

Third Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS
Official Report
(Hansard)

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	P.C.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garry	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 4, 2005

The House met at 1:30 p.m.

PRAYERS

Point of Order

Mr. Denis Rocan (Carman): Mr. Speaker, on a point of order.

Mr. Speaker: The honourable Member for Carman, on a point of order.

Mr. Rocan: Mr. Speaker, I want to take this opportunity to apologize to the Minister of Government Services (Mr. Lemieux), and to the House, for certain remarks that I said in this Chamber late yesterday afternoon. Albeit these remarks were not unparliamentary, they were very unbecoming and uncharacteristic of me. So I would just like to apologize to the Minister of Transportation. Thank you.

Mr. Speaker: On the point of order raised by the honourable Member for Carman, he does not have a point of order, but that should conclude the matter.

ROUTINE PROCEEDINGS

PETITIONS

Riverdale Health Centre

Mrs. Leanne Rowat (Minnedosa): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for the petition:

The Riverdale Health Centre services a population of approximately 2000, including the Town of Rivers and the R.M. of Daly, as well as the Sioux Valley First Nation and the local Hutterite colonies.

The need for renovation or repair of the Riverdale Health Centre was identified in 1999 by the Marquette Regional Health Authority (RHA) and was the No. 1 priority listed in the RHA's 2002-2003 Operational Plan.

To date, the community has raised over \$460,000 towards the renovation or repair of the health centre.

On June 1, 2003, the Premier (Mr. Doer) made a commitment to the community of Rivers that he would not close or downgrade the services available at Riverdale Health Centre.

Due to physician shortages, the Riverdale Health Centre has been closed to acute care and emergency services for long periods since December 2003, forcing community members to travel to Brandon or elsewhere for health care services.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Premier to consider ensuring that acute care and emergency services are available to the residents of Rivers and surrounding areas in their local hospital and to live up to his promise to not close the Rivers Hospital.

To request that the Minister of Health (Mr. Sale) consider developing a long-term solution to the chronic shortages of front line health care professionals in rural Manitoba.

This petition has been signed by Margaret McFadden, Jamie Allen, Loretta Waldon and others.

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

* (13:35)

Pembina Trails School Division—New High School

Mr. John Loewen (Fort Whyte): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Overcrowded schools throughout Whyte Ridge, Lindenwoods, Linden Ridge and Richmond West subdivisions are forcing Pembina Trails School

Division to bus students outside of these areas to attend classes in the public school system.

Elementary schools in Pembina Trails School Division have run out of space to accommodate the growing population of students in the aforementioned areas.

Five-year projections for enrolment in the elementary schools in these areas indicate significant continued growth.

Existing high schools that receive students from Whyte Ridge, Lindenwoods and Linden Ridge are at capacity and cannot accommodate the growing number of students that will continue to branch out of these subdivisions.

Bussing to outlying areas is not a viable long-term solution to meeting the student population growth in the southwest portion of Winnipeg.

The development of Waverley West will increase the need for a high school in the southwest sector of Winnipeg.

The government is demonstrating a lack of respect for the students and families in Whyte Ridge, Lindenwoods, Linden Ridge and Richmond West by refusing to provide adequate access to education within the community.

The Fort Whyte constituency is the only constituency in the province that does not have a public high school.

NDP constituencies in Winnipeg continue to receive capital funding for various school projects while critical overcrowding exists in schools in Lindenwoods, Whyte Ridge and Richmond West.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government recognize the need for a public high school in the southwest region of Winnipeg.

To request the provincial government, in conjunction with the Public Schools Finance Board, to consider adequate funding to establish a high school in the southwest sector of Winnipeg.

Signed by Catherine Troia, Sheila Mitchell, Jeff Thomas and many, many others.

Ambulance Service

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

These are the reasons for this petition:

In May 2004, 46-year-old Peter Krahn suffered a heart attack while exercising in East St. Paul and was pronounced dead just under an hour later after being transported to the Concordia Hospital in Winnipeg. Reports show that it took nearly 18 minutes for an ambulance to arrive for Mr. Krahn.

The Interlake Regional Health Authority claims that 21 minutes is an acceptable emergency response time, whereas the City of Winnipeg uses a benchmark of 4 minutes.

Ambulance coverage for East St. Paul is provided from Selkirk, which is almost 25 kilometres away.

The municipalities of East St. Paul and West St. Paul combined have over 12 000 residents.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider providing East St. Paul with local ambulance service which would service East and West St. Paul.

To request the provincial government to consider improving the way that ambulance service is supplied to all Manitobans by utilizing technologies such as GPS in conjunction with the Medical Transportation Co-ordination Centre (MTCC) which will ensure that patients receive the nearest ambulance in the least amount of time.

To request the provincial government to consider ensuring that appropriate funding is provided to maintain superior response times and sustainable services.

Signed by Naomi Guse, Ronald Guse, Karley Guse, Alexa Guse and many, many others.

Generally Accepted Accounting Principles

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

The background to this petition is as follows:

Manitoba's provincial auditor has stated that Manitoba's 2003-2004 budget deficit was the second highest on record at \$604 million.

The provincial government is misleading the public by saying they had a surplus of \$13 million in the 2003-2004 budget.

The provincial auditor has indicated that the \$13-million surplus the government says it had cannot be justified.

The provincial auditor has also indicated that the Province is using its own made up accounting rules in order to show a surplus instead of using generally accepted accounting principles.

We petition the Legislative Assembly of Manitoba as follows:

To request the provincial government to consider adopting generally accepted accounting principles in reporting Manitoba's budgetary numbers.

Signed by Suren Menta, N. Badiam and S. Biswas.

* (13:40)

Supported Living Program

Mr. Kelvin Goertzen (Steinbach): I wish to present the following petition to the Legislative Assembly of Manitoba. These are the reasons for this petition:

The provincial government's Supported Living Program provides a range of supports to assist adults with a mental disability to live in the community in their residential option of choice, including a family home. There is a lack of group homes available and this means special needs dependants must remain in the family home.

The provincial government's Community Living Division helps support adults living with a mental

disability to live safely in the community in the residential setting of their choice.

Families with special needs dependants make lifelong commitments to their care and well-being, and many families choose to care for these individuals in their homes as long as circumstances allow.

The cost to support families who care for their special needs dependants at home is far less than the cost of alternate care arrangements such as institutions or group and foster home situations.

The value of the quality of life experienced by special-needs dependants raised at home in a loving family environment is immeasurable.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Family Services and Housing (Ms. Melnick) consider changes to the departmental policy that pays family members a reduced amount of money for room and board when they care for special-needs dependants at home versus the amount paid to a non-parental care provider outside the family home.

To request that the Family Services Minister and consider examining on a case-by-case basis the merit of paying family members to care for special-needs dependants at home versus paying to institutionalize them.

This is signed by Julia Hiebert, Wilma Dick, Colleen Martin and many others.

TABLING OF REPORTS

Hon. Eric Robison (Minister of Culture, Heritage and Tourism): Mr. Speaker, I would like to table a written response to a question raised with me on March 24.

Hon. Oscar Lathlin (Minister of Aboriginal and Northern Affairs): Mr. Speaker, I would like to table the 2005-2006 Supplementary Estimates Information for the Department of Aboriginal and Northern Affairs.

INTRODUCTION OF BILLS

Bill 205—The Legislative Assembly Amendment Act (Set Date Elections)

Mr. Glen Cummings (Ste. Rose): I move, seconded by the member from Emerson, that Bill 205, The Legislative Assembly Amendment Act (Set Date Elections); Loi modifiant la Loi sur l'Assemblée législative (tenue d'élections à date fixe), now be read a first time.

Mr. Speaker: It has been moved by the honourable Member for Ste. Rose, seconded by the honourable Member for Emerson (Mr. Penner), that Bill 205, The Legislative Assembly Amendment Act (Set Date Elections), be now read a first time.

Mr. Cummings: This bill is intended to regularize election dates in this province so that those who would seek elected office can plan ahead, and so that elections cannot be called at the whim of the party that is currently or in the future in government for political purposes.

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

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members to the loge to my right where we have with us the Honourable David Krutko of the Legislative Assembly of the Northwest Territories. Mr. Krutko is the Minister responsible for the Northwest Territories Housing Corporation and the Northwest Territories Power Corporation.

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

Also in the public gallery we have from Victor H. L. Wyatt School 32 Grade 9 students under the direction of Ms. Judith Yarish and Ms. Lindsay Brown. This school is located in the constituency of the honourable Minister of Family Services and Housing (Ms. Melnick).

Also in the public gallery we have from Sisler High 16 Grade 11 students under the direction of Mr.

Bromley Basford. This school is located in the constituency of the honourable Member for Burrows (Mr. Martindale).

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

* (13:45)

ORAL QUESTIONS

Methamphetamine Trafficking Penalties

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, we were glad to hear that after weeks of our party raising concerns and suggestions about the deadly drug crystal meth, the Premier has finally awoken to this issue and will be discussing it at the Western Premiers' Conference.

Mr. Speaker, the Premier has said that he will be going to the conference looking for a maximum penalty of life for trafficking in crystal meth. Unfortunately, once again, both this Premier and this Minister of Justice (Mr. Mackintosh) have missed the mark. The maximum penalty can be raised, but what does it help if no one ever gets the maximum?

Mr. Speaker, will the Premier do the right thing, and at the Western Premiers' Conference, will he ask for a strong minimum sentence for trafficking in crystal meth and other deadly drugs, a strong minimum? Will he ask for that?

Hon. Gary Doer (Premier): Mr. Speaker, I believe the issue of crystal meth was in the Speech from the Throne a few months ago, and I will try to provide a copy to the member opposite. I believe that document was released to this Chamber in November. Maybe the member did not read it or did not pay any attention to it.

Secondly, the Minister of Justice has met with his counterpart attorney generals in North Dakota, South Dakota and Minnesota just recently on the issue of crystal meth. We do know, Mr. Speaker, that there are three issues here, one is the support for the police officers. We have provided an additional RCMP officer as part of our 55 officers to support a strategy on crystal meth. Secondly, we are looking at the whole issue of display and issues dealing with display. We know if you have one jurisdiction that

has one policy on display, there will be slippage into another jurisdiction. Thirdly, we are asking for changes to the Criminal Code. We want this to be treated comparable to other trafficking such as in cocaine and heroin.

The issue of minimum, I certainly believe that if somebody traffics in cocaine or heroin or in crystal meth, there should be a minimum sentence, Mr. Speaker.

Mr. Murray: Mr. Speaker, if the Premier would focus on the question, I know that the maximum penalty for drinking and driving causing death in Canada is life. Yet this Premier's Minister of Justice routinely asks for house arrest sentences in these offenders. If the minister refuses to apply the maximum, where then is the deterrence?

Once again, the Premier and the Minister of Justice are smoke and mirrors on this issue. What is really needed is a strong minimum sentence for trafficking of crystal meth and other deadly drugs, Mr. Speaker. Criminals must know that time, real time, must be served under this sentence.

I would ask this Premier again will he do the right thing when he goes to the Western Premiers' Conference and ask for a strong minimum sentence for trafficking of crystal meth and other deadly drugs.

Mr. Doer: Mr. Speaker, the problem right now with crystal meth is that it is treated in a way that is different and lower in its consequences than trafficking in cocaine and heroin. We absolutely believe that the first step is to amend the Criminal Code on making this trafficking comparable in its consequences to heroin and other similar drugs.

Secondly, Mr. Speaker, the member opposite asked the question. I would refer him to page 15 of the Speech from the Throne that totally undermines the first preamble to his first question.

*(13:50)

**Public Schools Act
Land Development Regulations**

Mr. Stuart Murray (Leader of the Official Opposition): On a new question, Mr. Speaker.

Mr. Speaker: The honourable Leader of the Official Opposition, on a new question.

Mr. Murray: Thank you, Mr. Speaker. As stated in yesterday's *Winnipeg Free Press*, quote, "The Minister of Education said The Public Schools Act allows school divisions to acquire land for new schools or school expansion, but not to develop land for other purposes." The minister went on to say, quote, "We are going to review the situation, but again the policy is very clear," the Minister of Education said.

I would like to ask this Premier if he, too, feels this law is very, very clear that school divisions are not to develop land for purposes other than new schools or school expansion.

Hon. Gary Doer (Premier): Well, Mr. Speaker, there is an article as well today dealing with this issue. We recognize that the law is clear on the purposes of development of land for purposes of the school division. The minister has, through his Public Schools Finance Board, sent a letter out to all elected school divisions to clarify this issue. We are also following up with the deputy minister on what happened, why it happened and what are the financial implications of what happened.

**Seven Oaks School Division
Land Acquisition and Development**

Mr. Stuart Murray (Leader of the Official Opposition): Mr. Speaker, I would like to table a letter of May 26, 2004. This e-mail that I tabled from May 26, 2004, is from the Premier's Education Minister and was sent to one Robert Snyder, the individual who first raised the concerns about this NDP government's dealings with the Seven Oaks School Division.

Mr. Speaker, in that letter, and I quote, "The matter of community development appears to be a local issue and as such, I would encourage you to deal directly with the school division and City councillors who have jurisdiction on community development issues." That letter was sent from the Minister of Education.

Clearly, the Premier was made aware of this issue a year ago, but my question for him is this. If the law is very clear about what a school division can or cannot do, and knowing that the Seven Oaks School Division broke the law, can the Premier

explain why his minister tried to sweep this issue under the carpet by telling a concerned Manitoban that his government does not have jurisdiction and that the matter should be taken up with City Hall? Why is that?

Hon. Gary Doer (Premier): Mr. Speaker, as I have said before, the minister was provided advice by the Public Schools Finance Board. After that advice was provided, the minister received—[*interjection*]

Mr. Speaker: Order. The honourable First Minister has the floor.

Mr. Doer: In the fall of this year, the minister received advice from his own department that there may be difficulty in terms of the legality of what the elected school division in the Seven Oaks School Division had conducted with the land issue.

They then went back and clarified for the minister's attention the law as it applies to the Seven Oaks School Division. He has subsequently let everyone know through the Public Schools Finance Board what the law is in terms of development, so that has been dealt with in terms of his department.

Mr. Speaker, I would also point out that Dr. Gerald Farthing is following up on why this happened, what happened, what authority happened with the school division and what are the financial implications. When that report is finished by the deputy minister, we are more than willing to make that report public to members of this Chamber and the public of Manitoba.

Mr. Murray: Well, Mr. Speaker, this Premier politically appoints members to the Public Schools Finance Board. This Premier has stated on many occasions that he is the ethics commissioner for this government and for this NDP party. As such, can this Premier explain what action did he take when he was told that his former disgraced campaign manager and current superintendent of Seven Oaks School Division broke provincial law? What action is he going to take for his minister who clearly is trying to sweep this issue under the carpet?

He knew a year ago. This Monday, Mr. Speaker, he said he knew nothing about it. On Tuesday, he said he knew something about the allegations but

nothing about the development. He is clearly misleading Manitobans.

I would ask this self-appointed ethics commissioner what is he going to do about it.

Mr. Doer: Mr. Speaker, the superintendent of any school division works for the elected non-partisan representatives of the school division. They are completely independent of this Legislature. If a school division, for example, decides not to name a school in Transcona the Terry Fox School, I might not agree with them. I might think they are wrong. I might think that the Wayoata School should be named the Terry Fox School.

* (13:55)

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I need to be able to hear the questions and the answers. I ask for co-operation, please.

The honourable First Minister, to conclude his comments.

Mr. Doer: Thank you, Mr. Speaker. The elected school division hires and fires the superintendent as I would imagine is as proper for any school division in Manitoba.

The issue obviously had different advice from the spring to the fall. We are going to find out what happened, why it happened and account for it. The law is clear in terms of the ability to develop the land. We will have also an accounting for all the financial issues that were raised by members opposite, and we will make that report public.

Seven Oaks School Division Land Acquisition and Development

Mr. Ron Schuler (Springfield): On May 2, 2004, the Minister of Education received a letter informing him about land developments in the Seven Oaks School Division. The minister in all of his wisdom sent the issue to his good friends that the NDP appointed to the Public Schools Finance Board. Ben Zaidman, chair of the board, who donated \$1,500 to the NDP, and Vice-Chair Glenn Nicholls, who donated \$1,330 to the NDP, really, really good friends of the NDP, they looked at the allegations of corruption and amazingly found nothing wrong. Is

this the best answer the minister could come up with?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Well, Mr. Speaker, we agree that school divisions should not be in the business of being developers. With regard to that the guidelines are very clear with the Public Schools Finance Board on the disposition of property. As a result of what has transpired in the last year, we have committed to a 30-day review and we will find out how this transpired.

