Department of CTT. I just mentioned that because, although it's not delivered by this department, it is a support for the mining industry.

I understand that the impact on the capital tax on mining is huge, so the decrease of the corporation capital tax is very, very good. A new budget initiative of dropping the tax rate for mining and making it a progressive tax, where if people are making less money they pay less tax, has been very positive. We have been working with the different companies and, as I mentioned, we want to continue to do that because I agree with the member. As the mining industry has more difficulty getting capital, we want to work with them. I'm pleased also that we've been working to encourage flow-through shares and other initiatives that will help the industry.

Mr. Cullen: I guess, on the note of taxes and taxation in the mining industry, I was having a look at the budget book and looking at the income that the Province is going to be generating from the mining tax. Last year's budget was \$128,000 is what the Province was anticipating to take in. That's the '08-09 year. I know the forecast in this year's budget book for last year, the forecast was down to \$65,000, so in essence the Province is looking at potentially half of what they were anticipating from '08-09. Furthermore, when you look ahead in terms of this budget year, '09 and '10, the estimated revenue is

down to \$10 million, so it's been a substantial decrease. I know there's been a bit of a change in terms of what the Province is putting forward in terms of the mining tax, but that's a very significant reduction in mining industry, and I just wanted to make sure the minister was aware of that quite dramatic reduction and his thoughts on it.

* (14:50)

Mr. Rondeau: I know we write the budget in—it's a little complex, because there are an extra three zeros on a lot of those numbers. There used to be \$128 million of revenue from the mining industry; then it went to \$65 million and now it's less. That's a few factors.

The first one is because we actually have—mining taxation is based on profits, and that makes a huge difference because the commodity prices are way down on a worldwide basis. Because we're taxing the net money where we're talking about after the operation costs, et cetera, it's going to be less. That's because, in a very challenging economic time, companies are challenged to have profits and thus, when we're taxing the profits, that makes it more difficult.

The other reason why the budget figure is down is budget 2009 reduced the Manitoba mining tax from 18 percent to 17 percent, effective July 1, 2009. In addition, a 15 percent rate will apply when the operator profits are between \$55 million and \$100 million, and a 10 percent rate will apply when the operator profits are under \$50 million. There are transitional tax rates that will apply when operator profits are between \$50 million and \$55 million or between \$100 million and \$105 million. The tax savings for the mining companies as a result of this measure are expected to be about \$1.7 million this year, in 2009-2010, and it will increase. The tax savings, because of these tax changes, will definitely change when commodity prices improve.

So, right now, there is a challenge to make money at the price of nickel. I know I was visiting Inco before it got bought by Vale, and it was interesting, because they were celebrating when nickel exceeded \$10 U.S. a pound. Right now it's much, much less than that. I know it went up to very high levels. Now that there has been an economic recession, people are using less metal as the price of metal has dropped, and it is a tough area. That's why we've taken a lot of initiatives to help with the mining and the mineral industry.

Mr. Cullen: I think it's important to note—and it's good to see that the Province recognizes that the Province was out of step in terms of its taxation levels with other jurisdictions. In fact, in the latest report on Canadian mining taxation, we were dead last in terms of being favourable to mining companies in terms of our tax structure. So it's certainly good to see a movement there to improve things.

I know it's something the association, in fact, had put forward to the Minister of Finance (Mr. Selinger) last fall, that obviously the taxation issue was fairly important to them. It is unfortunate; they're not going to see much benefit from the proposed tax here that's part of Bill 30, ironically. There are a lot of things in Bill 30, some good, some bad, some real bad, but at least from the mining industry's perspective, it's good to see something move in the right direction.

The other side of it, another issue that they talked about was the whole payroll tax issue which is obviously very important to the mining industry because they are a fairly high salaried business. Quite frankly, the payroll tax is not an incentive to expand business here in the province of Manitoba.

I'm just wondering if the minister has any comment, has made any recommendations to the Minister of Finance on that particular tax.

Mr. Rondeau: I'm pleased to say that the branch and myself, I believe, have a very good relationship with the mining and mineral industry, including the oil and gas industry. They had major issues on the corporate capital tax which we're phasing out and have been moving to phase out. They had issues on the mining tax. They also had issues on labour and wanting labour and training and initiatives like that.

We listened to them. We worked with the industry and, I'm pleased to say that we continue to have investment in the province. In fact, while many mines across the country are closing, and that's in places like Sudbury and other mines that have been around for a long, long time—mining companies are closing down. They're shutting the door.

So I have to sort of let the member know that we actually had a new mine open in Manitoba this year. It might be the only mine in Canada that's opening this year, and it happened in Wabowden. It's called Bucko Lake. So while many areas in the country are closing down mines, laying off workers—and there are challenging times no matter where you are.

I realize that some of our operations are having a challenge and there are some layoffs in some of the operations. We also have some mines that are opening or have opened. We have exploration activities that are going on in our province because when you do make an investment, you're not making an investment for a year, you're making an investment for a long period of time. I'm pleased to say that they, the industry, take a lot of things into consideration. They don't look at one thing; they look at lots of things. With that in mind, we actually had a new mine open in Manitoba this year, and that's a positive step.

Mr. Cullen: Well, that is certainly a positive step. There certainly have been some negative things happen in the industry which are very unfortunate, and we'll just have to see how things unfold and hopefully, things do turn around fairly quickly.

The association also talked about some of the tax framework in other provinces, and they reference Saskatchewan and Québec. What those provinces are doing is allowing the mining companies to carry forward losses against profit, you know, so when we run into a tough time like this, there's some favourable tax implications there.

Madam Chair, I'm just wondering if the minister has had any discussion with the Minister of Finance (Mr. Selinger) in terms of, you know, some of the other, what I would view as probably favourable tax structures in other provinces that would encourage development in other provinces.

Mr. Rondeau: The tax structures are complex, especially in the mining industry across the country. It's very, very hard to compare apples to apples. I know that, in our case, we charge tax on profits. We allow write-offs for mineral exploration and other things. Each jurisdiction tries to be competitive. I know the 2006 study by the consultants did do a lot of comparisons. Since that time, we've taken the corporate capital tax and dropped it drastically. We've taken corporation tax and dropped it drastically. We took the small-business tax and dropped it to zero. I know there's been discussion on flow-through shares and other economic activities. So there've been lots of things happening.

We also have a new mine tax holiday. This is something that most people are not aware of, but we don't charge tax until the initial investment is paid off. So if someone's doing a hundred million dollars of driving the shaft and they develop this mine, they do not pay the government tax revenue until that first

initial investment's paid off, and I know, that's why I'm aware of the Buckle Lake in Wabowden is because it's a new mine. They have new mine status, and because of that new mine status, the investment they made is tax free until their capital cost has been earned.

Mr. Cullen: Yes, I thank the minister for that response.

When you look at the numbers and the drop in the revenue that the Province is facing from the mining industry, it's quite ironic that that substantial drop in about \$110 million—the irony is, that \$110 million, you know, could have paid the existing legislation terms of paying down the debt here in the province and, as the minister knows, with Bill 30, his government has gone even one step further than that and decided not to pay any of our debt down.

What would the minister's comment be? If he's dealing with, you know, these mining companies across the world and they recognize that the Province of Manitoba has decided not to pay down any of its debt this year, what kind of a reaction would he get from a mining company?

* (15:00)

Mr. Rondeau: Companies make economic decisions a lot based upon a number of considerations. I know that Inco, as an example, and I have had a lot of dealing with Inco. I've met numerous times with executives. I've talked to them on the phone numerous times over the last number of years, and in the case of Inco, although they have chosen to do hundreds of layoffs and hundreds in our country in Sudbury, we have been very minimally impacted in the operation in Thompson. I think that's done as an economic decision, a decision on the way we do business, on their mineral potential and on their profitability here in the province.

We've also had a new mine open here. I know we've worked very, very hard with this company because what we've done is we've actually done a mill training program in the local community with First Nation people and people in the local community. We've done a mine training program in that area. We also have Bissett opening up just a couple years ago, which was a reopening of a mine that had been closed. That was an area where they've trained 60 percent of the local workers, Aboriginal trained, First Nation, Métis trained, and they're working.

The key is the whole package. The key is the commodity prices. The key is operating. The key is their deposit and how much value they can get out of the deposit. It's the human resources as well as the governments. People don't make, companies do not make, decisions based on one simple factor. They look at the whole package, and I think what we have done is that we, as a partner, believe that it's important to look at the entire package, work with the industry, work with the companies, and I think based on that decision, the industry has held up reasonably well, all factors considered.

When I say that's all factors considered, we're talking about prices of zinc, copper and nickel falling through the floor in a very, very short period of time. I know that a year ago they were talking about how this wonderful boom will last forever. All of a sudden, the floor caved and people are going, what do I do? The good part is that, although we've had layoffs and we've had individuals affected, we haven't had wholesale wipeouts of thousands and thousands of workers. That has happened—and in Canada.