Mr. Schuler: After hearing about the allegations regarding the Seven Oaks School Division, this NDP Minister of Education sent the allegations to his friends who he appointed to the Public Schools Finance Board, which included Mary Annes who donated \$412 to the NDP in 2004 and Howard Mathieson who has donated a total of \$4,150 since 1999 to the NDP. The board collectively has donated over \$7,000 to the NDP and then, surprisingly, this NDP-friendly board found nothing wrong with the illegal actions of NDP-friendly Brian O'Leary at the Seven Oaks School Board.

I will ask the minister once again is this the best answer that the minister could come up with.

Mr. Bjornson: Mr. Speaker, the Seven Oaks School Board is an independent body made up of elected officials, and they are accountable for the actions that they take. The Public Schools Finance Board is an arm's-length body of the government, and they are responsible to ensure that school divisions act in accordance with the regulations of The Public Schools Act. I do not interfere with their deliberations.

It is clear that the procedure did not work in this case, and, as I have said, we are committed to a review and we will have all the questions answered in 30 days.

Mr. Schuler: On May 2, 2004, the Minister of Education heard about allegations and sent them to his friends at the Public Schools Finance Board, or as it is known, the \$7,000 club. The board questioned the superintendent of the Seven Oaks School Division, the disgraced NDP campaign manager, Brian O'Leary, who himself has donated \$5,047 to the NDP. They asked if there were any illegal developments taking place at the Seven Oaks School Division and the answer is of course not. So, Mr.

Speaker, the cost to be chair of Public Schools Finance Board, \$1,500; the cost of vice-chair, \$1,330; the price of a whitewash report, priceless.

How could this NDP minister have accepted this kind of nonsense?

* (14:00)

Mr. Bjornson: Mr. Speaker, what is priceless is the member from Springfield and his allegations. It is regrettable that the member is making such boundless accusations. The Public Schools Finance Board as an independent arm's-length body has done an incredible job for this government. In fact, they have been twice as busy since we have been in office because we fund capital projects, 333 million over five years, which is 161 million over the previous years.

It is regrettable that the members opposite are making such accusations. We are going to address this process, as I said, a 30-day period within which we will get to the bottom of this issue, Mr. Speaker.

Seven Oaks School Division Land Acquisition and Development

Mr. Leonard Derkach (Russell): Mr. Speaker, the allegations regarding Seven Oaks School Division came to light more than a year ago, or almost a year ago. At that time, the minister knew that the law was broken. On Monday when he was asked about it he said that he knew nothing about it, but when the letter surfaced and the information surfaced, he had to retract and say he did know something about it.

Mr. Speaker, seeing that he knew about this a year ago, I want to ask the minister why he did not act on those allegations when they were brought to his attention a year ago.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Mr. Speaker, on Monday I was asked a very specific question about whether I knew about the development at Swinford Park. Fact. I answered that question honestly that I had never been made aware that Seven Oaks School Division was acting as a developer. Fact.

Mr. Speaker, the allegations were brought to my attention and I forwarded those allegations to the Public Schools Finance Board. Fact. Members

opposite once again have brought forward unfounded allegations.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Member for Russell has the floor. He is up on a supplementary question and he has the right to be heard.

Mr. Derkach: Thank you, Mr. Speaker. Well, I am kind of shocked at the minister's statement about an unfounded allegation. The Leader of the Opposition (Mr. Murray) just tabled a letter that was signed by the Minister of Education. This is a matter in which any minister would want to question the chair of the Public Schools Finance Board. I want to ask the minister whether or not he discussed this issue once the allegation came to light with the then-chair of the Public Schools Finance Board, Mr. Zaidman, in their regular meetings that they have throughout the year.

Mr. Bjornson: Mr. Speaker, I had never been made aware that Seven Oaks School Division was acting in the capacity of developer until Monday.

Mr. Derkach: Mr. Speaker, the minister did not answer the question. I asked him about his discussions with the then-chair of the Public Schools Finance Board, Mr. Zaidman.

Mr. Speaker, can I ask the minister how it is that he would sign a letter that specifically refers to the issue when he states in the House today that he was not aware of the allegations and the land development issue?

Mr. Bjornson: Mr. Speaker, as I have said, and I have said repeatedly, I was aware of the allegations. As a result of those allegations, I forwarded the allegations to the Public Schools Finance Board. As a result of this process as well, we are committed to a 30-day review to get to the bottom of this issue. That is our commitment and we are going to resolve this issue.

Seven Oaks School Division Land Acquisition and Development

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, only an incompetent minister would allow a year to go by without following up on allegations like that.

Brian O'Leary, the NDP campaign manager and the superintendent of the Seven Oaks School Division told the media on Monday that all of the residential land they owned and developed in an illegal land scheme had been sold off to builders. I trust that the Minister of Education would have asked for confirmation of that.

I would like to ask the minister now has the Seven Oaks School Division sold off all of the residential land.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Mr. Speaker, as I said many times now, we are committed to a 30-day review of this process and all those questions will be answered as a result of that process. We have contacted the Public Schools Finance Board. We have contacted Seven Oaks School Division, and they have agreed to provide all information necessary to get to the bottom of this issue. We will do so in 30 days.

Mrs. Driedger: Mr. Speaker, I would think a question like that should have been the first thing the minister should have been asking the Seven Oaks School Division.

Mr. Speaker, The Public Schools Act is very clear. School divisions have no authority to buy and develop residential property. This is illegal. However, we did a random check of properties yesterday, and the Seven Oaks School Division still owns four properties we are aware of.

On Monday, Mr. O'Leary says they have sold off all of their residential property to builders, and yesterday we find out, out of just a random check of four, they still own four properties. So where is the truth in this?

Mr. Bjornson: Well, Mr. Speaker, as I said, the truth will be determined in the course of 30 days when we have an opportunity to explore—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I just want to remind members that supplementary questions are formed to seek further information on the initial question. The honourable member will have to be able to hear the answer in order to form her supplementary question, so I ask the co-operation of all honourable members.

The honourable Member for Charleswood. *[interjection]* Oh, the honourable Minister of Education had not concluded.

Mr. Bjornson: Thank you, Mr. Speaker. As I said when I brought the correspondence forward to the Public Schools Finance Board, I was never informed by the Public Schools Finance Board that the disposition of this property was any different than the disposition of property previously. I was never informed of that. We are engaged in a process, as I promised to do, that will involve 30 days of review. Once that review is completed all the very specific questions will be answered.

Mrs. Driedger: Mr. Speaker, on Monday, Mr. O'Leary also said that getting into the land development business was, and he called it, a reluctant move on their part. Yet they have recently asked for rezoning of a park in the Swinford Park Development to residential property so that they could develop a cul-de-sac of 20 more properties.

In fact, Mr. Speaker, tens of thousands of dollars appear to already have been spent by the Seven Oaks School Division on developing this property. That is taxpayers' money that was meant for educating our children. This is illegal. The Minister of Education knew this was going on a year ago.

Why is he allowing this illegal activity to continue and this abuse of taxpayers' dollars to continue right now, today?

Mr. Bjornson: As I said, Mr. Speaker, unfounded allegations from members opposite, unfounded allegations. I was asked a very specific question about my knowledge of the development at Swinford Park on Monday. I responded honestly to that question. I brought forward allegations to the Public Schools Finance Board. Those are the facts. Also, I have sent a letter to all school boards with respect to what is the appropriate process with respect to disposition of property.

* (14:10)

Seven Oaks School Division Land Acquisition and Development

Mrs. Bonnie Mitchelson (River East): Mr. Speaker, special treatment and political payback to the Premier's (Mr. Doer) backroom boys goes all the

way back to 2002 when, behind closed doors, this NDP government redrew the boundaries for school divisions and Seven Oaks School Division was left untouched while other divisions were forced to amalgamate.

Mr. Speaker, again we see special favouritism, special treatment for this NDP government's political friends. Why did this minister not act a year ago when he knew instead of covering up for his political friends when they broke the law and he knew about it and did nothing?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Mr. Speaker, while we are talking about land development, we do have a list of donations from the political friends of members opposite, who bought land from Seven Oaks School Division. The donations to the Tory party: \$2,500 from Kinder Homes, we have Novamet Development Corporation, \$375, \$150, \$200, \$675, \$541.50, 262.50—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Point of Order

Mr. Speaker: The honourable Official Opposition House Leader, on a point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Yes, Mr. Speaker, on a point of order. Indeed, all of that information is public and can be obtained very easily. The member from River East has asked a very serious question. This has to do with political patronage and cover-up. The least the minister could do would try to be forthright in answering the question that was posed by the member from River East.

Mr. Speaker: Order. On the point of order raised, the honourable member does not have a point of order. The question was on education and what I heard the honourable minister responding was on education.

I would like to read a rule for honourable members and the rule is *Beauchesne's* 416, "A Minister may decline to answer a question without stating the reasons for refusing, and insistence on an answer is out of order." That is in *Beauchesne's*, in

the rules that we follow, and the question that was raised was on education. The honourable minister was making reference to education, and, to my satisfaction, the question was on education.

The reference was to education and I accept the answer that was given by the honourable minister, and a member cannot insist upon an answer.

Mr. Derkach: Mr. Speaker, I am afraid your ruling leaves me with no choice but to challenge it.

Mr. Speaker: The ruling of the Chair has been challenged.

Voice Vote

Mr. Speaker: Order. The ruling of the Chair has been challenged. All those in favour of sustaining the ruling of the Chair, say yea.

Some Honourable Members: Yea.

Mr. Speaker: All those opposed to the ruling of the Chair, say nay.

Some Honourable Members: Nay.

Mr. Speaker: In my opinion, the Yeas have it.

Formal Vote

An Honourable Member: Yeas and Nays.

Mr. Speaker: A recorded vote having been requested, call in the members.

Order. The question before the House is shall the ruling of the Chair be sustained.

Division

A RECORDED VOTE was taken, the result being as follows:

Yeas

Aglugub, Allan, Altemeyer, Ashton, Bjornson, Brick, Caldwell, Chomiak, Dewar, Doer, Irvin-Ross, Jennissen, Jha, Korzeniowski, Lathlin, Lemieux, Mackintosh, Maloway, Martindale, McGifford, Melnick, Nevakshonoff, Oswald, Reid, Robinson, Rondeau, Sale, Santos, Schellenberg, Selinger, Smith, Struthers, Swan, Wowchuk.

Nays

Cullen, Cummings, Derkach, Driedger, Dyck, Eichler, Faurschou, Gerrard, Goertzen, Hawranik, Lamoureux, Loewen, Maguire, Mitchelson, Murray, Penner, Reimer, Rowat, Schuler, Stefanson.

Madam Clerk (Patricia Chaychuk): Yeas 34, Nays 20.

Mr. Speaker: The ruling of the Chair has been sustained.

Mr. Speaker: We will go back to Question Period. The honourable Minister of Education had the floor, and we are on Question 6.

* (14:20)

Mr. Bjornson: As I was saying, Mr. Speaker, in the process of disposing of these properties the Seven Oaks School Division had sold, there are several organizations that have made donations to the Conservative Party: 1988, Qualico Developments \$12,062.50, Qualico Construction \$200, Qualico Developments \$2,550, Qualico Developments \$1,000, Qualico Developments \$7,010.

Mr. Speaker, these organizations were all involved in the purchase of land that was disposed of by the Seven Oaks School Division.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. The honourable Member for River East has the floor.

Mrs. Mitchelson: Thanks very much, Mr. Speaker. Last time I looked they did not break the law. This minister knowingly condoned Seven Oaks School Division breaking the law.

Special treatment and political payback to the Premier's backroom boys in Seven Oaks School Division saw the minister announce a high school in Seven Oaks School Division when they did not even ask for one. Again, we see favouritism, special treatment for the political friends of this Premier and this NDP government. Can the minister stand in this House today and say with a straight face that there was no cover-up based on his political association

and his political friends at Seven Oaks School Division? Why did he cover up for them when they broke the law?

Mr. Bjornson: As I said, we are going to be engaged in a 30-day process to get to the bottom of this situation. With respect to the question about the West Kildonan collegiate, Mr. Speaker, they did have in their capital plan a request for a new school. That is a fact. There was a request for a new school. When the Public Schools Finance Board suggested to Seven Oaks School Division that they renovate, the costs of renovation exceeded 50 percent of new construction. Therefore, the request was reviewed as is policy, as is practice, and it was determined that it would be wiser to build a new school.

Now, Mr. Speaker, the suggestion about patronage is absolutely ridiculous. I mean, I was in Winkler on Monday turning sod for a new school in Winkler. The first school where I cut a ribbon was in Steinbach. We built two schools in the constituency of the member of Lac du Bonnet. There has been a major capital project in River East. I cannot believe we have such unfounded allegations by members opposite. The Public Schools Finance Board is doing a great job.

Mrs. Mitchelson: What is happening at Seven Oaks School Division speaks for itself. Brian O'Leary, the disgraced campaign manager, the Premier's backroom boy; Glenn Nicholls, former superintendent of Seven Oaks School Division, politically appointed to the Public Schools Finance Board; Ben Zaidman, former school trustee in Seven Oaks School Division, politically appointed by this New Democratic government, another one of the Premier's backroom boys.

How can this minister stand up and say that it will take 30 days to investigate himself? Why does he not stand up today and give the truth? Are we going to have 30 different answers in 30 days, Mr. Speaker?

Mr. Bjornson: Once again, the member should know that a school board is an independent organization with locally elected officials. The Public Schools Finance Board, Mr. Speaker, is an arm's-length organization of government. If the process failed, we will find out how that occurred. That is our commitment. We will engage in a 30-day process to get all the questions answered, and we will bring

those answers forward on or before June 2 of this year.

Victoria General Hospital Women's Health Centre of Excellence

Hon. Jon Gerrard (River Heights): Mr. Speaker, the Minister of Health reneged on a promise made by his government, and he closed the maternity ward at the Victoria General Hospital. The minister then promised to turn the ward, which had been refurbished at great cost in the early 1990s, into a centre of excellence for women's health. Now the nurses on this ward have been receiving deletion notices.

Where is the compassion and sensitivity of this government? How is the Victoria General Hospital going to operate a women's health centre of excellence with the nurses deleted? Will the minister tell us today how many deletion notices have been sent out, and can he explain how he is going to run a centre of excellence on women's health with these nurses deleted?

Hon. Tim Sale (Minister of Health): Well, Mr. Speaker, when we receive medical advice on the basis of physicians' advice to us who are the medical committee of a hospital and that advice is then further supported by the medical committee of the WRHA, I think we are bound to accept that advice. I do not think the Legislature should ever place itself above the advice of physicians or nurses in regard to medical care. That is what we did.

Mr. Speaker, in terms of the specific question, the number of equivalent full-time positions at the Victoria Hospital affected by this change is 23. There are currently vacancies in our system which far exceeds this. There are about 35 full-time vacancies in our system, including some at Victoria Hospital itself. Nurses will be found positions if they wish them.

Health Care System Obstetrics Services

Hon. Jon Gerrard (River Heights): Mr. Speaker, women who may have chosen to have their babies at Victoria General Hospital now cannot because of a broken NDP promise. Now, because of that ward closure, women arriving at St. Boniface Hospital to have labour induced are being forced to take a number and wait in line to give birth. This is a direct

result of the shortages induced by the NDP when it closed the maternity ward at the Victoria General, something the government promised it would not do.

When will this Minister of Health, who claims to have no knowledge of the check-out line birthing situation at St. Boniface, do something to assure expectant mothers that they will not be subjected to this kind of treatment?

Hon. Tim Sale (Minister of Health): Mr. Speaker, yesterday in the House, the member raised allegations in regard to concerns, and I offered to take those allegations when he would provide information. He has provided no information of any kind to my office.

Mr. Speaker, the member is also a physician. He took an oath, a Hippocratic oath—I hope it was Hippocratic and not hypocritic—to do no harm. I charge him to do no harm to the women of Manitoba by increasing their anxiety without information to the contrary.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Point of Order

Mr. Speaker: The honourable Member for Inkster, on a point of order.

Mr. Kevin Lamoureux (Inkster): Yes, Mr. Speaker, I do not believe it is appropriate for the Minister of Health to take a shot of that nature. When you take a look in terms of the level of expertise, the quality of education, the work that Doctor Gerrard has done for children in this province, to imply in a negative way on his profession I think is an insult that is not acceptable inside this Chamber. If the Minister of Health had any integrity himself, he should apologize for those remarks.

Mr. Speaker: The honourable Minister of Health, on the same point of order.

Mr. Sale: Mr. Speaker, if I have offended the honourable member, then I withdraw the remarks.

Mr. Speaker: The honourable Member for River Heights, on the same point of order.

Mrs. Bonnie Mitchelson (River East): Yes, on the same point of order we are at, Mr. Speaker, it is the

height of arrogance of this Minister of Health to stand in his place and make those kinds of comments about a professional who has been a cancer specialist, a researcher. I think it is absolutely unconscionable for that kind of behaviour from a Minister of Health.

The member was asking a question to get some answers for caregivers within the health care system that are going to be fired as a result of this minister's actions, Mr. Speaker. He was seeking some clarification and asked a very legitimate question. His answer was inappropriate. It was arrogant, and it was unbecoming of the office of the Minister of Health. He should stand up and unequivocally apologize.

Mr. Speaker: Order. The honourable Government House Leader, on the same point of order.

* (14:30)

Hon. Gord Mackintosh (Government House Leader): Well, Mr. Speaker, I think the last interjection was unfortunate. The minister got up and made an apology to the House. That should end the matter.

Mr. Speaker: The honourable Official Opposition House Leader, on the same point of order.

Mr. Leonard Derkach (Official Opposition House Leader): Well, Mr. Speaker, if the Minister of Health's intention was to apologize to this House, he just said from his seat, "I did." If that is his intention, I ask him to stand in his place then, or you should, and make that apology clear to all members in this House.

Mr. Speaker: The honourable Minister of Health, on the same point of order.

Mr. Sale: I believe I was clear, but for the record, Mr. Speaker, I apologize unequivocally.

Mr. Speaker: And that should take care of the matter.

On the point of order raised by the honourable Member for Inkster, that should take care of the matter.

Mr. Speaker: The honourable Minister of Health, you have 20 seconds remaining.

Mr. Sale: Thank you, Mr. Speaker. As I said, I offered the member yesterday the opportunity to meet with me and to provide information to be specific about the concerns that he has raised. In my inquiries today in regard to capacity at St. Boniface Hospital, I have been told there is not a capacity problem. All people are being seen appropriately, and in the absence of specific information to the contrary, I think the member should not be raising public anxiety on this issue.

Mr. Gerrard: The Minister of Health yesterday and today has asked for specific information and to name names. Mr. Speaker, the Minister of Health clearly asked for specific information. The fact of the matter is that due to the ancient rules in this province in terms of openness and transparency and the lack of whistle-blower legislation when it comes to health care workers and health care staff and people who work in hospitals, it is not possible for many of them to come forward because they are concerned for their positions. They are concerned they will be mistreated.

Mr. Speaker, I ask the Minister of Health when he and his government will bring in whistle-blower legislation that will fully cover all health care workers so we can have openness.

Mr. Sale: Well, Mr. Speaker, the member is wrong, wrong, wrong. The Protection for Persons in Care Act absolutely, clearly protects somebody from bringing forward information that has to do with the care and security of a patient. He is absolutely wrong in that regard.

Secondly, every member of the opposition and this side of the House knows that when there is a specific problem with a specific person, we protect that information, we examine the information, and we find out what the problem is, and whatever it is, we solve it. We do that between members all the time.

School Psychologists Training Program Funding

Ms. Kerri Irvin-Ross (Fort Garry): I understand that a new program designed to train school psychologists was recently announced. Would the

Minister of Advanced Education and Training please describe for us the announcement?

Hon. Diane McGifford (Minister of Advanced Education and Training): Mr. Speaker, last week I was very delighted to announce half a million dollars in funding for a school psychologist program to be run at the University of Manitoba beginning in September '05. About 10 students can enrol in this program and graduate from the program after they have completed their studies. It is a co-operative effort between education and between psychology. It has been endorsed by the Child Guidance Clinic and by the association of Manitoba school psychologists.

Clearly, this is very good news for our province. Psychologists are extremely important in identifying potential problems, providing ideas as to treatment and prevention and especially in consultation with parents and teachers. I think the benefits for our schools, community and for our children are quite obvious. I am very pleased with the program.

Seven Oaks School Division Land Acquisition and Development

Mr. Leonard Derkach (Russell): Mr. Speaker, a letter was sent to the Minister of Education on May 2, 2004. In that letter, the writer says very clearly, "I ask this because I am concerned that the Seven Oaks School Division is active as a developer through Lombard North Group consultants of a community called Swinford Development."

Now, Mr. Speaker, the minister also responded to that in a letter on May 26, when he said, "The matter of community development appears to be a local issue, and as such, I would encourage you to deal directly with the school division on this issue." It appears there were two letters written on that same day.

How can the minister stand in his place in this House on Monday and today and say he did not know anything about a land development and residential development when it was referenced in a letter sent to him on May 2, 2004, to which he responded?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Well, Mr. Speaker, as I said repeatedly, once the allegations were brought forward, I forwarded those allegations to the Public

Schools Finance Board. That is what has taken place, and the Public Schools Finance Board did not advise that this is contrary to any other disposition of property that had taken place in the past. That is what the Public Schools Finance Board has said.

Mr. Speaker: Time for Oral Questions has expired.

Introduction of Guests

Mr. Speaker: Order. I would like to draw the attention of all honourable members to the public gallery where we have with us today Major Marc George, C.D., and his wife, Caryl George. These visitors are the guests of the honourable Member for Brandon East (Mr. Caldwell).

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

MEMBERS' STATEMENTS

Brandon Wheat Kings

Mr. Larry Maguire (Arthur-Virden): Mr. Speaker, it is with great pleasure that I rise in the House today to congratulate the Brandon Wheat Kings. Last night in Brandon the Wheat Kings defeated the Prince Albert Raiders in game seven of the series to win the Eastern Conference final. A crowd of almost 59 000, the third-largest crowd in the team's history, was in attendance and was not disappointed as the Wheat Kings outscored the Raiders with a final score of 5 to 1, which is the same score that they used to defeat the Raiders seven years ago, the last time the Wheat Kings went to the WHL final.

With the Wheat King's goalie Tyler Plante making a total of 30 saves, and players Lance Monych, Jeff Topilko and Jakub Sindel scoring the five Brandon goals, the team kept the crowd on its feet and cheering. The Wheat Kings have definitely made us all very proud.

I would like to recognize the area's residents for their outstanding support of the local hockey team. With Kelly McCrimmon as coach and general manager of the Brandon Wheat Kings, he truly inspires a great deal of spirit and pride in Wesman and in all of Manitoba.

The Wheat Kings will now advance to the Western Hockey League final, and, for the first time

since 1998, will be competing to go to the Memorial Cup. Once again, I would like to congratulate the Wheat Kings on their play-off success. I wish them the best as they begin the finals this Friday and Saturday night in Kelowna. By the way folks, get your tickets early for game three in Brandon on Tuesday night, May 10.

Royal Canadian Horse Artillery

Mr. Drew Caldwell (Brandon East): Mr. Speaker, I rise today in the Manitoba Legislature to bring attention to and to applaud the Royal Canadian Horse Artillery who are celebrating their 100th anniversary this year. The Royal Canadian Horse Artillery originated in A and B Batteries in Kingston and Québec respectively in 1871.

* (14:40)

In 1805, A and B Batteries along with C Battery, then stationed in Kingston were redesignated the Royal Canadian Horse Artillery. After the First World War, C Battery relocated from Kingston to Winnipeg and was stationed at the Fort Osborne Barracks from 1919 to 1939. This was the beginning of a lengthy association between the RCHA and Manitoba that continues to this day. At least one unit of the RCHA has been stationed in Manitoba continuously since 1946. For 79 of its 100 years, Royal Canadian Horse Artillery gunners have called Winnipeg and Shilo home.

Mr. Speaker, although Manitobans may take particular pride in the local history of the RCHA, we must also recognize the role they have played on the international stage. RCHA units have participated in the most pivotal events of the 20th and 21st centuries. During both World Wars and the Cold War era, they fought courageously in the struggle for democracy and freedom. Today, they continue to risk their lives to bring stability to war-torn nations. Most recently, C Battery from Shilo fought in the war on terrorism in Afghanistan.

In this Year of the Veteran, it is important that we pay tribute to our Armed Forces and remember the enormous sacrifices they have made. I would like to take this opportunity to also mention that 2005 is the 150th anniversary of the four oldest Canadian artillery batteries.

On behalf of our government, I would like to congratulate the RCHA on celebrating their 100th

anniversary. In addition, I would like to extend my deepest gratitude to the men and women, past and present, who have served our country as gunners for the Royal Canadian Horse Artillery and have contributed to the RCHA's legacy. You make our country proud. Thank you, Mr. Speaker.

Mental Illness Awareness Week

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, this year Mental Illness Awareness Week is being recognized from May 2 to May 8. This event provides an opportunity for all Canadians to better understand issues surrounding mental health and promote awareness.

Mental illness can affect all Manitobans regardless of age, income or ethnic background. One in five Canadians will experience some form of mental illness during their lifetime, and nearly 6 million Canadians are presently affected. It truly knows no boundaries, Mr. Speaker. Unfortunately, the stigma individuals living with mental illness face has yet to be defeated. This stigma can stop people from seeking help or cause them to live in shame. Individuals living with mental illness and their families deserve our respect and support. I would like to commend all individuals who cope with mental illness, their friends and family, workers in the mental health system and volunteers with non-profit organizations dealing with this important social issue.

I encourage my colleagues and all Manitobans to learn about the challenges facing individuals living with mental illness and also about their successes. With community support and new treatments available mental illness has become manageable. The quality of life has improved, and we need to encourage early intervention. We need timely and appropriate mental health services to be available in both rural and urban Manitoba.

Liberation of The Netherlands

Mr. Gerard Jennissen (Flin Flon): Mr. Speaker, I rise today to commemorate the liberation of the Netherlands in early May 1945. As the noted historians, Desmond Morton and J.L. Granastein have pointed out in their book, *A Nation Forged in Fire*, the Canadian psyche was greatly shaped by both world wars, particularly World War II. Our Canadian Forces earned the admiration of friend and

foe alike for their tenacity, courage and sacrifice on the battlefield. Out of the terrible bloodshed was finally born a nation whose identity was purely Canadian, independent of Great Britain, but it was a hard birth.

In the last few days we have seen an incredible outpouring of emotion and respect from the Dutch nation for their Canadian liberators. On this wave of emotion, along with my former Dutch compatriots, I say thank you, Canada. Canada, we are deeply aware of the ultimate sacrifice made by many of your sons and daughters 60 years ago.

So with an anonymous Dutch poet who was overwhelmed by the endless rows of crosses as he entered a military graveyard full of fallen soldiers, I repeat and dedicate,

Dit versje, ter nagedachtenis aan onze gesneuvelde bevrijders uit Canada.

"Gij, die dit kerkhof binnen gaat en ziet / Hoe wreed al deze jonge levens zijn verkort, / Vergeet de offers van Uw vrijheid niet, / Bidt, dat het nooit meer oorlog wordt."

In English, Mr. Speaker, the translation is,

This short verse is in memory of our Canadian liberators.

"You who enter this graveyard and see / How cruelly these young lives were shortened, / Remember what was sacrificed for your freedom, / Pray, that war will never strike again."

Thank you, Mr. Speaker.

Manitoba Developmental Centre

Hon. Jon Gerrard (River Heights): Mr. Speaker, I rise today during Mental Health Week to speak to issues around mental health. This government is doing a huge disservice to Manitobans with intellectual challenges by keeping them warehoused in the Manitoba Developmental Centre in Portage la Prairie.

Mr. Speaker, every province in Canada except Manitoba is moving away from institutions for the mentally challenged. Community housing is the way every province, with the exception of Manitoba, is

going. Why is Manitoba so out of step with the rest of Canada on this issue? Why is this NDP government spending \$40 million on the MDC despite the protest of families of the people who live there and the people, the experts, who work in this field?

I have been trying since the Minister of Family Services and Housing (Ms. Melnick) made her \$40-million announcement last December to see the government's plan for this huge amount of taxpayer money. I have repeatedly asked questions of the minister in this House and in Estimates. I have asked for the government's plan under The Freedom of Information Act and been refused.

The minister, in Estimates, said go ask the Minister of Transportation and Government Services (Mr. Lemieux) for the plan. So that is what we did in Estimates yesterday. Mr. Speaker, lo and behold, this minister does not have the plan either. Where is the plan on how the government is going to spend \$40 million to keep mentally challenged Manitobans institutionalized?

Mr. Speaker, the Minister responsible for Government Services says the \$40-million figure is just an estimate, but the Premier and the government have indicated that it is a \$40-million commitment. I would think there would be at least some sort of plan to showcase how the \$40 million would be spent, yet the minister is unable to table it. Why? Because there is no plan, just like this government has no plan to improve health care or a lagging economy or our education system.

Mr. Speaker, the mentally challenged often cannot speak for themselves on these matters. It is important that we as a society ensure they are receiving the best care and have the best possible lives. This NDP government is doing this community a huge disservice with this scheme to the MDC. The people of Manitoba deserve to know how and why their \$40 million is being spent. I again call on the government for transparency and accountability in this matter.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, would you please call The

Water Protection Act, the debate on report stage amendments on page 3.

As agreed to earlier, of course, there are two sittings of Supply outside the House.

Mr. Speaker: We will deal in the House—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. In the House we will deal with debate on report stage amendments, and the two Committees of Supply will meet in the committee rooms.

Would the Chairs please go to the committee rooms to start the Estimates in the committees.

DEBATE ON REPORT STAGE AMENDMENTS

Bill 22—The Water Protection Act

Mr. Speaker: Now we will resume debate on report stage amendments to Bill 22, The Water Protection Act.

The first amendment is standing in the name of the honourable Member for Ste. Rose (Mr. Cummings). What is the will of the House for the amendment? Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Ste. Rose? *[Agreed]*

It is the will of the House. Okay, the bill will remain standing in the name of the honourable Member for Ste. Rose, for the first amendment.

The honourable Member for Emerson (Mr. Penner) is speaking to the amendment?

An Honourable Member: No.

Mr. Speaker: Okay, so now we will move on to the second amendment, standing in the name of the honourable Member for Portage la Prairie (Mr. Faurchou). What is the will of the House?

Some Honourable Members: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Portage la Prairie? *[Agreed]*

Now we will move to the third amendment, standing in the name of the honourable Member for Portage la Prairie. What is the will of the House?

Some Honourable Members: Stand.

* (14:50)

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Portage la Prairie? *[Agreed]*

Now we will move to the fourth amendment, standing in the name of the honourable Member for Portage la Prairie. What is the will of the House?

Some Honourable Members: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Portage la Prairie? *[Agreed]*

Now we will move on to the eight amendments that were brought forward by the honourable Member for Portage la Prairie.

The first amendment is standing in the name of the honourable Member for Inkster (Mr. Lamoureux). What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Inkster? *[Agreed]*

The second amendment, standing in the name of the honourable Member for Inkster. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: The will of the House is for the amendment to remain standing in the name of the honourable Member for Inkster. *[Agreed]*

The third amendment is standing in the name of the honourable Member for Emerson (Mr. Penner). What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Emerson? *[Agreed]*

The next amendment, the fourth amendment, is standing in the name of the honourable Member for Russell (Mr. Derkach). What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Russell? *[Agreed]*

Now we will move on to the fifth amendment, standing in the name of the honourable Member for Emerson. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Emerson? *[Agreed]*

Now we will move on to the sixth amendment, standing in the name of the honourable Member for Emerson. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Emerson? *[Agreed]*

Now we will move on to the seventh amendment. What is the will of the House?

An Honourable Member: Dispense.

Mr. Speaker: It is standing in the name of the honourable Member for Emerson. Stand?

An Honourable Member: Stand.