We believe that the mining companies and individuals in exploration believe that this is a good place to put their money. We'll work with the companies. I'm never going to say that everything is perfect. What we try to do is work to make everything perfect, and it's a process. We will work with the companies and listen to the companies and the opposition to see how we can improve.

In each argument there might be somewhere we can tweak or move. The key is to have a package that makes economic sense. I think that the moves this year on the tax front, on the human resources front and on the geoscience front were really wonderful. We've actually got feedback from the industries saying that. It's not often that companies make the effort to phone you and say, this is good. It's nice when associations actually take the time and groups take the time and say that they were happy that we listened to them and we took action.

Mr. Cullen: You're right. There is a lot of issues here that we have to deal with, and it's not as easy as reducing the taxation level. There's a lot of other things at play here and at stake. That's what I hope to have a discussion on today—some of those issues that are relevant to the industry that hopefully we can raise the flag a little bit for the industry and bring it to the attention of government.

Just on that, there are a couple of issues that were raised by the mining association here to the Minister of Finance (Mr. Selinger). One has to do with the regulatory framework. This is where the Province comes in directly. I'll just quote from the letter here. It says: In many instances Manitoba has failed to succeed in fulfilling their obligations, and this has resulted in undue delays during times where financing was available. And they're talking about work permits here.

I want to make sure the minister's aware that it's a pretty substantial issue in the industry, and I'm just wondering what he's doing to try to improve the work permits system and some of the delays that the companies are experiencing right now.

Mr. Rondeau: Madam Chair, we've been working with the industry, First Nations, and different groups to make sure that we have procedures that make sense for all combined, that draft procedures that we've developed include target time lines for the issuance of mineral exploration licences and work permits, and the mineral resources expect the majority of mineral exploration licences to be issued within 90 days of receipt of the application and the majority of work permits be issued within 30 to 60 days.

The department has, and I'll give you a little bit of what's happened. Between 2007 and 2009, 63 mineral exploration licences were issued. On average, the mineral exploration licence took 90 days from the date of application to issue; 19 mineral exploration licences took longer than 90 days; 23 mineral exploration licences are pending, waiting for the completion of consultation and discussions or information. So we're trying to work through that, and some take longer because some need more information, some consultation, some discussion on the environmental impacts, and discussions. But to let the member know that 63 mineral exploration licences were issued and they took an average of 90 days.

Mr. Cullen: The minister will probably know that there are some federal tax implications here for companies as well, and what's been happening is because of some of the delays in issuing permits and whatnot, some of these companies have faced added expenses and penalties and so forth, in terms of dealing with the federal revenue agency. So it's very important that these things get addressed in a timely fashion.

What's the consequence if we're taking longer than what your policy guidelines say? Is there any way to expedite the process, or what onus does the government have on itself? Is there any way the government can regulate itself to get its job done, basically?

* (15:10)

Mr. Rondeau: Madam Chair, I would like to let the member know that in 2008-2009 Mineral Resources received 104 work permit applications from Conservation. These are work that's going to be done. And, on average, the work permits were issued in 31 days from the date from the application to the issue. So in the vast majority of cases, the 31 days includes both Conservation's review period and the Crown consultation period. So we have to, (a), look at the permit; we have to make sure that there's not an environmental impact. We have to consult the First Nations to see if there's work that's going to be conducted on traditional sites or burial sites or something like this. And so in those cases we want to make sure that we have discussions.

Now of the 104 work permits, on average, they were 31 days from the date they were received till they were issued. So that's important. We want to get it done right. So during the time when we get the application, we have to see the impact, we have to do consultation, and we have to make sure that we're doing our obligation for regulations of the work permits and the work that's going to be done.

As far as the issue about any of the ones that are unduly delayed, I've actually written to my federal counterpart, and I've discussed the issue about dealing with this. In any of the cases where they've been delayed, the work permit, because of discussions that are ongoing, I've written to the federal counterpart to say, is there a way of looking at the flow-through shares and extending the period, or something like that. So far, we haven't had any movement on that issue. It's not an issue just for Manitoba, it's an issue across the country. Sometimes things take longer than expected and in the case of flow-through shares, there is no plan B if you don't get the money spent. Well, it's a terrible plan B because you have to refund a whole bunch of money and pay penalties, et cetera.

What we've done is we've written to my federal counterpart saying, is there a way out? Can you look at these situations? We're going to be in dialogue on that. I expect it to come up in the next mines and minerals fed-prov meeting.

Mr. Cullen: I thank the minister for that response and certainly look forward to hear what the federal government has to say on that. The last item that the association raised in their correspondence was in terms of government resource revenue sharing. I guess what they're really wondering is has the Province considered any kind of a policy moving forward in terms of sharing revenue with the First Nations communities? I guess I'll just leave it at that.

Mr. Rondeau: We believe it's a role of government to work in partnership with First Nations. Part of your earlier question which was dealing with work permits and all this, we're talking about working with First Nations to consider any of their concerns on any infringement on any Aboriginal treaty right. We want to work with them.

I think that one of the stages, and I'll go through a few places that we've been working very hard on. Moose Lake, and I'm not going to try the Cree name because I'll kill it. I think it's Mosakahiken Cree Nation. We worked with them and we developed training courses, because they were very concerned about economic development, so we created training courses. In Cross Lake we've done the same thing where we've created training courses and opportunities for people to become mine or mill operators. We've done exploration camp training courses in numerous communities. What we're trying to do is work in partnership with First Nations. So far it's been in jobs, in creation of economic opportunities, but we are always interested in looking at where this can go in the future.

We're looking at what other provinces are doing. We're looking at our other options, because we believe—when I went in 1981 in Norway House, there were very, very few local people employed, very, very few people involved in the economy of the north, and they lived there. The First Nation people lived there for centuries, and no one was involved. I think that it's incumbent on all governments to get involved. I know we've gotten involved, and we want to change that paradigm. We want to get people involved and that—I don't preclude any options in the future.

Mr. Cullen: In the ministry, you referenced other provinces there. Are other provinces doing any resource sharing, any revenue sharing, or are they just in the process of considering that as well?

Mr. Rondeau: I have to admit that's a very good question because what's happened is a number of provinces have started to explore this. B.C. has said

that they have a policy for new mine development on revenue sharing for new mines. The challenge they have is there haven't been any new mines and so that policy hasn't really moved forward in the near term.

Ontario has talked about some form of revenue sharing or benefit sharing in the legislation and in the discussions they've had over the last few days when their act has just come down. But this is an evolving issue and it's an evolving issue because I think every province has said we need to get more involvement of First Nations into the economic well-being of the province. We need to have them as active participants, and so many provinces are working on these issues and we want to work on these issues too.

We also, I found, as Minister of Mines, what happens is that we borrow off each other, each province, on the best practices, et cetera, and we will continue to do that and we continue dialogue. The Mines ministry is probably one of the most interesting because we get to know each other a lot. We pick up the phone and call different Mines ministers of all political persuasions and we discuss issues. So it's quite interesting because we've gotten along very, very well.

We want to make sure that we're talking to all provinces because all of them are trying to work on this area. The other thing is that discussion with First Nation groups are very, very important. When we're talking about this or any other economic development or any other initiative we want to be in dialogue with First Nations. I'm pleased I have a good relationship with AMC and a number of First Nation leaders because I worked and lived up north for about 19 years. In fact, I think I coached a few First Nation leaders in volleyball.

So we do that dialogue—not in isolation, but with them—and we've mentioned it as far as where we should be moving and we're having dialogue with the Minister of Aboriginal and Northern Affairs and other ministers on how we can move this and other files forward.

Mr. Cullen: In my view, and what I'm hearing from the industry is, this whole concept of duty to consult is very important to the industry. I look at the Fraser report there and they talk directly about the uncertainty concerning native and Aboriginal land claims.

Now, unfortunately, Manitoba is down at 53 out of 71 and we were—that's down from 37 out of 68. So we obviously have some room for improvement here

in Manitoba and this is one of the important spokes in the wheel, if you will, to make this whole industry work here in the province. So certainly that can raise a pretty big red flag to any industries that want to invest here.

My question to the minister is: Do we have a framework policy in place in terms of moving our consultation process forward?

* (15:20)

Mr. Rondeau: The Mineral Resources department is presently developing consultation procedures for mineral exploration and the development with the Manitoba mining association and the Assembly of Manitoba Chiefs. We're also open to discussion from companies, et cetera, on this whole process.

The objectives of the procedures are to provide for a consultation process of a nature and scope that's commensurate with the potential level of the effect on the exercise of treaty and Aboriginal rights. In short, what we want to do is we want to have dialogue on the continuity of consultation as the project moves forward.

We want to clarify the roles of the department in minerals industry in the consultation. We want to foster and develop the co-operation and co-operative working relationships between the Province, Aboriginal communities, and the mineral industry on issues related to mineral exploration and the development of, establish a clear, timely, certain and effective process for communication, information sharing and meaningful consultation with respect to the mineral exploration and development.

We want to build the relationships and open a process that's understandable for First Nations, for the mining community and for government, with very strong relationships, understandings and communications

We need to do that. The Fraser Institute has talked about some of the things that we're doing extremely well and has pointed out a few of our challenges. We've looked at this as an area that we have to move in. We are working with the industry, with the Assembly of Manitoba Chiefs and other partners to move this forward.

We are working very, very hard. In some cases, we have moved this forward very well and looking at what other provinces are doing. We're trying to take best practice. This will be another evolving process, because we do not want to cause undue delays, but

we also want to respect our First Nation partners and people who live up there. We also want to look at the environment and do that properly. So this is a balancing act, and we want to do it where there is no lose. We want to make sure that losses are diminished and everyone works together and understands the project. We believe that's done through good communication, good information sharing and good open dialogue with specific time frames and specific objectives, and that's where we're moving in this file.

Mr. Cullen: Well, it sounds to me like the minister and the department have a vision, but they're a long way from any concrete policy. At the end of the day, all the players need some kind of a policy framework to work with.

Has the minister established a time frame to finalize a policy here in the province of Manitoba?

Mr. Rondeau: We know that this is an issue. We're working towards developing a policy and moving it out very quickly. But the important part of the policy is that we want to work with our partners, not impose on our partners. I have to let the member know that the Mining Association—I don't have the letter with me—but, basically, the Mining Association wrote to us, commending us for our process in developing a long-range process with them, having them as active partners and moving forward in the way we work.

So what we've done is we're working with the Mining Association, with AMC and the government people to develop a process and a set of policies. For me, it would be inappropriate for me to sit there and say, I want to work with you in partnership and we're going to be done by Thursday. What we want to do is we want to work with the partners in true, good faith. We want to get a policy that withstands the test of time and a policy that respectful for the companies. And, by the way, when the Mining Association sent us a letter to say they commend us for using this policy, getting them involved, getting them to participate, that was a positive step. We're also working with AMC to develop the same policy, using the same system, so that everyone understands what we're doing.

We're doing that so that we have a policy that is not imposed by government on our partners, but a true partnership. I think that's the first stage in developing a relationship. You have to be respectful. You have to give a little bit of time for people to work through the process and understand the process. I have to commend the staff because they've

gone above and beyond in working with different groups and different organizations, to come up with a long-range vision. They've done an amazing job of building bridges. Thank God that some of them are engineers. But they're working very hard. If it takes us a little bit longer to get it right, not for today but for years, then it's time well spent.

So we are working with all our partners.

Mr. Cullen: Well, I think you're right. Everyone has an interest in getting this thing right, not just the industry, but the First Nations community, as well, and the northern communities certainly have an interest in getting this thing right.

I hope there's a willingness to have these discussions. Hopefully, they will be respectful discussions so that the industry can be sustainable over the long term. I think developing a process that everybody knows how it will work will go a long way to resolving one of those issues.

So how, without a process in place or a policy in place, how are we doing these consultations now? Are they done just on a one-off basis?

Mr. Rondeau: I have to agree with the member opposite where we want to work with people respectfully. We actually have been working with—in 2007, the Province established a provincial policy on consultation on relationship building. The provincial policy that was developed in 2007, follows case law that's happened in B.C., Ontario and other places on how this should be a move forward.

Basically, in 2008-2009, we received 104 work permits and they were issued in 31 days from the date of application and that included, the Conservation's review period and Crown consultation. So basically, the process works in many, many cases. Some it's a little bit slower and we're going to work to develop and improve it.

In order to have an average of 31 days, that means the process is working. We do have a lot of activity but we do want to be respectful of all players. One of the good parts of our communication—yesterday I was explaining a lot of my travels to talk to companies and talk to First Nations. The department also is actively engaged in discussing issues with First Nations, companies and different groups. We take this relationship building and communications very seriously. We believe that with more dialogue, with understanding of the issues involved, reasonable people will continue to work together and move it forward.

The policy is being developed. I expect the policy soon. I won't give a date because, of course, I want to be respectful for our partners. But we are developing a policy in this regard and we are working with our partners and with players in the industry and we'll continue to do that in a respectful manner.

One of the good things about the Fraser Institute is they continue to evaluate us. I know that we've done well on the geological part. We've done well on the policy part. We've done well in many areas. We're by far one of the best jurisdictions in the world to do mining and we want to continue to do that. I think because of our policies and some initiatives, we've had a huge exploration. Historically, we don't have a lot of exploration. Because we've worked very, very hard, the department's done an excellent job in moving these things forward, we've had the investments. I appreciate the work that the department is doing on this.

* (15:30)

Mr. Cullen: I appreciate the minister's comments. I just came across an article from yesterday's *Grassroots News* actually. There's an article in here penned by Grand Chief Shannacappo. He specifically talks about the duty to consult. Maybe I'll just read how he starts his article for you just so you understand where he's coming from and the importance of the issue. He goes on and talks about the ability to reach their full potential and he thinks that both the federal and provincial government have a role in helping them achieve that full potential. So what he says, looking to the future, one of the biggest weapons that First Nations can use with other governments, is the duty to consult requirement. Last week on our Tuesday evening, 6 p.m. NCI radio show, I said that it was time we started using this weapon to the greatest extent possible. Governments and businesses must understand that things are different than in the past.

So, you know, I guess he's kind of thrown down the gauntlet here in saying, let's move on here and let's make things work, and we're hearing the same thing from the industry too. We as business community have to know what the future holds so we can make some concrete financial investments here in the province.

We've got these one-off consultations going on now. How many people in your department are directly involved in the consultation process between

First Nations, the communities and the mining industry?

Mr. Rondeau: The interesting part about all section 35 consultations is it's a consultation to discuss the process, discuss whatever impact it is on treaty and Aboriginal rights. I think what happens is when you have dialogue, you have relationships, it is much better. When you have economic benefits, it's much better.

When I first went up north, it was interesting because if you have found out how many First Nations people who are involved in mines and minerals exploration or any part of the industry, it would have been minimal. I'm pleased to say that paradigm has shifted where people are more involved economically, and there's a huge difference between involved economically and the duty in the Constitution, section 35, to consult about the impacts.

What we've done is we've worked with all senior management in the department. That means all the managers have been involved including my deputy, my assistant deputy, different departmental staff and executives. We also hired an Aboriginal consultation co-ordinator. He's done an amazing job. I'm amazed at how much work and contacts that he's made. We also bring in other technical staff and bring in other people to consider work in this area as they're needed because we think it's important. We take this obligation to consult as not just a legal obligation. It's a moral obligation to let people know what the impacts of whatever work is being done is going to do because we want to assure them that they understand the impacts, they understand any ramifications to the impact and that we're taking appropriate actions to mitigate the damage or issues there.

We do that with technical staff. We do it with managerial staff and the Aboriginal consultation co-ordinator, and we get the information from the company. We make sure we provide it to the First Nations. We get our own technical staff to give them information, and we make sure they have full information so they can make an informed decision. Then what we do is we work with them to show how we can mitigate any issues that might come up. That becomes an important part of section 35 is that you look at the impacts, you look at mitigating any of those impacts. That's the consultation process under section 35.

Totally separate from that is making sure that First Nations are involved in getting involved economically with the enterprise, working with them to develop benefits, working with them at developing economic activities and partnerships so they get involved in some of the action. Those are two separate things, but my department has been active with other departments on both those important concepts.

Then you get First Nations leadership and First Nations people buying in. You get local people buying into the process and understanding it, because one of the important things that I learned as Mines minister is the first time someone's doing exploration does not mean there's a mine. They say between one out of a thousand, and I don't even think it's that high, of exploration projects ever becomes a mine.

So you have to communicate that. You have to talk about what the difference between exploration and a mine is, and you have to talk about what is actually going on in the field, and then you actually have to be very respectful of any impact actually having an effect, legitimate effect, on the environment, and telling people.

So it's an education process. Someone might say, okay, they're going to drill a hole. Does that affect the trapline? Does it affect the water quality? What does it do? And that's the discussion that we have to have with the First Nation, and then decisions are made.

I'll tell you it's important to have all the information on the table. That's why Garry, the Aboriginal Consultation Co-ordinator, can go and talk to people, and other staff in my department talk to people about the project. It's important to have all the information out there so that people feel comfortable about the decisions and what we're doing.

Mr. Cullen: I'm not sure I got the number I was looking for; maybe there are different people across the department involved in there. But, you know, we've got, I believe it is about 54 firms trying to do business in Manitoba, 64 First Nations and, also, we've got over 50 in the northern communities, as well, that are all involved and all have a stake in what's going on here and how things are going to be developed. So, obviously, it's pretty important, I think, that your department—I would assume it would be your department—be taking the lead role in these consultations and trying to get that looked after.

So I'm just trying to get a bit of an idea of how many people you've got working on the whole consultation file.