Mr. Speaker: Okay. *[Agreed]*

Now we will move on to the eighth amendment, standing in the name of the honourable Member for Pembina (Mr. Dyck), who has seven minutes remaining.

An Honourable Member: Dispense.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the honourable member's name? Agreed? *[Agreed]*

Now we will move on to the twelve amendments that were moved by the honourable Minister of Water Stewardship (Mr. Ashton).

The first amendment, standing in the name of the honourable Member for Russell (Mr. Derkach). What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for it to stand in the name of the honourable Member for Russell? Agreed? *[Agreed]*

The second amendment, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Stand? So the bill will remain standing in the name of the honourable Member for Russell? Agreed? *[Agreed]*

The third amendment, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Stand? Okay, agreed for the amendment to remain standing in the name of the honourable Member for Russell.

Now we will move on to the fourth amendment, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Stand? Okay. So the amendment will remain standing in the name of the honourable Member for Russell.

Order, please. We all have to be able to hear, too, because this all has to be recorded.

Okay, so we will move on to the fifth amendment, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Okay, the bill will remain standing in the name of the honourable Member for Russell.

Now we will move on to the sixth amendment, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Stand? Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Russell? Agreed? *[Agreed]*

Now we will move on to the seventh amendment, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Stand? The amendment will remain standing in the name of the honourable Member for Russell.

Amendment eight, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Stand? The amendment will remain standing in the name of the honourable Member for Russell. Agreed? *[Agreed]*

Amendment nine, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Russell? Agreed? *[Agreed]*

Amendment ten, standing in the name of the honourable Member for Russell. What is the will of the House?

An Honourable Member: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Russell? Agreed? *[Agreed]*

The eleventh amendment, standing in the name of the honourable Member for Russell. What is the will of the House?

Some Honourable Members: Stand.

Mr. Speaker: Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Russell? Agreed? *[Agreed]*

Amendment twelve, standing in the name of the honourable Member for Russell. What is the will of the House?

Some Honourable Members: Stand.

Mr. Speaker: Stand? Is it the will of the House for the amendment to remain standing in the name of the honourable Member for Russell? *[Agreed]*

Mr. Jack Penner (Emerson): Mr. Speaker, if I may, I would seek leave of the House maybe at this time, and I seek your counsel on this, if it is appropriate, that I would like to introduce, with the leave of the House, some amendments that I would like to propose to this bill. Is that the will of the House?

Hon. Steve Ashton (Minister of Water Stewardship): I just want to indicate that I have not seen the amendments. I know the member has indicated that he was bringing in a number of amendments, Mr. Speaker. Certainly, I cannot speak for the House, but I would see it as quite reasonable in this particular case to ask that leave be granted to at least allow the House to see these amendments. But I do want to indicate I have not seen them. If the member is asking leave, certainly, as minister, I would have no difficulty, but it is up to the House.

Mr. Speaker: Is there leave for the honourable Member for Emerson to introduce amendments to this bill? *[Agreed]*

* (15:00)

Mr. Penner: Thank you very much, Mr. Speaker. It gives me a great deal of pleasure to introduce the first amendment that I have to propose among numerous ones.

I move, seconded by the Member for Carman (Mr. Rocan),

THAT Bill 22 be amended in the preamble

(a) by adding the following after the third paragraph:

AND WHEREAS

(a) 98% of the people of Manitoba now live in urban communities;

(b) most homes in urban centres now house animals and birds as pets;

(c) the effluent generated by the human population is significant and products used by this population carry questionable ingredients such as nitrates, phosphates, antibiotics, bacteria and waste material from both animals and humans;

(d) the need for waste disposal is becoming a major problem for many of these urban centres;

(e) overflows from the urban centres contribute to water contamination;

(f) our rivers are used to carry waste overflow to beyond our urban centres; and

(g) flows are required by law to carry enough water for dilution;

governments must provide adequate protection from all sources for clean water for future generations.

(b) by adding the following after the fourth paragraph:

AND WHEREAS the Government of Manitoba recognizes the massive changes the agricultural community has made, and

(a) these changes are contributing substantially to soil and water retention;

(b) agricultural practices have changed dramatically at great cost to primary producers;

(c) these changes now require incorporation of both organic and inorganic nutrients; and

(d) storage of waste material from farm operation both livestock and cropping is tightly regulated, and these products are not allowed in rivers and streams for dilution and disposal.

Mr. Speaker: It has been moved by the honourable Member for Emerson, seconded by the honourable Member for Carman,

THAT Bill 22 be amended in the preamble

(a) by adding the following—

Dispense?

Some Honourable Members: Dispense.

Mr. Penner: Mr. Speaker, the amendments really speak for themselves. I wanted to ensure that the preamble spoke to the difficulties that we, as a human society in the province of Manitoba, as well as many other societies nationally and internationally face, and that is we live in tightly controlled communities. We are tightly populated in many areas of the province. We are somewhat different in Manitoba in many respects than many other areas and jurisdictions in Canada and other countries are.

Whereas we have some very densely populated communities, such as the city of Winnipeg, the city of Winkler, the city of Steinbach, the city of Portage la Prairie, the city of Brandon, but then we have numerous, very numerous, smaller towns and villages all over and across this province. All of those communities are faced with nutrient effluent and effluent disposal, which I believe society, as a whole, must address. *[interjection]* Pardon? Not very long, probably five minutes. I will keep going until you are back.

Mr. Conrad Santos, Deputy Speaker, in the Chair

So I say to you, Mr. Deputy Speaker, that we must, as a society, ensure there be proper controls and methods of disposal taken to ensure that the effluent we produce in those urban centres, and indeed in our farm community, as well as all the other smaller villages and towns across Manitoba, will be dealt with in such a way to ensure the effluent does not enter our clean water in our rivers, in our lakes, in our streams. I know prescribing that, or even identifying that in the preamble of the bill, has the tendency to maybe cause significant changes in the way we do business in this province.

If we are as serious, Mr. Deputy Speaker, as this minister has portrayed himself about cleaning up our water, cleaning up our environment, and indeed ensuring that our waters we contribute to our lakes, the largest lake in Manitoba, and indeed one of the eight, I believe, largest freshwater lakes in the world. If we are serious about ensuring the cleanliness of that lake, we must see to it that we put in place mechanisms that will effectively take not only all nutrients but indeed all the bioproducts, all those materials that we take for health reasons, and others which might in fact pass through us as human beings and then enter the effluent stream, and that all those biochemicals we take from time to time we indeed are able to remove.

I am not sure, Mr. Deputy Speaker, whether this minister has paid proper attention to all those kinds of things or whether he has within the scope of his realm been able to encompass what he is in effect trying to do. I believe that much rhetoric has been made and much has been said about the cleanliness of our lake and the deterioration of Lake Winnipeg specifically.

I was somewhat taken aback, Mr. Deputy Speaker, I think it is almost two years ago when the minister was first appointed as Minister of Water, when he called a conference in the city of Winnipeg and, at that conference, publicly stated it was his view that the agricultural community must clean up their act, must start testing their soil and must, in fact, stop contributing the large amounts of phosphates and nitrates in the Red River Valley specifically. He singled out the Red River Valley. He singled out our friends and farmers to the south of the U.S. border as being the main contributors, or the main culprits, in causing the degradation, as he called it, of Lake Winnipeg.

Well, Mr. Deputy Speaker, the years of the algae growths that the minister refers to, if you go back in history and you look at the records, were largely caused in a drought year, not so much in Manitoba, but in Saskatchewan and Alberta. The stream flows were seriously affected and the water flows into Lake Winnipeg and indeed for our Hydro project in the province of Manitoba.

If the minister then and this government of Manitoba would have taken proper care and said to Manitoba, "We will maintain our Lake Winnipeg at sufficient levels to ensure that the quality of water

will be maintained," I believe we would not have seen the kind of algae growth we have seen. I experience algae growth on my farm almost yearly. We have a few small creeks run through our farm and there is normally water stays in parts of that creek all summer long. It is not a problem as long as the water runs. It is not a problem for the algae growth, but as soon as the level is lowered and the sun warms up the water, the algae grows. That has been historical.

I look at Lake of the Woods, which is in large part, a very shallow lake. The amount of algae growth in Lake of the Woods, and that happens every July when the water turns warm and the temperature turns warmer, I believe, Mr. Deputy Speaker, that lake demonstrates when you lower the water levels in any given lake to the point where it can naturally warm up beyond where it would normally warm up, the algae will grow.

Mr. Speaker in the Chair

I think the satellite pictures that the minister has from time to time referred to will show that algae growth occurred in a year where the lake was drawn down to abnormally low levels, and the lake, in fact, warmed up to abnormal temperatures. Therefore, the algae growth was created. Had the minister and the government taken care to ensure the lake levels would remain above those warm-up levels, I think we would have seen a different matter.

* (15:10)

That is one of the reasons, Mr. Speaker, why I propose this amendment to the preamble of the bill because we as human beings are far more often the main contributors, if you want to call it that, to the degradation of our environment as a whole. I think we as human beings have a responsibility to then bear the cost of the clean-up when that happens. Nobody else can. Nobody else will. The animals will not. The birds and the bees will not, but we as human beings have that option.

Will it be costly? Maybe it will, but I think it is time we looked at if we are going to be serious about this, putting in place the kind of language that is descriptive in the bills to point the fingers at where the remedy needs to come from. That is really what the preamble does and shows. So, Mr. Speaker, I would hope that there will be consideration given to adopting this portion of the preamble of the bill.

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I want to put a number of words on the record in regard to this particular amendment and first congratulate the member from Emerson in, obviously, giving a lot of thought to this amendment. I found it to be of most interest.

I did have a couple of questions in regard to some of the numbers, in particular the first one where it is indicating, I believe, 98 percent of the people of Manitoba now live in urban communities. I find that very, very high. But what I do believe is that it is important for us to recognize when we bring forward substantial legislation, to ensure that we have good quality WHEREASes so there is a good explanation in terms of goals and objectives and missions, whatever it is that one might want to call it. So I think, all in all, it is a positive amendment.

I would like to get a little bit more clarification on a couple of the things, on the WHEREASes, but before I comment more on this particular amendment, Mr. Speaker, I did want to make a generalization about the number of amendments we are actually receiving in regard to Bill 22. It is an abnormal number of amendments that are being brought forward. You know, the minister responsible for Bill 22 is somewhat of a veteran of this Chamber, and I am sure he would acknowledge that this is a large number of amendments. I would suggest to you, Mr. Speaker, that—*[interjection]*

Well, this is a minister who has some experience. I can tell you I did some rough calculations on this, and I figure with these amendments, I believe we are allowed 15 minutes of debate on each amendment. If I was to do the type of homework that I could do and research each and every one of these amendments, it would take me quite a while, I must admit. You know, it would take me six hours to be able to go through all of these amendments.

When I stopped and I thought about the six hours, I can recall back in 1989 when Jay Cowan was the Opposition House Leader and he sat—*[interjection]* That is right, the former Speaker is very much aware—in the back here. He kind of trolled. I believe he spoke, Mr. Speaker, for somewhere in the area of between five to seven hours on final offer selection. I was quite taken aback, but I thought this is a member who is really doing his homework, and I feel a challenge here. I feel there is a need for us to do our homework on this

and to be able to make comments on the different types of amendments that are being brought forward.

We have amendments coming forward from all three political parties. You have government amendments; you have official opposition amendments. Even the Leader of the Liberal Party has brought in amendments. There are 24. With this one, that is now 25 amendments. One has to wonder where it is going to end. How many amendments are we going to see, because the other day I believe it was the government that was looking for leave to bring in more subamendments or amendments.

I am concerned, given the importance of water protection. The Premier (Mr. Doer) a while back acknowledged that water as a resource is really important to Manitoba, and we are going to set up a ministry, and that ministry is going to be responsible for water. It is a wonderful thing. I acknowledge the importance of water.

Was it Donald Trump? Donald Trump now has recognized the quality of water that Manitoba has to provide. In fact, we now have Donald Trump selling, I believe it is called Trump Ice, Mr. Speaker, at least according to one of the newscasts, where we are going to have Donald Trump selling Manitoba water in Canada and in most parts of the U.S. Why? Because he has recognized and he has stated that Manitoba has the best water in the world.

So the Premier has done something which Donald Trump has recognized, and that is he has recognized that water is very important. It is a great resource that we have in the province, Mr. Speaker. So when we have a minister that is appointed and taken on the responsibility now of managing our water, I think it behoves the minister responsible to be very careful with the way in which he brings forward legislation, to look at the types of things that he is doing in order to protect that valuable resource that we have. I think the opportunity to see this in industry, as Donald Trump has recognized, expand is actually very, very good, but we have to protect our resources.

I look to the Minister of Water Stewardship (Mr. Ashton) in terms of making sure that he does his job. When I look at the number of amendments to Bill 22, I am really beginning to wonder if the Minister of Water Stewardship is doing his job. You look at this amendment, Mr. Speaker. It is not just a one-

sentence amendment. This is an amendment that deals with substantial WHEREASes. It recognizes—*[interjection]* That is the point.

A member of the opposition has taken the time to come up with this particular amendment, and it is substantial. This is not something that is just fluff that you can just blow in the wind. Obviously, he has put in a great deal of time in coming up with these WHEREASes. One has to question where has the government been on these issues that the member from Emerson has pointed out.

Technically, you do not go through the very specifics, Mr. Speaker. You talk about it in principle. You go from (a) to (g), there are probably about 10 or 12 WHEREASes that are highlighting very important components to the legislation. One has to ask the question why is it that we are seeing this amendment today. I am beginning to think that maybe the Minister of Water Stewardship has really dropped the ball here. If you see two or three amendments, well, you know, those kinds of things happen, but twenty-four, twenty-five amendments, amendments of this nature. If we were to—

An Honourable Member: That is allowed.

Mr. Lamoureux: Yes, absolutely. Well, amending a federal budget can be a positive thing, and I have gained a lot more respect for Mr. Jack than I have had in the past. He is emphasizing a lot in terms of the environment, which is good. But we were in here yesterday talking about highways and how much we want to see more highway money coming from Ottawa, and I wish Jack would have talked more about money for highways, too. Anyway, that kind of takes me off topic.

The issue here is just the amount of effort in energies and resources that the member from Emerson would have put in, in terms of this particular amendment. I look to the Minister of Water Stewardship (Mr. Ashton), Mr. Speaker, to address these. I am very much interested in what he feels about these WHEREASes and why it is that he would not have included them in his bill.

* (15:20)

Is the minister in fact open to including, if not all, some, maybe even some modified—like I say, the very first one saying 98 percent of people in

Manitoba now live in urban centres. Well, Mr. Speaker, I would be surprised if it was that high. Having said that, I do think that the Minister of Water Stewardship at least should be taking these amendments, going through them thoroughly, respecting the efforts that members have put in, in terms of bringing forward these amendments and then coming back and either accepting them or rejecting them with a good explanation, because he has a whole lot more resources than others have in dealing with issues of this nature. I would be very much interested in knowing what it is that the minister feels, but I want to make a suggestion to the Minister of Water Stewardship.

There may be a shortcut for the minister if you take a look at the number of amendments that are there today. It might be better for the minister to actually request, through leave, that we bring this bill back to committee, Mr. Speaker. I think, you know, when you get this number of amendments being brought forward, that we are really not doing a service to the Chamber to have to debate so many amendments because there are so many more limitations.

As an example using this amendment, Mr. Speaker, if we were in today and the member from Emerson introduced this amendment in committee, I would be able to ask the minister questions or the member from Emerson questions in regard to this amendment, and equally, so would the Minister of Water Stewardship. I think that is a healthy process. I believe, if a member brings forward amendments and there are questions that could be asked to help educate all members of this Chamber, that we should in fact be encouraging that.

That is the reason, when I look at this particular amendment, Mr. Speaker—to be honest I have not gone through all the other amendments. I will be going through, if not most, I am sure virtually all amendments because I am not too sure in terms of if I will in fact be having to speak on all of these amendments, but I can tell you that if I do end up speaking on all these amendments, as I say, that calculation, you are talking about six hours potentially of debate if there are no other amendments being brought forward.

As opposed to debating those issues, what might be more appropriate is that we should be sitting in the committee room going through these amendments one at a time. Let the people that have

introduced the amendments reintroduce them in the committee stage, allow for individuals such as myself to be able to pose the questions that we might have in regard to specific amendments so that we can seek the answers that we require when we are in a better position to be able to say whether or not we support the amendment or not. It also affords us the opportunity, based on an amendment that has been brought forward, to question the minister responsible on that particular amendment.