*(15:40)

Mr. Rondeau: Madam Chair, I'd like to let the member know that it's basically a team effort, where we have the consultation co-ordinator who does a lot of face-to-face meetings and discussions with First Nations, councils, community meetings and information meetings. We have a number of technical people who also help out on this. I know that I've accompanied a few of the technical people while they were doing discussions with community members and they provide information. They help clarify the situation, et cetera. I think all of the senior managers have been involved in the department of Mineral Resources, and the DM has been involved in consultation with chiefs, and discussions with communities or chiefs, they've been involved. I know I have personally been involved in opening in some of the communications and dialogue. So it's a total team approach.

I think what's important to note is that we also have support from other departments. An example would be in Aboriginal and Northern Affairs, which has a consultation unit, we can get legal advice on this. We can get support through Conservation on this. Justice: Manitoba Justice has provided us a lot of advice and input on our dialogue and especially on the developing processes, and there's an interdepartmental working group on consultation. Why? It's because it's an important process. We need to work to get it right. But it would be a mistake to say one person is responsible for consultation, because it's a dialogue, and when you're talking to chiefs and councils, you're talking to communities. I think it's everyone's job to talk about the project, what's going on, to open the lines of communication.

So, whether it's the Geological Survey who's doing some work, those members of the Geological Survey have to talk to the community and First Nation around, say what they're doing, and it could be as simple as sitting down and talking to the store owner, providing them that information of what they're doing and why, or it could be answering questions.

So it is a team approach. I think it's everyone in the department's obligation to open the lines of communications and provide information to people. So it's been a very good process. I find that the department is very good at opening it up.

One of the things that they did a few years ago is they actually have, as part of the Manitoba mines convention, we actually have an Aboriginal workshop which talks about opening the lines of communication. We've had hundreds of people participate, and it's been great because it gets companies talking to First Nations, First Nations and First Nation leadership talking to companies, open dialogue, opening discussions, and that's where things happen.

Hundreds of people are there attending that, and hundreds of people are dialoguing together. I personally believe that I think most of the dialogue goes on in the hospitality suite, but some of it does also occur during the events. We had some great people who have been out there talking to each other, building friendships, building relationships, talking about projects and getting rid of the misconceptions that are out there in the industry. That's what we need to do.

Mr. Cullen: I believe it's Bill 6, the east-side planning legislation that's proposed—how will that impact the process and the duty to consult? Will that legislation have an impact on how things move ahead?

Mr. Rondeau: I think the whole process of Bill 6 has to do with land-use planning, and I think land-use planning is fundamental to establishing where different enterprises can go, establishing what is traditional territory of what might be a traditional burial site, et cetera.

So I believe that Bill 6 will add certainty to the industry and will then be able to be more bankable as far as the industry and provide more certainty for the industry. With a good land-use plan, people know where they can go and where they can't go. People understand the rules that are established for the area, and with that we will have more certainty on business decisions; and, as the Fraser Institute showed, the more certainty, the better.

So we want to make sure that the companies know what's going on, and we want to make sure that the land-use plans, as they're developed, listen to all players and listen to the people that are living there so that they're fair, balanced, make sense and are out there in public so people can make good economic decisions on how they're going to invest their money.

Mr. Cullen: I'm just going to turn the floor over to the Member for Pembina for a minute, but I am

going to come back with some more mining questions.

Mr. Peter Dyck (Pembina): Yes, I'm going to be dealing with recycling.

Just a question here, and this comes from David and Pam Weiss who own and operate Pembina Valley Containers in Morden. I'll just give you a little bit of background there. They, of course, remove and collect waste and in the area they employee people who have disabilities, and they do the sorting for them, and they have a real heart for the community.

But, anyway, the point that they make is that they bale about a hundred metric tonnes of cardboard and other recyclables a month, plus they haul about 200 metric tonnes of waste products to the landfill site. Now, on November '08, the market for OCC boxboard and milk cartons collapsed, eliminating the incentive for recycling. So, the bottom line is that what he has done—and he's got two plants, one in Morden and one in Brandon, and he has now bought a shredder and a bricketting press machine that cost him a quarter-of-a-million dollars, but I guess he just feels that he is in the business and he is really, really wanting to recycle and would like to know from the minister what supports are available through the minister's office. He indicates, also, he is at a real—and rural Manitoba, we are at a real disadvantage in that if we're going to bring anything to Winnipeg, it's going to cost an extra \$25 per tonne on freight charges.

So they're trying to do as much of this in-house as possible. However, they just find that at this point in time there seems to be very little support for programs such as these and as he said in my discussion with him he's trying to think outside the box and, rather than move everything into landfill sites, is trying to recycle it. He does have markets for some of these products that he is bricketting or putting into little bales, which is eliminating, also, the use for coal, and he's selling these to the Hutterites.

So I'm just wondering if the minister could respond to some of the comments that I've made.

Mr. Rondeau: I'd like to thank the Member for Pembina for bringing that to our attention. As a good MLA, it's always nice to hear from local concerns, et cetera. We also believe that it's important to think outside the box. We believe in the importance of recycling, and we believe that it's important to

continue to push to make sure that we have a system that works and makes sense.

What we've been doing lately is to have the whole idea of recycling be moved to an industry program. There's a multimaterial stewardship program that's moving forward on printed paper and packaging. That's gone out and is moving forward to deal with the whole issue of paper products, printed paper, stuff like that.

The issues on recycling are the responsibility of municipalities, but we actually have stepped up and the Manitoba Product Stewardship board helps the municipalities by supporting them with 80 percent of their costs of the collection of recycling, and that, by the way, is the highest in the country. Most provinces do not come close to supporting the recycling efforts at an 80 percent cost.

We understand that there's been a collapse of the recycling market which makes it very tough for companies, especially when they were getting real good money a few years ago, and because of the economics of the world today and some of the issues that have come up. There's been a collapse. But we want your company as well as many others to succeed. So what I would be happy to do is because Green Manitoba is a department that's involved in this, and they're very good; they understand how to work with companies, that if the member opposite wants to give me the contact information, I can assure you the department will contact the person, look at what they're doing, see what assistance we can provide and move the whole issue forward very expeditiously so that if the Member for Pembina wants to provide me the contact information on some of the issues, I can endeavour to have the people contact him within a matter of days.

* (15:50)

Mr. Dyck: I do appreciate that. Certainly it's something that we want to do is to recycle rather than just to fill the landfills. I will get the minister more information on that, the contact person, and certainly he will appreciate that if you get in touch with him. Thank you.

Mr. Rondeau: Thank you, and if you get that to me or my staff today, we'll deal with that. I'd like to thank you very much for bringing the issue to my attention.

Mr. Cullen: Just referencing the Fraser Report on the mining industry, I think it's important that we put some things on the record in terms of where

Manitoba is in the big picture in the mining industry. One area that they marked was the policy potential index, and we're actually losing ground on that area there. The other issue where we really lost ground here was the mineral potential assuming current regulations and land-use restrictions. Boy, we dropped quite a few notches there, and that's very significant. I think it goes back to our discussion about land use, access and consultation.

I guess the upside is, though, we have tremendous potential, is what they're telling us. We have tremendous potential here in Manitoba. There is lots of room to improve. We certainly were significant in noting that, that there is a lot of room to improve in Manitoba and there's quite a change in that ranking. But if we do get our ducks in a row, if you will, and get some good policies in terms of consultation and if we can get our regulatory framework in place quicker and hopefully a little more efficiently, there is room to improve here.

In my view, the whole Fraser report kind of served as a wake-up call for us here in Manitoba. As I said yesterday, I do think there's potential here, but we have to show some leadership and we have to signal to other jurisdictions and to the industry that we're prepared to make some changes to get us back into first place where we were at one time. So that's my comment on that report, and it certainly, in my view, really raises a flag in terms of where we're headed here in mining in Manitoba, because when things do turn around and companies are looking to invest dollars they're going to be looking to see what the regulatory framework looks like here in the province of Manitoba.

Mr. Rondeau: The interesting part about the Fraser Institute is they do provide us lots of information and they talk about the perception of Manitoba, et cetera. What I'd like to let the member know is that Manitoba went up five indexes. We declined five indexes and saved the same on about five indexes. So in every case on the Fraser Institute, different jurisdictions borrow ideas off other jurisdictions. Every year we get different ratings and I'll go through a little of the ratings.

In 1997, when the Fraser Institute started, they'd just surveyed the Canadian jurisdictions, and we came fourth out of all the Canadian, and only the Canadian jurisdictions. In 1989-90, we were eighth out of the North American jurisdictions. So, eighth out of North America. In 1999-2000, it was expanded to South America and Australia, and that

year we did really well; it was second. I think it's because there was a change of government, but I think I might be—I have some sort of a belief there.

In 2000-2001, it was expanded worldwide and we came ninth of the world, and I think it was really great that we came ninth in the world. In 2001-2002, we were again ninth. In 2002-2003, we came to fourth, and 2003-04, we're sixth; '04-05, we became third in the world, and I was really impressed on that. I think it has something to do with the ministerial change, but that's, again, my opinion. In '05-06, we were again third.