I think that is a healthy thing. Now, because we are in report stage, much like in second reading, you know, I guess if one was to ask for leave and maybe at the end of my discussion, Mr. Speaker, I could ask for leave to see if in fact I would be able to ask a question of the member from Emerson, but if we were in committee that would not be a problem. By being able to ask those questions I think that it would be that much more favourable for us to be able to make a judgment on whether or not it is a good amendment or it is an amendment that needs to be changed itself or it should be taken off completely.

Now, if the Minister of Water Stewardship (Mr. Ashton) finds, and he gets his staff to review all of these amendments, he might find that it is better just to withdraw Bill 22 in its entirety and possibly reintroduce the bill, Mr. Speaker. That is something which he might have to consider because you know, as I say, it might be a quicker way of doing it, but it would be helpful, if the minister is thinking of doing that, to give us some sort of an indication in terms of which amendments he is looking at redrafting into the legislation that is currently there. By doing that, obviously what we want to do is avoid this sort of a situation happening again. That is really what we want to try to avoid because it is much better for all Manitobans, not just MLAs, that if, in fact, it is done in a process that allows for that two-way feedback that allows for the public to be able to provide input.

Mr. Speaker, we have a wonderful process in Manitoba. We say, after second reading, it goes to committee. Once we are in committee, what happens? The public gets to make presentations on that. Well, when you have 24 amendments coming forward, I suspect you might have a lot more interest from the public's perspective in regard to these amendments. We are foregoing the process.

What could end up happening is a minister—I understand that I have run out of time, Mr. Speaker.

As an example, I would request from the Chamber, if I could have leave just to pose one question to the Member of Emerson.

Mr. Speaker: Order. Does the honourable member have leave to pose a question to the honourable Member for Emerson (Mr. Penner)?

An Honourable Member: No.

Mr. Speaker: No? Okay.

Mr. Gregory Dewar (Selkirk): Mr. Speaker, I move, seconded by the member from Minto (Mr. Swan), that debate be now adjourned.

Motion agreed to.

Introduction of Guests

Mr. Speaker: Prior to recognizing the honourable Member for Emerson on his next amendment, I would just like to draw the attention of honourable members to the public gallery where we have with us from the Reston and area seniors group, Seniors Helping Hand of Alstone Inc. under the co-ordination of Keri Vinck. This group is located in the constituency of the honourable Member for Arthur-Virden (Mr. Maguire).

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

* * *

Mr. Penner: I move—

Mr. Speaker: Order. If the honourable member is moving an amendment, could we just hold off until we get the amendments out to all the members please, and then I will recognize the honourable Member for Emerson.

Mr. Penner: I move, seconded by the honourable Member for Lakeside (Mr. Eichler),

THAT Bill 22 be amended in Clause 1(1) by replacing the definition "nutrient" with the following:

"nutrient" means a substance or combination of substances that, if released in any waters, provides nourishment that promotes the growth of aquatic vegetation.

Motion presented.

* (15:30)

Mr. Penner: Mr. Speaker, this amendment is relatively self-explanatory in that it describes fairly well what nutrient really does.

I want to say to the Assembly here today the reason I put this forward. I read the federal definition of nutrient and researched what they had put in the federal act for nutrient, and then I compared it with the meaning of nutrient in the act as it is currently drafted and proposed by the Minister of Water Stewardship (Mr. Ashton). The Minister of Water Stewardship says in his definition of nutrient, "Nutrient means an element with nutritive value, including nitrogen and phosphate, that, if applied to land excessively, as a result of human activity, interferes or may interfere with the normal functioning of an aquatic system." The point I make is if that definition is allowed to stay, that definition to me clearly spells out that as long as nutrient is applied to land and the nutrient stays there, nothing changes.

I would propose that the definition of nutrient as it currently stands in the federal water act would be, to me, a lot more meaningful in being able to deal with clean water and water issues all across our province when we look at defining nutrient. Therefore, the meaning, which is a substance or a combination of substances, without naming them, but any substance, for that matter, that would promote or be released into water first of all, and then promote the nourishment and the growth of aquatic vegetation, to me is a lot more descriptive in dealing with water matters and how we should deal with water matters and how those matters should be defined. I think whoever drafted, first of all, the federal definition should be given some credit because it is a fairly brief description of how nutrients, in fact, affect growth in waters whether they are shallow waters or deep waters or those kinds of things. If there are absolutely no nutrients in a pool of water and there are no nutrients in the bottoms of those clean waters, then there will be no growth.

The point I want to make here, Mr. Speaker, is that we need certain elements of nutrification in our waters anywhere if we are to expect that there be proper fish species or aquatic species or aquatic vegetation, which fish species and other aquatic

creatures that rely on waters and the content of waters to be able to feed on. So I would suggest that this amendment I am proposing should be considered because not only do our fish and other wildlife depend on aquatic growth—take our moose, for instance. Moose are notorious for browsing in shallow waters and feeding off the aquatic vegetation that grows in those shallow waters, and they must have that to be properly nourished and to feed their young.

So I say to you, Mr. Speaker, that I hope there will be some acceptance of changing the nutrient, based on this amendment, to the version that the federal act uses. That will, I think, then allow us to scientifically do the analysis of how much nutrient is required, No. 1, to keep our marshes growing at the edge of many of our lakes.

Lake Winnipeg is notorious for having some very large marshes in some of the area. I always call them the natural filtration systems of a lake, and I believe the bottom growth or the edge growth in a lake contributes in large part to cleaning up the lake, to drawing the nutrients from the lake, causing the kind of growth that will sustain life and many other aspects of life. I believe our deer, our moose, our elk and all our wildlife could not exist if we did not have water and water bodies.

I am somewhat amazed sometimes when we, you know, having been a farmer all my life, I have farmed all my life, having raised cattle and having raised many other livestock species, how dependent that livestock is on water.

Then when I look at our great expanses of Prairies and I look at the great expanses of water bodies such as Lake Manitoba and the 10 000 other lakes that we have in the province of Manitoba, I look at them and I say, "What would happen if we fenced all of them and did not allow any animals to go drink at those lakes? What would happen then to our atmospheric conditions, our wildlife and all those kinds of things? What would happen? It would die because it would not have any water."

So I would suggest that we be very, very careful how we prevent or want to prevent wildlife and other live animals from using the natural supply of water that the good Lord has put there for their use. Will a little bit of effluent these animals sometimes leave behind, will that damage the lake to a great degree?

When I watched David Suzuki's show not too long ago, when I last watched a David Suzuki film, David Suzuki described how the fish species depended on geese and ducks to defecate in the lake, and that the fish would use that as feed. If it were not for them, the fish would not be properly fed, or they would not have the proper nutrients. I say let us be very careful before we meddle with Mother Nature.

The second thing I want to say about nutrients, Mr. Speaker, is that when I started farming and I am going to date myself here, but when I started farming in 1960, in 1967 we started soil testing. Most of my neighbours, the minister might be interested in knowing this because he talked about the need for soil testing. I will say to the minister today that most of the farmers I know soil test. Do you know why they soil test? For two reasons, to ensure they maintain over the long life of their farm a proper nutrient value in their land base.

When we started soil testing, we were told by the scientific community at that time, if you keep on farming the way you do now without adding any fertility products, and we did not at that time except the odd load of manure, that stoneboat of manure we would haul out to the field in the winter and spread around. We put them on the alkali spots where nothing else grew, and then within a few years it started growing again. But they said if you keep on farming the way you are farming, you will deplete your soil to the point where nothing will grow on your farms anymore.

That is what the scientific community said at that time. So we started putting on fertilizer. Now at the price of fertilizer today, Mr. Speaker, around between 35 and 40 cents a pound, how many pounds an acre of excess fertilizer, phosphate for instance, or nitrates will a farmer apply at those costs? I say to you, there will be nobody that will even apply one more pound than the plants he grows on that farm will use because they cannot afford it.

There are very few farmers today that inadvertently or otherwise apply an excess of fertility products on their farms. Anybody looking at those farms today would say that they are indiscriminately applying bunches of nutrient material to those soils which will run off and degrade our water quality in this province, and I think it is being irresponsible from an economic standpoint, as well, as a realistic standpoint. Economically, those farmers cannot

sustain their operation if they do that. Secondly, no farmer that I know of would willingly try and degredate the environment that he or she absolutely depends on to make a livelihood.

* (15:40)

They need the water. Farmers need cleaner water than most people think in order to maintain their livestock herds. If they have not got good, clean water, their livestock simply does not exist. It becomes sick and it dies. Too many farmers in past years, decades ago, found that out. They very quickly learned how to clean up and ensure the water on their farms would remain clean and pure.

So, Mr. Speaker, for that reason, because this is a much broader based definition, I would hope the Assembly here would see fit to accept and adopt this amendment as a betterment of the bill.

Mr. Lamoureux: Mr. Speaker, I, too, want to take this opportunity to speak on the amendment. I do it with some reluctance in the sense that it is a fairly straightforward, simple amendment that is being brought forward by the member from Emerson. I suspect if the Minister of Water Stewardship (Mr. Ashton) were to stand up and say, "This is an amendment in which we support and we will accept it as part of the legislation," I feel then that I would not have to stand up and add comment on this. So I look to the Minister of Water Stewardship, and if the indication is that the government is prepared to accept this amendment, then I would be more than happy to sit down and allow us to go on yet to another amendment.

Having said that, I see the minister is not too sure in terms of what it is that his position or the government's position is on this amendment. I look at it, and you know, this is the first chance I have had to see it. We all know the importance of definitions. It does not take too much to get a good appreciation just on how important definitions are. Virtually all pieces of legislation that become law, Mr. Speaker, you will find that a part of that law, they have definitions. Definitions are a critical component to all legislation we pass. When we talk about the nutrients, you are talking about something that is very important. You want to make sure that we are very clear as to what it is that we are talking about.

Mr. Speaker, a lot of people, when they go out for those rural strolls or those that are privileged to

be able to live in rural Manitoba, will attest to the natural beauty of walking through and seeing nice, clear, clean, crisp streams of water in which you can virtually put your hand into and take a drink of it. The member from Emerson talks about the wildlife and how the wildlife relies on that water.

Mr. Speaker, I think we have to review some of the past, some of the things that have actually happened. I recall one of the Question Periods we had in which the Leader of the Liberal Party brought up Kississing Lake. A number of us will recall, at the time my leader was trying to emphasize the urgency of dealing with what was happening in that lake. What we had was water that was virtually turning red.

The question of nutrients and what is causing this to occur, I think, is there, is very real. That is something which, you know, I say for a lot of us, we take it somewhat for granted because we do not have the level of expertise. Whether it is my leader or the member from Emerson, who I have heard on a couple of occasions talk about the water, not only inside this Chamber—we had an opportunity to visit some bureaucrats in Washington and lobbyists, and he talked a lot about the importance of water in agricultural land usage.

I do not want to profess in knowing as much as, whether it is my leader or the member from Emerson in terms of the details and the background knowledge they have, Mr. Speaker. I suspect I am closer to the average person who sees a creek and says, "Well, it's either clean water or it's dirty water. I do not know if it is safe to drink, or no, absolutely, do not drink that stuff."

Understanding the details of nutrients and the roles nutrients play in the longevity of a stream or the clarity of the water, which water is best to swim in, which water is not safe to swim in, as I say, I do not necessarily have that level of expertise, but I recognize the importance of it. That is the reason I feel it is important to be able to speak on this particular amendment. It is interesting to contrast the two amendments so far that have been brought forward by the member from Emerson.

The first one, Mr. Speaker, dealt in great length, with many different WHEREASes. This one here is very simple and straightforward. Both have tremendous merit. One can look in whether it is a

dictionary—I had one member that provided me a dictionary. I can tell you the best dictionary I have is Google, and that is not to promote Google, but, you can go on to—and I just did as someone has pointed out. Whether it is Google, Yahoo! or whatever it might be, there are many search engines that are out there that you can just type in a word and you will get a litany of definitions.

An Honourable Member: Adscam.

An Honourable Member: Gomery.

Mr. Lamoureux: I will stay away from some.

I am a little selective in terms of what I say. If you type in the definition, what you will find is that there are great variations on virtually any and all words, at least the words which I have typed in. It is always interesting if you have not done that. Traditionally, people would go to a dictionary and open up the old Webster dictionary, the common dictionary, and say, "Well, here is a definition, and how do we fit that definition in." For example, I was provided one and it is the Oxford dictionary. If you read what it says in terms of nutrients, "any substance that provides essential nourishment for the maintenance of life. An adjective serving as providing nourishment. Latin"—well, I will stay away from the Latin portion. Having said that, you know, it is important. Here is a dictionary, here is what one dictionary says about nutrients, Mr. Speaker.

Well, I suspect if I went into an engine, an Internet search engine on definitions, I would be able to add another ten, fifteen definitions easily to it. I suspect, and I do not know where this minister got his definition, Mr. Speaker, and that is, I think, a good question. If I was the minister, where would I go? Well, I would do a little bit more than the Google search. I would probably do a little bit more than the Oxford library dictionary. I would be inclined to be a little bit more thorough because of the impact and the importance of this issue to all Manitobans.

We have been blessed to have such great quantities and quality of water in our province. We really and truly have been so let us protect that. When we talk about the protection, whether it is the WHEREASes in the amendment that was brought prior to this one or this one here, Mr. Speaker, where it talks about the importance of nutrients, I want to

be able to drink the good quality water that Manitobans had years back, and I want my children to be able to have good quality water well into the future.

What did the minister do in terms of coming up with the definition? We do not know, Mr. Speaker, and, again, if I was in committee, based on this particular amendment brought forward from the member from Emerson, I would say to the minister, where did you get your definition from and what do you think in terms of the member of Emerson's definition, and hear what sort of response.

As someone says, "too late," and I will not quote the person that said "too late," but that is an important point to be made. We are too late for that process. We are too late for that. We do not have the opportunity to say to the Minister of Water Stewardship, "You have this definition. We have another definition over here. Which one is really better for Manitobans?"

* (15:50)

We do not have that opportunity because chances are, and I do not have my bill summary, but I know I will get another opportunity because there are another 20 amendments I have to speak to, but in that bill summary, it will tell you when we brought in the bill, when the bill went to committee and how long it stayed in committee. I suspect we probably rushed it through a little bit too quickly. That is probably what happened here, given the number of amendments that we have.

As a result, we have all these amendments coming forward, and they were too late to ask to the Minister of Water Stewardship (Mr. Ashton), "Where did you get your definition from?" or to compare the definition that is being provided by the member from Emerson. I applaud the member from Emerson. I acknowledge all efforts of members that take the time and energy and use what resources they have to bring forward amendments to this Legislature, because I know it can be very difficult at times, especially to get leave inside the Chamber to be able to do something of this nature. I appreciate the minister allowing for leave.

I am a suspicious type of guy at times. I suspect leave was granted because he might have more amendments to be brought forward, so it is like a

quid pro quo. We will give them leave; in return they have to give us leave type thing, but that is making an assumption, and I will not go there. Having said that, I am interested in knowing from the minister. Again, if I had the opportunity to ask through leave at the end of my speech, the question I would ask, because I realize last time I suggested this, the leave was denied, but the question I would ask, and I would suggest that the Minister of Water Stewardship (Mr. Ashton) should kind of take note of this, and that is, where did he get his definition from, and what problem does he have with the definition that is being proposed in this amendment from the member from Emerson?

I would think, without closing debate, of course, that the Minister of Water Stewardship would do the Chamber a favour if he took the time to answer those two questions. I will require and I will ask for leave to ask those questions at the end of my speech because I have already put them on the record, and I noticed that the Minister of Water Stewardship made a mental note of the questions that I posed. I only hope that he will stand up after my comments, and he can answer those questions. I am sure, if he wants, he can even add more to it.

I would welcome the minister to start talking about these definitions. You have the member from Emerson's definition, you have the minister's definition and we also have federal legislation. Sometimes you do not have to recreate the wheel. I can recall the member from Steinbach and there are others who have often said that no one owns a good idea. If you have an idea, let us share it and let us talk about it. I suspect that there is federal legislation. There is a federal act. I believe the member from Emerson made reference to that act. I believe he made reference to the act, and in that act, chances are you will likely find another definition.

I would be interested in knowing from the minister, and I guess you can chalk this up as question No. 3: Has the Minister of Water Stewardship (Mr. Ashton) actually seen the definition, if in fact there was a definition in the federal legislation? So—
[interjection]

The guy that saw that Sasquatch is going to make a lot of money.

An Honourable Member: You have 30 minutes on your speech, Kevin.

Mr. Lamoureux: No, there are only 15 minutes now.

My time is running out, and they are kind of taking me off track. My question to the Minister of Water Stewardship (Mr. Ashton) is has he in fact seen what the definition in the federal legislation was. So now he has things that he can compare it to. I really and truly would like to hear what the Minister of Water Stewardship has to say. He can take a look at the piece of paper that has been provided, the amendment from the member from Emerson. He can get the dictionary from the Clerk's table and open that one up. He can open up his own piece of legislation and see what is there.

The member from Carman is very much a high-tech MLA, and I am sure that if the member from Thompson were to ask, the member from Carman would likely provide some sort of definition based on a Google search or a Yahoo! search in which, Mr. Speaker, the minister then can put that list down in front of him and he could make an educated decision on which would be the best definition in defining a nutrient.

Is it worth it, Mr. Speaker? I believe it is worth it. I believe it is worth the effort of the Minister of Water Stewardship. to do that. I say that because we all recognize the importance of water. We all recognize the importance that nutrients play in ensuring that quality is there. You know there are things that you learn if you are inside the Chamber and you listen to what some of the other members have to say.

You know I had no idea about the birds and how the birds actually feed our fish in part. Well, you know that is important because like many Manitobans I—

Mr. Speaker: Order. The honourable member's time has expired.

Mr. Dewar: Mr. Speaker, I move, seconded by the Member for Wolseley (Mr. Altemeyer), that debate be now adjourned.

Motion agreed to.

Mr. Penner: Mr. Speaker, I want to move, seconded by the Member for Carman (Mr. Rocan),

THAT the Bill 22 be amended in Clause 11(1)

- (a) *in Clause (b)(iii), by adding "including their maintenance to ensure that good productive agrarian land management practices are encouraged for future food production capability," after "infrastructure,"; and*
- (b) *in Clause (b)(vi), by adding "to ensure clean potable water to all Manitobans," after "water,".*

Mr. Speaker: It has been moved by the honourable Member for Emerson, seconded by the honourable Member for Carman,

THAT the Bill 22 be amended in Clause 11—

Dispense?

Some Honourable Members: Dispense.

Mr. Speaker: Dispense.

Mr. Conrad Santos, Deputy Speaker, in the Chair

* (16:00)

Mr. Penner: Mr. Speaker, again, in this section of the bill in clause 11, you know, the water management plan, I think, is a very intricate part of any kind of act that would allow for proper identification, proper planning of watershed basins to ensure that actions were taken to: (1) create an economic climate; (2) ensure that we have the economic capability to provide a sustainable kind of an ecosystem; (3) a sustainable kind of an agrarian system in this province, which this province of Manitoba largely depends on for its support for the human population. Indeed, many of the wildlife species and others depend largely on how the agrarian community conducts its business on the landscape.

I found it interesting that this clause deals with the restoration of water, aquatic ecosystems and drinking water sources, yet pays very little attention to the actual areas of this province which totally depend on water. If we do not have water on our farms, there is no production. There is no production of food for the animals. There is no production of food for the birds. I think this spring, when I looked at our farm, it was an absolute example of how dependent wildlife is on a good agrarian practice and

community, the production and what is left on the land. It reminded me, Mr. Speaker, of some of the verses in biblical scripture where it says a good farmer leaves something on the land to ensure that God's creatures have sustenance, and without proper water supply, it is not allowed. It cannot happen.

Without having water in our ditches, streams, in some of our sloughs on our farmland, those millions of geese that this year stopped at our farm, and I have never seen anything like it in history as long as I have lived on that farm, that we saw this spring, Mr. Speaker. We virtually had so many geese stop in at our farm that when I drove to town in the morning, the road was actually slippery from the droppings the geese had put on. I think they must have been massed on that road because probably black dirt was probably a bit warmer during the night than the rest of the field, so they parked themselves on the road. You should have seen, we would call it a mess that they created on this road. It reminded me of how important that cornfield they came off and that puddle of water in the middle of the cornfield was to the survival of that huge flock of geese that was sitting there. There were not only quarter sections that were totally white, there were sections of land that were totally covered in bird population with geese, ducks, swans and you name it. It was astounding, but it was a true pleasure to see.

Those of us that make our living on the land took some comfort, and it warmed our hearts when we saw this. We said that we sometimes take for granted what we do. Sometimes we complain and all sorts of things about that we cannot make a living on our farm, but when I saw the contribution, Mr. Deputy Speaker, that farm community made to the esthetics of our environment and the contribution they made to the environment, it pleased my heart.

I say to you that sometimes we just overlook those kinds of things. Sometimes we just take them for granted. The 200 deer that fed early this spring on my farm on a cornfield that had been worked down because we could not harvest it last fall—there was a lot of corn there, but it was mouldy and our domestic animals, we were told, could not use this as feed. So we worked it down. It could not be sold.

But the wildlife went and picked the good stuff out of it, and fed on this. I would not be surprised, Mr. Deputy Speaker, that we would see a lot of baby deer out there this spring. Those mother deer were

well fed throughout the winter because of what we left in the field last fall.

I make that case, and that is one of the reasons that prompted me to propose the amendment for this bill in this section, because we so often forget or we so often become critical of those farmers that we see out there with their big, huge machines working the land as if nobody else matters.

We look at them and we say, "Oh, they must cost hundreds of thousands of dollars and these must be very rich people."

Well, Mr. Deputy Speaker, it is true. Those machines do cost hundreds of thousands of dollars, but it also takes hundreds of thousands of dollars to pay for those machines. Somebody that builds those machines is employed and contributes to the economy.

They might live in this city, they might live in other cities, but we very often do not make the connection of how interdependent we have become with our urban neighbours and our urban friends, and how closely tied our economic existence and our total environment is dependent on one another. I only mention the geese to demonstrate how dependent that wildlife is on that farm. I only make the connection of the deer because how dependent that deer is on the food raised on that farm.

So I am dependent, and our tourism industry is dependent on ensuring that there will be proper sports fishing on our rivers and lakes and streams, that our rivers and lakes and streams will be of such quality, the water will be of such quality that they will raise a good fish population. Otherwise, the large number of people coming here from south of the border to fish our waters and enjoy and spend money would not support the hotel industry that is dependent, and employs many of our young people during the summer months in the tourism areas. It would not be there.

So we, as farmers, are probably as or more cognizant of the need to ensure that our environment is maintained in such a manner that we can leave as a heritage to our children, our grandchildren, and their children that land base that will allow the geese to come back, and the deer to come back and the fish to swim in our rivers and streams for generations to come.

If we do not do it, if we, the stewards of the land, those of us that are farmers and stewards of the land, if we do not do that, then nobody will be here. Because this city of Winnipeg or any of the other cities simply cannot survive without the food producers that we depend on when we go to Safeway or Superstore or any one of the other stores to buy our food supplies for the coming years.

That is the interrelationship that, I think, needs to be tied into this bill, and that is what this amendment really does is recognize it, ties it in and becomes inclusive, and that is why I have moved this amendment that I hope that there will be support for the inclusion of this amendment to this bill.

Mr. Lamoureux: I, too, wanted to put a few words on the record in regard to this amendment. Again, I appreciate the member from Emerson bringing forward the amendment. It is an amendment in principle when you look at it and you have the first read and get a better understanding through his comments that I suspect we could be very supportive of the amendment.

* (16:10)

In the last two amendments that the member brought forward, there were a couple of points that I, because of time restrictions, was not able to make. One of them was dealing with the third reading—I should not say third reading. The first one was in regard to the natural process of bills and how bills would go through the second reading and then ultimately end up in committee stage. At committee stage the public then would be afforded the opportunity to add comment. I believe that was where I ran out of time on the first amendment I had talked about, Mr. Speaker. Once again, I find myself wanting to reinforce that particular point because of the amendment that has been brought forward by the member from Emerson.

Mr. Speaker in the Chair

As I say, on the surface it looks like it is an amendment that is very positive. Why would one not want to be more all-encompassing and have a broader appeal? It would seem to make sense. The words that really stand out, and I would quote, "Good, productive agrarian land management practices are encouraged for the future." I do not understand why someone would say no to that. By

having it in the legislation, you are encouraging and you are making it that much more inclusive. That is why I would think it would be a positive thing.

Mr. Speaker, if we were still at that committee stage and this was, in fact, already incorporated into the core legislation, you would find, I suspect, that there would likely be no resistance, if any, to a clause of that nature if it was actually a part of the legislation itself. If there were individuals or groups that would have felt offended by it, they would have been again afforded that opportunity in second reading, I mean in the committee to be able to express that.

The reason why I bring that up, Mr. Speaker, is because I think periodically I need to suggest and remind the minister as to why it is I feel it is important that I stand up and I comment on not only this amendment but the other amendments. It has a great deal to do with just the process we have engaged in, in trying to pass what I believe Manitobans would recognize as a very important piece of legislation and the manner in which it is actually being dealt with. If we—*[interjection]* That is the second point, and I will get to the second point in about five minutes.

Mr. Speaker, that is, in essence, what offends me more than anything else, that the government, because of just the sheer number of amendments we are dealing with, has really precluded a lot of potential participation from the public and comments from different groups, organizations, individuals in regard to amendments. If we were only talking about two or three amendments, it would be quite different.

This is an amendment which I suspect would have wide support. I cannot see anyone necessarily opposing it. Again, I would look to the Minister of Water Stewardship (Mr. Ashton) and say to the Minister of Water Stewardship why would he not see an amendment of this nature acceptable. As members put in the time to bring forward these amendments, I think it would be great to see the minister stand up after they have introduced the amendment and give comment on it. I know it would help facilitate individuals such as myself in being able to give an opinion or even to decide not to stand up, if we know what it is that the minister is actually feeling on the amendment itself. Are there parts of the amendment the minister would feel offended by? Is this not incorporated in some other fashion, in a very tangible

way, of the legislation that is there? Or did the minister feel that this is something that is quite acceptable, and because of the way in which the legislation was brought in, you know, it is more of a hindsight thing. The government would have brought it in if they would have been afforded more time to be able to come up with the legislation so it did not require the types of amendments that it has.

Mr. Speaker, this is what we have really given up on is that input, both from opposition members and from the public, because it is, indeed, too late. That was the other point on the first amendment that I kind of got cut off on, which is emphasizing the fact that there is no longer opportunity for the public input.

When you are dealing with amendments of this number, we are losing out by not allowing for it to be discussed unless, of course, the minister were to stand up and say, "Well look, this particular amendment and other amendments."

There is not only from the official opposition, you also have amendments here from the Manitoba Liberal Party. If this minister says, "These are just not amendments that we can support and we find that they are all more political and so forth, and so on," well, stand up and say so. If you feel these are amendments that have merit, well, then, as I say, maybe what we should be looking at, as opposed to having the amount of debate and discussion, is to have it go into the committee.

The second part, Mr. Speaker, that again because of the time restrictions that I was not able to comment on, was the benefits of being able to listen inside this Chamber, and gain knowledge from individuals that have knowledge in areas in which we might not necessarily be as familiar with.

The example I was using, at the end of my comments at the amendment, was in regard to the birds. We are talking about the nutrients that are in water. Like many Manitobans, every opportunity I get, I love to go out and enjoy Manitoba's lakes. I often would see birds, seagulls, all sorts of birds and their droppings, if I can put it that way. I often wondered, would that not make the water that much more unsafe. Does it kill the water? These were issues, not only for myself, but I suspect many other Manitobans would think.

That is why I appreciated the citation from David Suzuki saying that these bird droppings, if I can put it that way, are actually healthy to the environment because it is something in which our fish will, in part, feed upon.

Mr. Speaker, as much as the bird droppings might offend a lot of Manitobans, I can assure you there are a lot of Manitobans that love fishing, and I am sure that they could put up with the bird droppings in favour of having fish and more fish. That is just from a selfish, personal opinion. If you bring in the environment to the issue, David Suzuki has raised environmental issues in a very passionate way. Sometimes some might be inclined to disagree with his comments, but I think, in most part, he speaks from the heart and brings these issues to light to educate people, and I found it exceptionally informative.

So that was the other part of what it is that I wanted to comment on. It is the fact that through amendments or through a debate in general, quite often you will pick up on things that you will be able to learn something from. I think that is a positive thing.

* (16:20)

This particular amendment when we talk about management practices, Mr. Speaker, whether it is the water management or land management, and the two of them do go hand in hand. You cannot talk about water in the province of Manitoba and not talk about land management. It is very impressive the way in which the agricultural community, in particular our farmers, have really gone the extra mile to ensure that, through proper land management, the damage to the environment is minimized or marginalized.

Is there still room for improvement? I suspect so, but over the years we have seen just tremendous leaps forward, and we all owe a deep amount of gratitude for our farming communities as they have protected our environment in most part and provided food for the world.

I have had drives, as I am sure many of you, all members of the Legislature in rural communities, in particular in the fall time where you will see the huge combines. I remember one evening very clearly where it looked like there were about 20-25 huge, bright floodlights off in the field, and we just pulled

over, Mr. Speaker. As it got closer you, could see it was just a line of grain harvesting machines. It was very impressive to see all of this wheat being gathered in such a fashion that it is in essence feeding people throughout the world.

We recognize the value that has, Mr. Speaker, not only to Manitobans, but to the world. It is so impressive to see. It would be wrong for us not to be thinking about the environment while we see things of that nature occurring. What you see in a vast majority of our farmers are very caring and compassionate individuals. As the member from Emerson himself indicated, there is always the leftover and one could go from a biblical source and talk about the leftovers and how indirectly there are so many other additional benefits by that.

These are the types of things which farmers do on an ongoing basis because they are, in fact, caring people. They recognize the importance of the environment. That is why you look at this amendment, Mr. Speaker, and unless the government is offended by it, and if they are offended by it, they should tell us why, but if they are not offended by it, then we should accept it. Why would we not want to include making a positive suggestion in legislation? That is the feeling I suspect a vast majority, if not all, farmers would have. What we are really doing is sharing in terms of what it is that as a community we all expect and accept.

That is why when I look at this amendment, I see it as an amendment in which one can support the idea of management practices as a very positive one, Mr. Speaker, and I would like to hear from the minister directly. Unless, at the end of the day, the minister is thinking of pulling the amendment or going back into committee stage or something of that nature, I would really ask for the minister to address these amendments as they come up or give clear indication in terms of what his intentions are in regard to these amendments.

I think it would be inappropriate and sad if, in fact, all we see at the end of the day is these amendments being quickly discarded, virtually without comment, or a minister just standing up and saying, "No, I do not support this amendment." and sitting down, and then the government, because it has the majority, saying, this amendment is going to fail.

Mr. Speaker: The honourable member's time has expired.

Mr. Andrew Swan (Minto): Mr. Speaker, I move, seconded by the Member for Wolseley (Mr. Altemeyer), that debate on this motion be adjourned.

Motion agreed to.

* * *

Mr. Penner: I move, seconded by the honourable Member for Lakeside (Mr. Eichler),

THAT the Bill 22 be amended in the part of Clause 11(2) before Clause (a) by striking out "may also" and substituting "must also contain a recognition of the need to carry out and deliver the plan with the assistance of individuals, organizations and groups of individuals, and".

Motion presented.

Mr. Penner: Again, I want to just indicate that when I looked at the bill, the way it was drafted, it became evident to me that when, in 11(2) and even when one looks at 11(1), Watershed Management Plan, and then in 11(2) in Additional Content, it initially read: "A watershed management plan may also (a) contain maps to assist in its interpretation; and (b) specify a date by which the plan must be reviewed."