In '06-07, we were first in the world, and it was because we had implemented a lot of the changes. The department worked very, very hard. We borrowed ideas from around the world. We also worked very, very hard, and I have to compliment the staff because they did an amazing job. To be named first in the world was an amazing accomplishment. We fell to fifth, I think, partially, because other jurisdictions borrowed some of our ideas, et cetera. This year, we're down to eighth in the world. Eighth in the world.

Now, I know that the Fraser Institute has some areas where we would like to improve, and we are working in those areas, as was answered by other questions. We are aware of what they have said. We are taking it seriously. But we still are eighth in the world, which is not a bad place to be, but I'm never satisfied in being eighth in the world. I believe, in Manitoba, we can be first.

The staff of the branch did an amazing job to be first in the world in 2006-2007. I think we did a lot of things right, as is noted in the Fraser Institute. I think we are still doing a number of things right. But the Fraser Institute provides the opportunity to look at the things we are doing correctly, the things that we are doing okay on and the things that we have to work on. It has done that. I've let the member know where we wanted to move forward. Things that were a concern a few years ago, like skilled labour, we're dealing with; geological data base, we dealing with; relationships, we're dealing with. So there are lots of things we're working on, and I see no reason why we can't stay in the top 10.

However, there's always issues that come up, and there's always best practices, and everyone wants to be first. I know that there's a huge competition among Mines ministers and jurisdictions in Canada, and we have a very friendly competition that we work on, but we want to continue to work on that. I

can let the honourable member know that we want to be as best we can. We were the best in the world. We're still in the eighth best, and I am very competitive. The staff is very competitive and very dedicated to their jobs, and so they want to be there, too. We will work with the industry and our partners to see how high we can go, but more importantly, rather than just the ranking, we want to be a good jurisdiction that conducts mining, does a good job with the industry and develops the partners necessary for a long-term, sustainable industry that does the right thing environmentally. That's where we want to go.

So it's a balance, but we want to work with all the players to create that. So we've done well. Throughout the history we've always been in the top 10—doesn't mean we'll always be there, but we want to be there and we want to be the best jurisdiction we can be, and we will continue to borrow ideas from other jurisdictions and work at it.

* (16:00)

Mr. Cullen: You're right, Mr. Minister, we don't have to reinvent the wheel here in Manitoba. There is some good work going on in other jurisdictions, and we should take the opportunity to learn from those jurisdictions.

I wonder if the minister was aware of the recent resolution just passed by the Manitoba Chambers of Commerce at their annual meeting here just a couple of weeks ago, I believe. It deals directly with the mining industry. It was actually moved by the City of Flin Flon and seconded by the community of Thompson, their Chambers, and actually part of their preamble says, in March 2009, industry ranked Manitoba in eighth place globally in the Fraser Institute's survey of mining companies, 2008-2009. Four years ago, it was in first place.

So what the resolution goes on to do, it talks a little bit about how the government can improve regulations, improve the tax regime and also the duty to consult. It also talks about and asks about, asks for the government to establish a Premier's mineral economic advisory council.

I'm just wondering if the minister has seen this resolution and if he has any thoughts on forming an advisory council.

Mr. Rondeau: Yes, I have seen the resolution. It was interesting because I actually talked to the mayor of Thompson about the resolution. He had not seen or heard of the resolution, was actually

surprised at the resolution and, in fact, he was rather shocked that it was presented as such. In fact, he had talked to Inco Vale, and a number of people to find out how it came about. We had a long interesting discussion because he commented to me that he was very, very pleased about our communications, our dialogues and our efforts that we've been working as a partnership with him and with the industry.

The discussion with Inco was the same that they—I think the quote a little while ago was that we were the best provincial government that the company had ever worked with, and they were commending us for our communications and our relationships with the company. They were very pleased with the changes in our budget. So that was very interesting to hear.

As far as the dialogue, one of the things that we rank very highly on and we always hear is that my staff has done an amazing job of communicating with companies. They keep the dialogue open. They have a great relationship with my assistant deputy minister, John Fox, with the entire senior management team, with my deputy minister and myself. In fact, that's one of the reasons why we get good response is that we have great discussions. They have no issue picking up the phone or stopping me or going for coffee and having dialogue.

So part of the resolution was talking about building relationships, providing information, having dialogue. I know the Mining Association met with the Minister of Finance (Mr. Selinger), myself and others. The communication's there. I haven't had a chance to talk to the director of the Manitoba Chamber of Commerce. I know that my dialogue with the companies that are in the cities and the players involved in the industry, I have never once had an issue with them having access or communicating with government or getting their points across. I think an example is the Minister of Finance listened to the mining industry, understood the pressures they were under, and changed the tax structure right there, and is also in the capital tax and a number of other issues.

So it would be interesting to talk to the association to see why. I understand that the mayor of Thompson is going to be bringing this resolution up with the Chamber of Commerce, and I understand there's other discussions about members of the Chamber of Commerce talking about being appraised of resolutions.

Mr. Cullen: I guess it goes back to, you know, our original comments. I think we both agree there's always room for improvement. I just had a look at the—from Natural Resources Canada who kind of monitor the industry. I look at the exploration and deposit appraisal expenditures, and this is by province, and back in 2004, we were doing about 50 percent of the—the business, if you will, of Saskatchewan. That number has been, in my view, significantly below that ever since that time. Obviously, there's probably not a big difference between what's going on mineral-wise between Manitoba and Saskatchewan. There's got to be some other issues there that I think that we as a government have to deal with, and I guess it really speaks to how we make things better and how we move ahead, because these other jurisdictions have the same opportunities as we do. If we don't try to keep our head above everybody else, we're losing ground. That's what appears in me when you look at the cold, hard numbers. It looks like we're losing some ground there.

Mr. Rondeau: What I'd like to talk about a little bit is Manitoba's historic mineral expenditures. Generally, we had about \$20 million of exploration; we've hugely expanded that. You have to understand if we normally do \$20 million, and last year HudBay alone spent about \$45 million on exploration, then we're doing okay. I always like more, but here's an example. NRCan talks about the percent of exploration spent in different jurisdictions and, basically, what it shows is that we have about 6.58 percent of the exploration, which has been traditionally what's happened historically across the country. We occasionally have a little bit less, but historically, we've actually had about \$20 million of exploration. I know that that's gone up tremendously in the last few years and it continues to do well. An example would be: in 2002, we had \$27.4 million of expenditures; 2003 was 27.1; 2004 was 36; 2005 was 52.9; 2006 again was 52.9; 2007, it rose to 102.6, that's about five times normal; 2008 was 141.5, which is about seven times normal; and this year is about—it's anticipated it's going to be about \$77 million, which is about three and a half times normal.

Honourable Bill Blaikie, Acting Chairperson, in the Chair

So, although we've had a slippage from historic highs of expenditure, we still have healthy expenditures. We have companies that just two days ago I communicated with that have had good results.

We are continuing to move forward on some exploration projects. We have got a lot of—\$77 million is a lot of exploration.

I know that we just gave out the MEAP applications—which is the Mineral Exploration Assistance Program—applications, they came in. We worked on the grants, and people are out there exploring. They're spending money in Manitoba ground at much higher rates than is historically the norm.

So I'm happy that they're exploring. I'm also happy that they phone me or send me faxes or information on what they're doing. But they are investing. They're investing at historic numbers and they continue to do that.

Mr. Cullen: Saskatchewan has done a tremendous job in the potash industry and mining potash. It's been a tremendous benefit for the province of Saskatchewan. The irony is that it's—some of those mines are located just outside of the Manitoba border, just across the Manitoba border. I know we've been around this issue before, and I know the Member for Russell (Mr. Derkach) has raised the issue several times. We understand there's been a lot of money spent and exploration but, at the end of the day, we don't see any development going on on our side of the border where we're seeing tremendous development in the potash industry in Saskatchewan.

Where are we at on this one, Mr. Minister?

*(16:10)

Mr. Rondeau: Mr. Acting Chair, I'd like to let the member know a little bit about what's going on with the potash project. Presently we've worked with BHP, who's a partner in the Manitoba Potash Corp. They own 51 percent; we own 49 percent.

A few years ago we worked—it used to be where Manitoba Potash Corp.'s partner was a French company over in France that was not doing anything with the property. So they held the property for a long, long time and nothing was happening. We looked at that when I became minister. I was very pleased to see that we wanted to find an active partner that would be willing to explore, to see if this potential could be developed. So we actively looked for a partner. BHP Billiton, which is one of the biggest mining—well, it is the biggest mining company in the world and has a huge capitalization, is our project partner in the Manitoba Potash Corp.

Right now, they're carrying out a scoping study on the Manitoba potash project. It's the second phase of their commitment. I can't go into all the details of the commitment because there are some confidentiality issues in it, but the scoping study will assess the geoscience data, the infrastructure requirements, the conceptual mine plans and the project economics, and we want to continue to do that.