* (16:30)

I always go back to when I was first elected. When I was first elected, I was charged by the then-Premier of the province, my leader, to take on the responsibilities of becoming the Minister of Natural Resources. When I became the Minister of Natural Resources, my first response was to the then-Premier, "You know, I really don't know very much about natural resources." It became, I thought, an onerous task to take on that ministry. However, once I had been there a couple of months, I recognized how closely tied I was to that department as an agrarian operator in this province of Manitoba. I had found out how closely related. Much of what we did in rural Manitoba was actually natural resource related. So I looked at this, and I also reflected on how dependent we were, day after day, on our neighbours, not only for camaraderie, not only to sit down at the coffee shop and discuss matters, but for advice.

When I look at the whole matter of planning from a governmental perspective, I said to my Premier, "You know what we should do, Mr. Premier?" I said, "We should embark upon a plan to do a land and water strategy in 1988."

If you go back to the libraries today, you will see, in written form, the land and water strategy that we proposed at that time. It was not done by myself single-handedly as the minister. Oh, I could have written a plan, or had my staff write a plan, but we did not do that.

We embarked upon a consultative process, which included at the end of the consultation, some 1200 Manitobans. Some 1200 Manitobans at various meetings and/or gatherings assisted us in drafting a plan that I said then, and I still say today, at that time we were 20 years ahead of our time because this plan was not drafted by the then-minister. It was not drafted by those minister's colleagues that assisted. The Minister of Agriculture was involved in it; the Minister of Environment was involved in it. We actually, eventually, became part of a team that worked together, but the main players in drafting that plan were the people of Manitoba. I believe we held five conferences in the city of Winnipeg, and I was amazed and astounded at the diversity of advice we got for the drafting of the plan and how intricately the people of Winnipeg and in Brandon and our large urban centres and Portage la Prairie and Steinbach and many of these smaller communities became involved and wanted to get involved. They were excited about drafting a plan that would care for our resources in years to come.

One of the main themes of that plan, after everything was said and done, was that we had made a mistake in the past in looking far too narrowly at this whole matter of environment, watershed planning. Watershed-based planning was one of the key recommendations that came out of that process.

Now, why am I saying that in making this amendment? This amendment that I just proposed, Mr. Speaker, proposes that we involve in the discussions people, groups of people. When we look at the planning of the future of our resources, we should say, "Let us involve as many people as we can. Let us heed their advice and utilize their talents to draft legislation and plans and futuristic-looking processes, not just legislation or regulations, but let us draft plans that will be of a historical nature, that

historians will, sometime in the future, be able to come to us, or maybe not even come to us, but in future generations, will say, "These legislators had the wisdom to be all-inclusive, to include society in helping them make the decision. These were legislators that did not put themselves forward as being the all-knowing and the all-wise. These were legislators that were involving kind of people, and they included. They wanted to have society be inclusive in drafting and proposing these plans."

So that is why, Mr. Speaker, I say in additional content, a water management plan should not read, plan may also just contain maps and assist in the interpretation and specify a date by which the plan must be reviewed.

I say it should be all-inclusive and we must involve our friends and our neighbours and all those that want to protect the environment and all those that want to be food producers, all those that want to be industrialists, and involve them in drafting the plan that would see the continuation of a natural ecosystem continue for many years to come, Mr. Speaker.

Thank you very much. I hope the minister will take a hard look at this proposal, and see it as an element that will add to the benefit and add to the value of this bill.

Mr. Lamoureux: Mr. Speaker, in regard to this particular amendment, if it was a minor bill in itself in debate in second reading, I would probably suggest that we would pass it going into committee and get feedback in committee. Having said that, I am not really too sure in terms of what sort of a position that I would take on this amendment. I say that because, in good part, I would like to think that the government of the day would, in fact, be doing exactly what it is that this bill is suggesting. If it is more so out of fear that it might not be done, then there is a valid argument for the amendment itself.

I know, myself, personally have had opportunity to have numerous discussions on all sorts of issues. You know recently I had a mailer that went out and I said, you know, we have a number of cars being stolen in the province of Manitoba and if you are interested in having a talk about it stop by my office at, I gave the location in the evening. I had a number of people that showed up for the meeting, Mr. Speaker, and one of the things, and you will see the

relevancy to this actually quite quickly, one of the interesting things that I saw was that I had ideas on car thefts and how we could stop it or have a better chance at preventing it, bring down the numbers. But there were a couple of ideas that were completely new to me.

You know, we had one individual for example that suggested that MPI should make it mandatory for everyone to use a club, and that if in fact your vehicle is stolen and you did not use a club, well then there would be some sort of, you know, your deductible would be at a higher premium.

You get ideas that, even though you might not necessarily agree with them, you get ideas that will make you think. I see that as a positive thing.

I make reference to just the number of vehicles that are being stolen. Well, Mr. Speaker, you could come up with endless issues and have endless meetings and have people participate, and what I ultimately believe is that from time to time, depending on the issue, you are going to find out things that you never really appreciated before. Or you think that this is an idea that would really make a difference.

I see that, again, as a positive thing. If you consult with people, you work with people, you work with groups, chances are you are going to have a better sense of what is right and ultimately just, and most appropriate, especially if you build it onto a consensus.

*(16:40)

I have argued in the past and will continue to argue into the future that the best resource that any MLA has, ultimately, is the constituents which they represent. If you can come up with the vehicle in which you can tap into ideas and thoughts through your constituents, you are way ahead of most, if not all, inside the Chamber, Mr. Speaker. I make a point of consistently trying to get thoughts and ideas from the constituents that I represent. I suspect most and, hopefully, all MLAs do likewise. Whether it is the micro-MLA, if you like, doing his job or her job, to the more macro, a government, or the in-between being a ministry, one would like to think that a minister would respond in the same sort of fashion. If you are bringing forward legislation or you are making budgetary changes, you are going to do the

right consultation. You are going to meet with different groups, meet with different individuals. Some groups have a vested interest, but because they have a vested interest does not necessarily mean you do not meet with them.

Quite often, it is critically important that you meet with groups that have a vested interest, but you acknowledge where they have that vested interest and you make sure there is a counterweight to it. So, at the end of the day, you have a very good sense of, as I say, what is right, what is more fair, what is the most appropriate thing to be bringing forward.

You look at the amendment that the member from Emerson has brought forward. In essence, that is really what he is trying to say, that we want the government to listen to individuals, organizations and groups in coming up with a plan. I suspect, you know, if you can get a few people coming out to talk about a particular issue you might send out a mailer on, and it is a relatively small issue in comparison to our natural resources, Mr. Speaker, imagine what you would get if in fact you were to legitimately in a very real and tangible way go out and approach people to provide information or their thoughts and ideas on issues of great substance.

To what degree or what other issues do we have in our province? I should not say "what." There are a few of them that are as important as our land and water or our natural resources. I suspect the minister could very easily come up with different types of forums or vehicles that would allow for input from the individuals or the many different organizations that are out there. Again, if we were in a different setting in which I could ask the minister questions—and I have attempted to do this now on a couple of the other amendments, and I will do it in a different way this time. You know, I asked once for leave, was denied the leave to ask questions, so then I just put the questions to the minister in hopes that he would stand up after I was speaking and provide answers.

I think it is important for us to hear from the minister in terms of what he feels on this issue. Does he feel the internal operations of the department are such that we do not need this brought into legislation? I think that is a legitimate question in which I would like to hear a response from the minister in regard to. Another question could very easily be, in terms of other legislation that is out there, Mr. Speaker, to what degree do we have laws

in our province that mandate things of this nature, where a department is mandated to be able to look into having consultation in law? I think, again, that is a good question. You know, how does someone like myself or MLAs, outside of party caucus discipline, bring in an opinion on an amendment or, to that degree, even legislation.

Information is gold, and the Minister of Water Stewardship (Mr. Ashton) has more access to information than anyone else inside this Chamber, with the possible exception of the Premier (Mr. Doer). There are more time constraints with regard to the Premier. So the Minister of Water Stewardship should come out and indicate very clearly the answers to those two questions I posed. I think that they are quite reasonable. I approach this amendment and I say, if it was to be voted on today, I am not too sure exactly how I would vote on this amendment.

The member from Emerson's other amendments, I suspect that we would support, because in principle they come across pretty good. Barring the minister saying no, and coming up with a valid reason as to why they are not good, I would be inclined to support this particular amendment.

I am really and truly interested in what the government's position is on it. In particular, are there other mandates of compulsory meeting, if I can put it that way, through legislation, through laws that we currently have in place that would do this, in fact, what it is that the member from Emerson is suggesting. Failing the minister responding, I would very much appreciate from the member from Emerson a possible example of where other legislation that has been passed in the past has incorporated something of this nature.

If it is something that is there in other aspects of legislation, I would think that this would be a good one to include then, as I indicated. There are a few major issues in which you will find that everyone seems to have an opinion on, Mr. Speaker. When you get issues of that nature you want to make sure that you are not going to shortcut the system and prevent people that have legitimate thoughts and ideas and want to be able to share them. You do not want to be able to prevent from being able to do that. You want to, in fact, encourage it.

I said there is more than just natural resources. I could cite health care, the importance of health care,

Mr. Speaker, as one of those other major issues. You could talk about crime and safety. One of the things that I have always found is that there are a good number of people who say, well, health care is No.1, or they will say education is No.1, or the environment would be number one. I guess the natural resources would, in good part, fall under that environment, so natural resources is one of those critical issues.

What is interesting is there are certain issues that kind of bridge, they have that underlying support. They are on the top of mind for a lot of people, even though they do not necessarily deal with it on a day-in, day-out basis. I would suggest to you natural resources is one of them, because we recognize the value of our natural resources, Mr. Speaker. Some of them are renewable, others are not renewable. I think there is an interest, in good part, that these resources are managed appropriately. If there are laws that are in place currently that have this sort of an amendment enacted in them, I would then be more inclined to support this one.

If that is not the case, Mr. Speaker, I would be very much interested in hearing why it is then we should be bringing this one here, and maybe not, let us say, incorporating it in some of the other issues like crime and safety, or legislation as an example or some of the issues in health care.

The Leader of the Manitoba Liberal Party brought in an amendment in the private member's bill dealing with health care, the issue of accountability. One could easily add something of this nature somewhere in the legislation that we have, making reference to the importance of Manitoba consulting in regard to health care, Mr. Speaker.

* (16:50)

There is just a lot of merit for the amendment, but, at this stage, as we all have responsibilities, I will confer with my leader. As we will go through, no doubt, all of the different amendments that are being brought forward from all sides—I must emphasize, all sides, Mr. Speaker—then we will make a decision at that point in time.

It sure would be beneficial in that discussion, as I am sure others within their caucuses go through, to listen to what is being said inside the Chamber and then base a decision and vote accordingly. Well, it

would definitely be beneficial for me to hear first-hand and from the minister in particular, failing that, the member from Emerson, so that when I do have the discussion with the leader of my party, I am better able to give an opinion that will ultimately determine whether or not we would support this particular amendment.

This is, I think, the fourth amendment that the member from Emerson has brought forward this afternoon. I am not too sure in terms of just how many amendments the member has. I cannot help but notice that list is getting longer.

I would think, Mr. Speaker, at some point in time, the Minister of Water Stewardship (Mr. Ashton) should be indicating in terms of what his and his government's intentions with Bill 22, actually are because I do not know to what degree you can continue to receive amendments and—

Mr. Speaker: Order. The honourable member's time has expired.

Mr. Dewar: Mr. Speaker, I move, seconded by the Member for Transcona (Mr. Reid), that debate be now adjourned.

Motion agreed to.

* * *

Mr. Penner: I move, Mr. Speaker, seconded by the honourable Member for Lakeside (Mr. Eichler),

THAT Bill 22 be amended by adding the following after Clause 33(1):

Scientific evidence must be considered

33(1.1) Before making a regulation under subsection (1), the Lieutenant Governor in Council must be satisfied by scientific evidence that the regulation is necessary and appropriate for the purpose for which it is made.

Motion presented.

Mr. Penner: Mr. Speaker, we are getting to the end of the bill, and this portion of the bill really deals with the substance of this entire bill. This bill, in my view, and in many other people's views, is basically enabling legislation. What I find most interesting is that there is not a huge amount of clear direction in this bill.

It does, however, spell out the areas of where or how this bill can be enacted, to ensure that regulations may be or can at some point in time be drafted to deal with various matters that pertain to the environment.

I really see this bill, in large part, as a bill dealing with a much broader basis than just clean water. I think this bill, if the regulations are drafted in a manner that I see possible under this bill, will have a huge effect on or can have a huge effect on how agriculture is conducted in this province, and how many other businesses that we currently take for granted are conducted in this province.

I find that when I read the sections of regulations and the Lieutenant-Governor-in-Council, what he may make regulations on, and in (a) it says: designating as an invasive species any non-indigenous organism that places or may place an aquatic ecosystem at risk or harm if it is introduced into or otherwise enters that ecosystem; then in "(b) governing, regulating or prohibiting the discharge of any other release of a pollutant into water; (c) respecting the siting and construction or operation of onsite waste water management systems; (d) governing, regulating and prohibiting the access of livestock"— and I say, "prohibiting the access of livestock to water bodies or areas adjacent to water bodies"— and I want to come back to that one a little bit later; and "(e) respecting the providing of notice of an approval of, or amendment, to a watershed management plan under section 16; (f) respecting the review of an approved watershed management plan under section 17"; and respecting "advisory boards and other entities that perform functions relating to the water for the purpose of water council coordinating rule under clause 20(c); (h) prescribing water management principles that are consistent with the purpose of this Act; (i) defining any word or phrase used but not defined in this Act;" and then "(j) respecting any other matter that the Lieutenant-Governor-in-Council considers necessary to advise or to carry out the purposes of this Act."

When you look at the governing, regulating or prohibiting the access of livestock to water bodies or areas adjacent to water bodies, that is a pretty broad-based statement, and one would wonder what this province would look like if we, indeed, fenced in every water body in this province and not allowed any livestock. I use the word "livestock" as described

in this ability to regulate as the minister has indicated.

* (17:00)

I use that in the broadest of terms, because livestock, in my view, includes virtually everything. It includes ducks, geese, deer, antelope, bears, and you name it. It is all livestock. If we are going to start governing and prohibiting the access of livestock to water bodies, then I daresay we will have embarked on the first phase of the destruction of part of our ecosystem that we now take for granted. I believe that nature has provided water bodies for the actual sustenance of the total ecosystem, and when I say sustenance, I look at our whole ecosystem.

You know, we never used to have white-tailed deer out in our area, and when I was a young boy it was rare that we ever saw even a red fox, let alone deer. We never saw a deer. Today the white-tailed deer, and there are even now some new deer around in our area, the white-tailed deer have become very prominent, as a matter of fact, almost to the point where they are an invasive species we would call them. They cause some farmers a lot of damage in the Red River Valley among other areas of the province, but I speak of the area that I live in.

We feed probably, on an ongoing basis, on our farm anywhere between 250 and 1000 deer in any given season, and we do not think much of it, but they are part of the ecosystem. What is most noticeable is that the change in the entire ecosystem has been fairly dramatic over the last 20 years. I give credit in large part to conservation mechanisms that have been driven by the general public. Those conservation mechanisms I believe have largely been enacted by the agricultural community in rural Manitoba without having any regulations or legislation pointed at them. They just did this.

We planted trees, shelter belts and all those kinds of things. You know why we did that? To stop the winds from blowing our soil away. It had very little to do with wildlife, but to stop the wind from blowing away the most precious resource we have, our land. So what were the secondary benefits of it? Well, the deer, and you know what deer bring with them? They bring wolves with them.

We now have in the Red River Valley timber wolves which ten years ago, even if you would have

said it was impossible, not timber wolves in the Red River Valley but today they are there. Bush wolves, coyotes, red fox, you name it, but one of the most prominent species that we have in the Red River Valley today we never used to see are the bald eagles and we have many of them now. They have made their homes along the Red River and have become part of what we call the ecosystem.

Have we improved our ecosystem over the past 40 or 50 years? I would say immensely. Do you know how we have done it? By talking to each other and taking each other's advice.

The farm community said back in '88-89, when I was elected that year, that spring of '88, and some of you will remember the absolute black cloud of dust that covered this city. I will never forget the day CBC had asked whether they could accompany me on the campaign trail. As a former farm leader now entering politics, they wanted to see what that farm leader would say and do and how he would respond to his so-called constituents.

Well, when they brought their cameras out there that morning, by ten o'clock that morning you could hardly see your hand in front of your face. We travelled to St. Joseph to Parent Seed, and we were going to do a bit of filming over there. It was impossible to do any filming that would have been meaningful and they left back for the city. We made the decision that spring that this would never happen again on our farm if we could help it.