It's moving forward. I can tell you that the Agrium is also working in the area to look at their potential in the area, and Western Potash continues to explore and look at the potential for their lands. So there are three companies that are actively engaged in exploration, looking at the potential for development. So that's moving forward quite expeditiously.

BHP has advised that there needs to be additional exploration and more information to complete the evaluation of the deposit, to determine the technical and economic feasibility, to make sure that they can move forward.

I'd like to let all members know that although there's a huge potash industry in Saskatchewan, and there has been a lot of potash developed in Saskatchewan, there's been no new mines. They are extensions of existing mines, they're extensions of existing found deposits but there has been no brownfield potash development in over 30 years.

These are huge projects and so although there might be a new shaft or expansion, these are basically existing operations that are moving forward or expanding. So this would be a brownfield, or a new potash development. So this takes a while because they have to look at infrastructure to move potash to market. They have to look at the cost, whether it's going to be a mine shaft or other options. They have to look at what the resource is. They have to look at all sorts of things that are very important.

I'll remind the member that the last time it was looked at was in the '80s, and so they have to bring the data and the information up to compliance. So the 43-101 wasn't required in the 1980s. That's a new requirement and so they have to bring it up to make sure that it is financially feasible and then the companies will make an economic decision.

So I believe our government's moved the whole potash file forward a great deal. There are three companies that are moving forward to see whether economically they can move forward. It's moving

forward as quickly as can be expected in the market that we're now in because the prices of potash have come down. We have to worry about making sure that these companies can continue to invest. I can tell the member that I have been in contact with these companies recently and we continue to have the dialogue and communications that are very, very open.

Mr. Cullen: We certainly hope that development will continue and, actually, we'll see something concrete develop of the work that's been done over the last few years.

Saskatchewan has been pretty excited about the uranium that they're producing there. They have certainly cornered the market on uranium, if you will. But I do know that there is some potential for development here in Manitoba as well. I wondered if the minister could give us a bit of an update in terms of where the mining industry is in terms of uranium production here in Manitoba?

Mr. Rondeau: There's no mines potential right now. What happens is that through the process, companies do exploration. When they find a deposit, they may find a potential for further exploration, so they then go into advance exploration where they look at more mineralization. Then they do a feasibility study. Then they move forward to production.

I can inform the member there are some companies that are interested in exploring for uranium, but—so far, it's an interest, it's an excitement—but there is no mine that's currently being developed in Manitoba, although there's potential for lots of different elements.

Mr. Cullen: There's been lots of talk about carbon storage and different ways to deal with carbon. I know this issue was also raised in the mining industry. They think there might be some opportunities for carbon storage here in Manitoba. I know they are doing some fairly significant work in the United States in terms of storing carbon in deep wells, deep mines.

I'm just wondering if the minister could give us a bit of an update if there are any studies going on in Manitoba, either by government or whether there are any private companies that are looking at carbon sequestration here in the province?

* (16:20)

Mr. Rondeau: I'm pleased to inform the member opposite about some of the things that we're doing

for CO₂ or greenhouse gas storage. In STEM, the department approved a CO₂ enhanced oil recovery test project by Tundra Oil and Gas in the province in the Sinclair field. We did this in July 2008. It made the Brandon newspaper, but didn't make any others.

Although it's early in the project, its results appear favourable. This is where we're taking greenhouse gases, quote, unquote, to put them into the field to pressurize a field to help it with the water flood, it increases the pressure, increases the amount of recoverable oil.

STEM has contracted an engineering study on CO₂ use in Manitoba's oil fields, and we'll be developing a CO₂ strategy based upon the recommendations in the study. STEM approved a joint solution to collect gas and actually became full operations in January of 2008. The success of the project has encouraged other companies to begin investigating this technology further in the Pierson and Waskada oil fields in Manitoba that participate in the compilation and production of a national atlas for CO₂ storage is also going on.

What we're trying to do is work with the companies to look at (a) how do we acquire the CO₂, (b) how we design and set up the fields, (c) how we collect the gas. I can tell the member I would appreciate you to let people know we're doing this. It's not a concept. We're actually doing it, and the Tundra oil and gas partnership has been—we're moving it forward.

So there's an injection well. If you really want, I can give you the number. I don't know what that means. The enhanced oil recovery, why we like it is this: You get rid of the greenhouse gas, but it also allows pressurization in the field so instead of about a 40 percent recovery, we can hopefully boost the recovery levels. Not only does it not become a huge expense, it may actually create more oil being recovered from the ground and thus become a very good economic story not only for the company but also for the province, and in the case of western Manitoba because the mineral rights are held by landowners, it might be very good for the landowners.

This is a huge win, and right now Tundra will be purchasing about 10,950 tonnes per year, and it's going to be injected in the ground. It's 10,950 tonnes, so it's a considerable amount of greenhouse gases.

Mr. Cullen: There's certainly lots of opportunity, lots of potential here. We talk about our Kyoto

targets, or the government does. There are probably lots of areas where we can reduce greenhouse gas emissions here if we get serious about it. One place is the Mohawk where they're generating ethanol in Minnedosa. You know, there's a tremendous amount of greenhouse gas there. Has the Province had any discussions with that particular company in terms of maybe research that can be done and maybe in conjunction with the oil industry?

Mr. Rondeau: Right now, this is a two-year pilot project. What we want to do is look at this pilot project and see how it goes out. The CO₂ that's available easily from the source that we're getting it right now does not allow for a full-scale support, doesn't allow for an expansion to the two other fields, so what happens if you're looking at trying to get it into the other fields? Right now, we're working in one field in one test well to see how it works.

If we look at trying to expand it to the other fields, then what'll happen is we'll need huge other sources. The first two years is a pilot project. We did the 2008 first year. It's worked out quite well, I understand from the company in our discussions. It's done very, very well and they're happy with the results, so now what we're going to do is continue to monitor it, continue to work with the company to evaluate the process, and now what we're going to do is, as it's proceeding the department is going to be working with other partners to see how we can acquire more CO₂.

Madam Chairperson in the Chair

One of the difficulties is Manitoba doesn't have lots of sources of CO₂. They're usually small ones, so although we have the coke plant and we have the ethanol plant, there aren't a lot of sources of CO₂ that are point sources that you can collect. We will be looking at both the Minnedosa plant and the coke plant and others to see where we can acquire the CO₂ to increase this because so far it's worked. What we also want to do is work with the company to make sure that we create a win-win where they can win economically and have a good benefit here.

One of the challenges is that, if you're just sequestering CO₂, it's a huge expense to capture and sequester CO₂. In this case, what you're doing is you're taking the CO₂, the greenhouse gas, you're putting it in the ground, and out of that, you get more benefit because you're actually increasing the amount of oil you can recover. You're increasing the amount of economic activity, thus you have a way of paying for the capture and the storage as well. So you win

on the greenhouse gases and you're also winning on enhanced oil recovery which we like because it's a win-win situation.

Mr. Cullen: So, if the minister, you know, is quite excited about trying to reduce greenhouse gas, I wonder how he can justify to Manitobans his government's decision to run a transmission line on the west side of the province which is 400 kilometres longer, and because it's 400 kilometres longer we're going to have a tremendous line loss and energy loss on that particular line, as well as an extra, I don't know, \$640 million at least, expense there, money we're going to have to borrow. If we were to just to run it down the east side of the province, some of the experts are telling us we would be able to displace at least 245,000 tonnes of carbon dioxide. So it can be a very substantial decision the Province is taking here, and if we're losing all that energy down that particular longer line, we could be using that energy that we're losing replacing dirty coal in the United States.

Mr. Rondeau: I actually like the fact that Manitoba produces about 98 percent of its energy that's consumed by Hydro, which doesn't produce greenhouse gases, which is a very green product. I'm also pleased with the wind farm at St. Leon. I'm pleased that we're working with Hydro and partners to develop more wind resource and I would like to refer the honourable member to our energy plan. If you don't have a copy I can send you a CD or even a paper copy, if necessary.

On the energy plan, which is talking about how we're going to meet our commitments for Kyoto which has 67 different events and different action plans. They might be the hybrid rebate or energy on Transportation's increase on that, capturing greenhouse gases from landfills. It had a lot on energy and, again, if you ever want to go on a great tour I'd be pleased to take you to either BEEP or BUILD which are projects that are getting low income people homes, energy efficient, using less energy and creating jobs for people who are typically unemployed. So we're doing 67 actions to meet our Kyoto targets and decrease greenhouse gases. I'm pleased that it's crossed all government, and if you want a briefing on the energy plan, I'd be happy to give it and I'd be happy to even take some tours.

The other thing that we've done really well is I'm pleased that the energy development group has worked on the ethanol mandate. I'm pleased to let the member know that we have also got our first

biodiesel supplier licensed and expect its first batch and so we're hopefully working forward on the biodiesel front.

Mr. Larry Maguire (Arthur-Virden): Thanks to my colleague from Turtle Mountain here for the opportunity to ask a few questions. I just think the minister has skipped the answer in regard to that last question very successfully. The Member for Turtle Mountain asked the question because he's already been on a tour and he's seen the region and talked to the people and they want the Hydro line to go through that part of the world. They would certainly respect the fact that, if there's a line coming through their area, there'll be \$640 million more to help them get access into the rest of Manitoba and become connected, if you will, in many ways to the rest of Manitoba. Particularly given the fact that the government has made a good commitment, as the Infrastructure-Transportation critic, to build a road up the east side Lake Winnipeg. We certainly see the merit in that. We don't see the merit in wasting \$640 million on a line that's 400 kilometres longer than it needs to be to bring power down to the east side of Winnipeg so that we can export it to the south and east.

Even if some of that was to go back west, you want the security of having that line deliver power to Winnipeg as an alternate energy source. There's no doubt about that. But can the minister explain why, given the comments and the numbers that my colleague has put on the table, why his government isn't looking at the shorter line, given the emissions that it would save?

* (16:30)

Mr. Rondeau: I think it's in this department's purview to look at—and I'm sorry for the Member for Turtle Mountain—I mentioned energy plan; it's climate change plan. We're working with energy as far as the climate change plan, and under that context, we talked about demand side, we talked about using energy appropriately, we're talking about using less energy, and that's what this department is involved in, Madam Chair. So I'm pleased that we've moved forward on the ethanol mandate, and now 8.5 percent, the pool average is ethanol. I'm pleased that we're moving forward on biodiesel, and those issues. I'm pleased that we have wind farms now.

I think the big win, and one of the wins that we were talking about, and my colleague from Wolseley did, was he went to Ottawa and talked about green, meaning the environment creating economic activity.

When we talk about economic activity, we're talking about just—even the renovations, where we went from ninth a number of years ago when a different government was sitting on this side of the House, we were ninth in energy efficiency, now we're first in energy efficiency.

So on demand side, where people save money, where there are less greenhouse gases, now we're first, and I'm pleased with that. I'm pleased with the staff's work on that, because that's important, but it's also important to say, how else can we move forward in our energy sources. I think reliability is important. I think that we need to make sure that we have an energy plan that makes sense. I think we need a climate change plan that makes sense, and I think we do have that.

I also think that we have moved forward on other issues, like geothermal heat pumps. I like them. I have one on my house. A lot of my colleagues have them, on this side of the House. It's an industry that we are now manufacturing heat pumps. They use less energy for cooling or heating. Now we have about 6,000 heat pumps, which is about 25 percent of all of Canada's. So that's what this department is doing. I would like to respectfully refer the member, if they have questions about Hydro decisions to the Minister responsible for Hydro. But energy policy, as far as energy efficiency, green initiatives, the energy development group, they fall into this purview and I'd be happy to answer questions on that. In fact, if you have any questions about your own turf, as far as the oil industry, or initiatives like that, I'd be happy to respond.

Mr. Maguire: I want to thank the member for that, because when I started in, I thanked the Member for Turtle Mountain for allowing me to ask a few questions, because I wanted to ask on the oil industry, but I just couldn't let that one go. I know the Stanley Cup playoffs are on, but you were skating so well, I thought I'd just interrupt you there for a while.

I just wanted to ask one more question. I couldn't agree more with the minister in regard to wanting to have a system of reliability, wanting to have a plan that makes sense, the use of geothermal, the use of the wind energy, a number of other sources that his department is working on. Maybe the minister can give me a number and, maybe, it's not just that quickly available, but can he tell me how much his department feels that they have saved in greenhouse

gas emissions by implementing the reliability and the plan that makes sense so far.

Mr. Rondeau: Since the year 2000, our missions have remained relatively flat. We've taken a lot of action as far as energy efficiency. Businesses have taken a lot of energy efficiency activities. Generally, in those sectors, the greenhouse gas and energy requirements have gone down. However, there are other areas that we're working with still. Since 2000 we have remained relatively flat.

The emissions per unit of GDP, which we've had an increased population, we've had increased GDP and productions, they've actually declined by 19 percent over 1990 levels. As the population increases and our economy grows, we're actually, per unit of GDP, it's actually gone down. We have committed to stabilizing the emissions by 2010.

What we are is we're close to achieving our 2010 targets now. I think that we, with the ethanol mandate, with the movement on biodiesel, on continued effort on energy efficiency and again, on the 67 items that we've been working with, as we progress through them we get some huge wins.

Even in Brandon, they're moving forward on capturing the greenhouse gases and utilizing that energy source from their landfill site. We're also doing that with the City of Winnipeg. We're also looking at other ways that we can reduce greenhouse gases. Again, in your own turf, the pilot project for the enhanced oil recovery, or the CO₂ injection, this year it's about 10,000 tonnes. The pilot project, that has huge potential, huge potential to be expanded to other wells and to other fields. The pilot project is 10,000 tonnes just in one well to try to pressurize it and use it with the water flood. That's got huge potential, and there's other actions that are moving forward.

On the greenhouse gas and energy file, we've been very, very successful, Madam Chair. To compare it, Manitoba's greenhouse gas productions, 20 megatonnes. I believe the latest study shows that Alberta's increase was almost 13 megatonnes. Our total output is about 20 megatonnes, very close to that, and Alberta's increase this year is 13 megatonnes.

Mr. Maguire: I appreciate the—maybe the minister can provide me with a closer level of emissions for this particular year at some other time. I wonder if he could commit to providing me with some further numbers in regard to what he has in his department

on that. It's pretty important, I think, to have some—a common sense plan is good, but without targets or without some kind of reliability, and he mentioned the word reliability, what are you using as a benchmark to judge it? Is it the 1990 time frame that you were referring to in the last answer?

Mr. Rondeau: Madam Chair, we've committed to 6 percent below 1990 levels, or the Kyoto target level from 1990, by 2012. What we utilize is third-party information, so Stats Canada database for the numbers. We believe that it's better to do that, and we verify it through the Canadian Standards Association and the green registry to that.

The member might not also be aware that we've also worked to put a Web site up so that the actual individuals know about what their impacts can do on greenhouse gases and the environment. We've worked with Canadian Standards Association to build a Web site that's really neat. It's reusable, and it's user-friendly so that people can then start figuring out what their impact is on how they change their behaviour. It's actually quite interesting and working. That will help people to start understanding the size of their impact, maybe in the future make moves in other areas.

* (16:40)

Mr. Maguire: Thank you, Mr. Minister. Are you a member of Treasury Board?

Mr. Rondeau: No. I'm not a member of Treasury Board, but, to answer the last part of your question, if you ever want a briefing on this whole thing on greenhouse gas and measuring, I'd be pleased to provide it to you.

Mr. Maguire: Thank you. I guess that's why I was asking the questions, to see if the minister could just supply me with it. If he can send me something to that effect, that would be good.

I see what he's aiming at. He's using geothermal, there's windmill, and I applaud more Manitobans using that. I applaud the programs that may be there to help do that, stabilize and reduce the emissions that we're using actually. That's a goal of all of us in the future. We want clean air. We want clean water, cleaner soils and those types of things from an effort of production, as well.

To go back. Is the minister not concerned, with the Hydro line going 400 extra kilometres, that the minister of Hydro then, if I'm supposed to go and

talk to him about this, that the minister of Hydro is going to negate all of the good efforts that he's putting forward in his own Ministry of Energy?

Mr. Rondeau: No, I'm not concerned about any—I think that we're doing a great deal in all ministries, as far as making a green environment, creating economic activity and moving things forward. I look at making—an example would be the Minister of Labour (Ms. Allan) is working very hard with the building construction industry. I look at the Minister of Water Stewardship (Ms. Melnick), who is talking about developing policies on protecting the waterways, which is a very green environment. I look at even things like the water where we did water conservation.

It's not a matter of pitting one industry against another. I think we all care about the environment no matter what you do and no matter what party you are. I think we're all in it to see what we can do better.

It's an interesting thing, because I was just with the department on a discussion of solar walls, not solar panels but solar walls, and I looked at it as being a huge application to farm facilities or large facilities that are utilized.

So what we need to do is we need to look at all technologies, all departments to see how we can move forward on green activities. An example would be we also have to look at our role as global citizens. So we need more transmission wires to east and west, we need more transmission so we can sell power outside this province, and we need to sell power outside this province to Saskatchewan, to Alberta, to other areas to look at that.

But we also not only have to sell power, we also are world leaders in geothermal, and we've been exporting geothermal to China, to India. I understand there may be a sale to Singapore, and actually I talked to the ambassador from Lebanon and one from—I'll try to remember it, it's another Middle Eastern country—yesterday, and they were talking about their interest in geothermal.

So it's a local issue, where we want to look after our own greenhouse gas issue, but we want to also look at the world, be the world's citizens.

Mr. Maguire: Yes, I'd like to stop this hockey game, and ask a couple of questions in regard to the oil industry out in the southwest. I wanted to ask the minister if he can tell me, just off the top of his head,

how much the oil industry is contributing to the Manitoba economy at this time?

Mr. Rondeau: Do you want last year's and this year's? Okay.

Last year we had about 314 wells drilled. The price per barrel was just under \$100–\$97.25; industry expenditures were about \$320 million; production was about 8.6 million barrels of oil; and the value of the production was about \$838 million.

In 2009, I can give you the forecast activity. There are about 200 wells that we expect to be drilled. So far, I believe, there was just over 50 drilled so far. The oil price is around \$61.41. Don't quote me on that today or this minute. It has been bouncing around a lot, but around \$61. The expenditure in millions of dollars is \$290 million, is expected to be spent and I can tell you, when I was talking with the companies, they expect that very much so, because they want to do long-term investment. In fact, they're finding that it's easier to get oil drilling rigs this year. The production is expected to be about 7.7 million barrels. The value of the production is about \$472 million, maybe up to half a billion dollars.

Mr. Maguire: I would certainly concur with those numbers on the drilling, there's just over 50 drilled now in southwest from that area and, of course, the prices being down, there are more rigs available. I think we had—can the minister confirm that we had a maximum of eight at one time drilling last year? Or was it more than that?

Mr. Rondeau: I'm informed by the head of the department there were nine wells—no, nine drills—at maximum last year.

Mr. Maguire: Can he indicate to me just what will be there this year? Is the plan involving two-thirds of the wells being drilled this year versus last year? Of course, a tremendous difference in price. I understand there's about five drilling right now.

Mr. Rondeau: Right now, there's a road ban on. Are you asking the amount of mining rigs—drill rigs operating, or should be operating, once the road ban comes off?

Mr. Maguire: Yes.

Mr. Rondeau: Okay. Approximately seven.

Mr. Maguire: As a supplement to that then, as well, with road bans on right now, and I'm aware of that as

well, are there any wells being drilled right now? Any of those rigs presently working?

Mr. Rondeau: No.

Mr. Maguire: Does the minister's department have any idea how many would be presently drilling in southeast Saskatchewan?

Mr. Rondeau: No. We don't know how many are being drilled there.

Mr. Maguire: Can you tell me whether road bans are on in Saskatchewan?

Mr. Rondeau: I don't know.

Mr. Maguire: I ask these questions because of the concern that I have for the economy of southwest Manitoba and, of course, all of Manitoba, and have raised these a number of years ago in the House with the minister.

We all want to make sure that our roads are sustainable and well. But there's one particular area, and I would like him to take it up with the minister of highways because it's certainly an issue in that region, and that is Highway 256 and the gravel PTH road 255; 256 is a paved road from No. 2 up to Cromer to the substation there, to the dumping station for oil and in the pipeline running through there. At present, of course, as the minister is well aware that the oil comes in by tanker from Saskatchewan and has to go by the 256 corner at Sinclair and go all the way east to Pipestone, up 83 and back about 20 miles on 255 on gravel to get to the station.

A good meeting was held by the department with ADM for permits being there this spring, as well as 35 or so folks from the oil industry, and their concern—just so the minister, I'm sure he's aware of it as well—it's not just a highways issue, it's a permitting issue as well. But from a safety perspective on the road, and in an effort to try and keep as many people working as we can in this recession, as that is a goal of government, can the minister indicate whether he has had input into whether or not they would allow empty semis, empty tankers to run from Cromer—the substation—back down to No. 2 highway empty.

I know the front axles would be somewhat overweight. That's what they tell me on a number of those trucks, but it would be a very big plus for the industry if they would allow those trucks to run down on 256 empty, and I wonder if he's had any input into that.

* (16:50)

Mr. Rondeau: I'd like to thank the member for the question, but it's really much more of a highways question.

Now, we have dealt with the industry when they had concerns about the height of rigs on roads and facilitated discussions between companies and the industry. We continue to work with the industry to help facilitate things. I know we helped that on—they wanted to raise some hydro wires on some of those—and we helped facilitate the discussions. We will continue to help facilitate discussions, but it's really a discussion between highways and the industry.

I have to compliment that staff out in Virden and the area. They've done a very good job of being advocates for the industry and working with the industry. They have also helped have some of these discussions and been at the discussions, and I have to compliment the staff because they do that, and will continue to do that.

Mr. Maguire: Yes, thanks, I appreciate the minister's answer. But I only raise it—and I'll raise one more and then I'm going to turn the mike over here to a colleague as well.

But I wanted to ask—I ask this because you are the industry, and I hope that you are talking to the transport people because this is a safety issue, not just—and an environmental issue because—I asked that they examine the trucks going empty down 256 going south, particularly because, right now, they have to come in loaded on 255 from the east, and go back empty east on—from the west going east on 255 as well. It is a gravel road and it is a very dusty road, and someday there's the potential for a head-on collision with an empty truck and a full oil truck. Not only will we have an oil spill and an environmental disaster, but we will have two fatalities. I raise that so that the minister is aware of it. I know there's been some calcium put on the road in front of some of the yards to protect them from getting anymore dust in the yards, and safety on for their families coming onto 255.

But that's the situation that I wanted to bring to the minister's attention, and if you can have any—I'd be interested in your comments, but if you've got any help between departments on that, it would be greatly appreciated for not just me, but for the safety of those citizens and the people involved in the industry.

Mr. Rondeau: I thank the member for bringing that issue to our attention. I can assure you that we have been having dialogue with the industry and highways and helping to facilitate that. I have to thank the department to help advocate on behalf of the industry, and try to move this issue forward.

Mr. Kevin Lamoureux (Inkster): Madam Chair, I do have a few questions that I'd like to pose to the minister.

One of the areas of great interest is in the area of our environment and how Science and Technology could benefit and, in the long term, provide many jobs here in the province, and just lots of green pastures—if I can put it that way—into the future if we put some money and research and so forth here in the province dealing with environmentally friendly type of progressive ideas.

One of the things that comes to mind right off hand is from a consumer point of view. There's some issues that are really clear to understand, and one of them, for example, would be the issue of tires. Everyone has access to vehicles nowadays and one of the things that you have to replace is tires. I do understand in Winkler there's actually a firm now that's taking apart tires and reproducing other—whether it's sideways blocks or anything of this nature.

I wonder if the minister can give any indication to what degree does his department deal with initiatives that I've just highlighted.

Mr. Rondeau: For the first part of your question, I'd like to let the member know that we've moved the research budget from about \$15 million in 1999 to about \$32 million in the research budget this year, which is considerable for the value-added research enterprises in the province. That's very, very good. That could be anything from Manitoba health research, et cetera.

As far as the tire stewardship, which, I assume, is the second part of your question, the Manitoba Tire Stewardship board is responsible for recycling tires. They recycle about 1.8 million tires a year. There are two major recyclers in the province, and we continue to work with many industries on it. In fact, I talked to one just a little while ago that's making a number of products out of the recycled tire, and they want to make a few more. So this is continuing to evolve, and we're looking at value added for the recycling industry.

Mr. Lamoureux: What percentage of tires, for example, then, would be recycled in the province of Manitoba? Like, when we say 1.8 million, what does that work out to in terms of percentage?

Mr. Rondeau: Can I get that stat to you? We have the stat, but they're looking for it, and rather than search.

Mr. Lamoureux: I thank the minister. I appreciate that.

One of the issues we talked about last year was the ZENN car, which is, of course, the electrical car. I note that the minister's no longer driving the Smart car. Having said that, I wonder if the minister can give some sort of indication as to what his department's role was in terms of looking at the whole concept of electric cars. I know there were other communities—I think it was Carman—that were developing electric cars—or modelling it or something of this nature. I wonder if the minister can just provide quick comment on that issue.

Mr. Rondeau: I'm pleased to let the member know—so long as you don't go out and make the huge announcement—that we actually have nine electric cars that are out and running. We have nine cars, some that have been driving for about a year, somewhat. These are Priuses that have been converted in Manitoba, and what we're doing is getting them out there into the market where we're trying them, we're seeing how they integrate to the

grid, et cetera. So we have nine extended cars—they're called plug-in cars. They're very similar to what GM's going to offer in another year or two and other areas are.

I'm also very pleased to inform you that I should be driving one within about a few weeks. I did give up my smart car, which got a disgusting 80 miles to the gallon, to hopefully get one of these that gets about 110 to 140 miles to the gallon.

Mr. Lamoureux: This had been an agreement between the government and Toyota to develop the Prius as a pilot project here?

Mr. Rondeau: Toyota is doing their own thing. This is a pilot project where we're working with a battery manufacturer and other people to develop a partnership to try these new vehicles, see what the issues are and also deal with the integration of the grid. So there might be other products, like chargers, that might be important.

* (17:00)

Madam Chairperson: The hour being 5 o'clock, 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, May 6, 2009

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