You know what we did, Mr. Minister, we planted, not only did we plant trees, and we had started planting trees actually about 15 years before that, but we started planting trees again. We also did one thing, we parked our ploughs, our moleboard ploughs. For all intents and purposes we parked them.

We also did another thing. We parked our one-way discs which we used for seeding. You know one other thing we parked. We parked our intense cultivation system. In the fall of the year, we scratched our soil to give it a bit of black soil, but we left our straw on top, and we used air seeders which spiked into the soil, lifted the straw, planted the seed under the straw and put the straw back down, thereby protecting our soil.

We have had winds. The other night we had winds up to 100 kilometres per hour but there was no

soil blowing. It was amazing, and you know why there was no soil blowing? Because farmers had done their job in protecting the environment. Did they do it because there was legislation in place? Did they do it because there were regulations in place? No. You know why they did it? Because they wanted to protect the very basis of their existence and if the soil is gone, the farmers' ability to make a living disappears.

So, Mr. Minister, that is why I say to you that the clause I am proposing here should be included in this bill as 33(1.1), and it says that, before making regulations under subsection (1), the Lieutenant Governor must consider scientific evidence. The scientific evidence would say today that you need not pass laws or legislation stopping farmers from using their moleboard ploughs. Scientific evidence would show you that farmers already had done that all on their own without regulations or legislation.

I would also say to you, Mr. Minister, that in proposing this if you add this clause, the scientific evidence would show that our phosphate levels on our farm, and I speak only of our farm, have not risen or been raised over the last 40 years, by any substantive manner. We were told in the 1960s if you keep on farming the way you do, you will lose the capacity of your soil to produce. You know what we did then? We then entered the green revolution and the University of Manitoba, by the end of the sixties, had provided us with an ability to test our soils.

We started testing our soils, and in testing our soils, we found out how much we had to add to that soil in order to grow a crop, and we have done that. We have done that for the last 40 years. We have tested our soil. Virtually all of my neighbours that I know, test their soil. Not every year, every acre. That is not necessary, but I will tell you this, Mr. Minister, that if you test your soil on a rotational manner, you will find that your phosphorous level, especially your phosphorous level, remains almost constant. Your crop will only be as big as what the plants can absorb. The farmers would be silly, would be absolutely silly, if they overfertilized, or put too much phosphorous on, because the costs would be prohibitive.

Why would a farmer want to spend \$10 or \$20 an acre dumping fertilizer onto his land when he gets no return? That is silly. So I say that by introducing a clause that would satisfy the Cabinet and Cabinet

members that there was scientific evidence provided by the methods that we prescribed to in agriculture and that is prescribed by the very nature of those that the minister employs, that that would tell the minister there was a certain amount of element of nutrient that needs to be added every year in order to keep a stable nutrient level and a stable soil content. That applies to nitrates.

The minister is too narrow in his approach here. In this whole bill, the minister is too narrow in his approach because not only do we add nitrate or phosphate, we add zincs, coppers and iron and we add magnesium and we add many other micro-nutrients—

Mr. Speaker: The honourable member's time has expired.

* (17:10)

Mr. Swan: I move, seconded by the Member for Selkirk (Mr. Dewar), that debate on this motion be adjourned.

Motion agreed to.

* * *

Mr. Penner: I move, seconded by the Member for Lakeside (Mr. Eichler),

THAT Clause 34(4) of Bill 22 be amended in the part of the proposed subsection 10(3) before clause (a) by adding ", after scientific analysis," after "If".

Motion presented.

Mr. Penner: This section of the bill deals with abandoned wells, and the direction in this part of the legislation says, "Order re well abandonment or improper seal or cap." And 10(3) it says that, if the director is satisfied that, due to having been abandoned or not properly sealed or capped, water in the well or ground water in the area of the well is or may be polluted or contaminated or purely—this amendment simply would say, the clause would read, "If, after scientific analysis." In other words, if properly tested by scientific methods, a well that might be abandoned temporarily or otherwise that is not properly sealed or capped, might be deemed to pollute or have polluted water in it, could be sealed.

We agree with that, but I believe that the minister must assure the people of Manitoba that

there will be proper care taken that there will not be a sealing or closing off of wells that might, in fact, be used by people in a given area, because we do have, from time to time, wells that appear to be abandoned, but serve a very specific purpose. The minister must know this, that those wells were put there especially for instances where you have drought periods.

Many farmers or individuals, homeowners in rural Manitoba, have shallow wells. They function quite properly and provide water to those farms and/or individuals on an ongoing basis, but the minister must recognize, just because a well is not used every day, that that well might be a deep well in that area, and it might be used by many people to draw water from or pump water out of to feed their cattle in times of drought, might be hauled by tanker to farms or might be hauled by tanker into cisterns to substitute the waters that they would have drawn normally out of their wells that might have gone dry in a drought year.

We have quite a number of wells in rural Manitoba of that nature. They have been specifically placed, sometimes by municipalities, sometimes by individual farmers, and sometimes by accidents of nature, because when drilling occurred they drilled a very productive well. Then later on the farm might have been abandoned, and farmers, people in the area, now know where that well is and depend on that well when a drought year should occur.

So I am suggesting to you, Mr. Speaker, that the minister should seriously consider the words. I heard him say that this is a very meaningful one. It certainly is. It is a very meaningful one. I agree with how the minister analyzed this amendment, but he said, "There are only three words," and I said, "Yes, after scientific analysis."

I want to ensure that proper testing be done and proper scientific evidence be used before wells will be randomly forced to be closed or other drinking water supplies might be eliminated simply because somebody in the area says, "Well, this well we do not need anymore. It appears to be abandoned, and therefore we will order it closed."

That is the point. Hopefully, the minister will agree with including those three words in that section of the bill. Thank you, Mr. Speaker.

Mr. Swan: Mr. Speaker, I move, seconded by the honourable Member for Transcona (Mr. Reid), that debate on this motion be adjourned.

Motion agreed to.

* (17:20)

* * *

Mr. Penner: I move, seconded by the honourable Member for Morris (Mrs. Taillieu),

THAT Clause 35(7) of Bill 22 be amended in the proposed subsection 14.1 by striking out "The minister" and substituting "Using scientific methods, the minister".

Motion presented.

Mr. Penner: Mr. Speaker, this clause again deals with investigations re: levels and in-stream flows, and I think could have a major impact on the esthetics and the ecosystems in the province of Manitoba. Without having some absolute scientific analysis done on water content on the effects that would have, it needs the scientific evidence to ensure the longevity of the ecosystem that is contained in that water body and/or stream or flow, to ensure that we will not tinker, because of esthetics, tinker with the ecosystem simply to demonstrate to people that we are doing something. That is my main concern.

This would read now that using scientific methods, the minister may undertake investigations into ground water or water body levels or in-stream flows anywhere in Manitoba to determine what aquatic ecosystems are being negatively affected by insufficient levels or flows. I just want to make sure we use the proper analysis and we use the proper direction indicated by science that we should, in fact, tinker and cause changes to our ecosystem.

I believe these last three amendments that I proposed so far, are a clear indication of my concern about the ability of the whole livelihood of our whole ecosystem, whether it be animals or fish or birds, or indeed, micro-components of our ecosystem. We need to be guaranteed that any tinkering we do based on leaving a perception, and we politicians sometimes are notorious for trying to leave a perception of things, by tinkering when we are really not knowing what we are truly doing.

So I suggest to you, Mr. Minister, you will want to include using scientific methods. The minister then may direct the investigations to ensure the ecosystem that we are looking at is properly protected by inordinate activity because the minister

wants to make it appear that he or she is actually doing something.

I know this law will not go away when the minister goes away. We all know that. The minister can disappear next fall. The Premier (Mr. Doer) might say, "Well, I need a new minister. I want to use this minister's talents in another department." I know what that means.

So I would suggest to you, Mr. Speaker, I would ask the minister to kindly consider using this amendment in his approach to ensuring that the ecosystem would actually be scientifically analyzed and protected.

Mr. Swan: Mr. Speaker, I move, seconded by the Member for Selkirk (Mr. Dewar), that debate on this motion be adjourned.

Motion agreed to.

* * *

Mr. Penner: I move, seconded by the Member for Portage la Prairie (Mr. Fauschou),

THAT Clause 35(8) of Bill 22 be amended in the proposed subsection 24(2) by striking out "may enter" and substituting "must enter".

"May" for "must."

Motion presented.

Mr. Penner: This section 24(2) speaks to appeal, does not act as a stay. An appeal, it says, "of an order or a decision" does not stay the order or decision, or affect the power of the minister to take authorized steps pending the appeal, but if the appeal is successful, the minister may enter into an agreement. I say if the appeal is successful, the minister must enter into an agreement. That is what the amendment would say. I think that is only fair to those the minister might have to deal with and provide some compensation. If they can actually prove loss and prove damage, then the minister not only may enter into an agreement, but must enter into an agreement.

I believe that is the last amendment I am going to propose to the bill. I have three subamendments that I would like to deal with the next time this committee meets. I believe that we are not—the Clerk

just reminded me, there are two left. I think I went through one. I would propose that next time this Legislature meets when we deal with bills again, I will be proposing that there be some, and asking for leave to make some proposals for a couple of sub-amendments. I believe the minister himself has one subamendment he will want to deal with as well as what he informs me. There might be two, and he said so. I would hope we can accommodate that at some time in the future.

I am very pleased that the Chamber here has been as agreeable as they have and have allowed me to put on the record the changes we think are absolutely important to make this bill amendable over the long term and we believe truly would serve the best interest of the people of Manitoba if the amendments we have just proposed to this bill would be enacted and the minister sees fit to have them inclusive in his legislation. I think this is a demonstration of how we in the Legislature can co-operate and make a bill reflect the true reality of the needs of the people of Manitoba.

I think the minister has today demonstrated his willingness to sit and listen to the amendments. I am sure that he will take some time to analyze the amendments that have been put before him. Hopefully, he and his caucus colleagues and Cabinet members can see the value of the amount of time that we have spent to truly make this a better bill.

I believe the intent of all of us here in this Legislature is to ensure that the people of Manitoba be served and served well. So, with that, I conclude my amendments and look forward to being allowed to put a few subamendments before this Assembly for consideration.

Mr. Dewar: Mr. Speaker, I move, seconded by the Member for Wellington (Mr. Santos), that debate be now adjourned.

Motion agreed to.

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

EDUCATION, CITIZENSHIP AND YOUTH

* (15:10)

Mr. Chairperson (Harry Schellenberg): Will the Committee of Supply please come to order. This

section of the Committee of Supply meeting in Room 254 will now resume consideration of the Estimates for the Department of Education, Citizenship and Youth.

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

Mrs. Myrna Driedger (Charleswood): I think yesterday when we were finishing Estimates we were beginning to talk about this school that had supposedly been planned for the Swinford Park Development. I believe the last comments from the minister were that that school was no longer going to be built in that Swinford Park Development. Is my understanding of that correct?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Yes. The property was originally purchased for the purpose of construction of the high school. Since those plans have changed, the property remaining is earmarked potentially for a K-to-8 school.

Mrs. Driedger: As the minister might recall, yesterday I indicated that a month ago we phoned the Seven Oaks School Division office. They told us that, no, the school would not be going in there now that funding had been declined by the Public Schools Finance Board. Is that accurate?

Mr. Bjornson: Yes, that is accurate.

Mrs. Driedger: So, in fact, there is no K-to-8 or high school going into the Swinford Park Development. Can the minister tell us when that decision was made?

Mr. Bjornson: Yes. The school board had requested the school in their '05-06 plan. The request was refused this time, but that does not mean that the request does not remain active as part of their five-year capital plan.

Mrs. Driedger: Could the minister confirm then that at this point in time that the school for this next year is not going to be built, but it is still in the five-year capital plan for down the road?

Mr. Bjornson: If the member from Charleswood is referring to the K-to-8 school, that request, as I said, was refused this time around, but it can remain active

on the five-year capital plan. These decisions are revisited as the school divisions revisit their five-year capital plans and resubmit according to need.

Mrs. Driedger: I believe when we were finishing Estimates yesterday, what the minister had said was that the school was declined. It is not going to be built there now because with a new high school coming, the old high school is going to be renovated and the students will be going to that school. So, in fact, there is not going to be a K-to-8 school in the Swinford Park Development, is that not correct?

Mr. Bjornson: I also said that the plans for the West Kildonan Collegiate would be to renovate it for a middle years school. As such, the active request remains in the capital plan for a K-to-8 school. Having said that, in the event the K-to-8 school, or pardon me, the West Kildonan Collegiate is indeed renovated to be a middle years school, well, then, I guess the five-year capital plan is, as I said yesterday, constantly revisited when capital needs are not being met and different priorities are addressed. So the land remains on speculation to be potentially a site for development of a school.

* (15:20)

Mrs. Driedger: When the Seven Oaks School Division was acquiring this Swinford Park Development area, they actually set aside almost 11 acres for a K-to-8 school. Yesterday the minister indicated that only 6 acres would be needed for an elementary school. Why would this school division, then, in their own master plan have set aside such a big acreage for a K-to-8 school?

Mr. Bjornson: The size of the acreage purchased is contingent upon the availability of the land in some cases when it is sold as one parcel of land. The estimates, in terms of population growth and need, can change. There are very specific requirements for playground space on a per capita population basis for early- and middle-year schools so it is prudent to have more rather than less. We often have schools that do acquire significant amounts of land for this purpose and, as I said yesterday, the acquisition of land on speculation well in advance of the actual construction is prudent planning in that it keeps costs low in this process.

Mrs. Driedger: Well, they certainly did have more land. They had way more land than what they needed

because they got their hands on 25 acres. In their own plan they had predetermined not according to the amount of land they had because they had lots of it and they could have put the school anywhere, and yet they have deliberately set aside obviously a fairly large acreage, when in fact it is almost double the size of what the minister indicated they would need for a K-to-8 school. How does this make sense?

Mr. Bjornson: In the process of purchasing the land on speculation there are a number of variables that might factor into the size of the acreage purchased, as I said before. The parcel that is sold could be an all-or-nothing deal with respect to "This is how many acres we are prepared to sell" and "This is what we are going to sell to you." Certainly, there is other potential for development of facilities that would require significant acreages, whether it is soccer pitches, or whether it is track and field facility. These are all things that school divisions might consider as part of their plan. Of course, the initial purpose for acquiring that land is for the purpose of constructing schools, but they do keep open to other possibilities.

Mrs. Driedger: Would the minister have been surprised to find out that they went into this whole thing with the school and land development part and parcel of the whole picture and that they intentionally went in knowing they were going to do both?

Mr. Bjornson: I cannot speak to allegations like that.

Mrs. Driedger: I am just asking the minister would he be surprised to hear a school division do something like that.

Mr. Bjornson: I cannot speak to allegations. As a politician, I am surprised to hear many things, but I cannot speak to allegations.

Mrs. Driedger: Does the minister think—and he has indicated that this is illegal, and we had discussed this yesterday. Is the minister prepared today to share that legal opinion with us, and we would ask him was it a written legal opinion.

Mr. Bjornson: As I said yesterday, I was prepared to give a verbal interpretation of the legal opinion that was provided to the Public Schools Finance Board, and I am prepared to do so. A portion of it reads that only the disposal of land is clearly within

the powers of the division and that the PSFB may want to take this opportunity to deliberately consider its views with respect to these types of arrangements. That is the portion of the legal opinion, and having said that, that speaks to the process we are engaged in with this 30-day review of what has transpired.

Mrs. Driedger: Considering that legal opinion was several pages long, that seems like a pretty brief synopsis. So, basically, what the minister's interpretation of that legal opinion is, is that it is illegal to buy land and develop land if you are a school division. Is that correct?

Mr. Bjornson: Well, the legal opinion that has been provided, it is lengthy in that it outlines some of the history of what has transpired and the conclusion itself is quite brief.

Mr. Ron Schuler (Springfield): Yesterday, the minister indicated that he would not table the legal opinion, but he would read into the record the legal opinion. Where are we on that now?

Mr. Bjornson: I read it into the record. As I said, the opinion is quite lengthy on paper because a lot of it deals with what has transpired. The opinion itself is a very brief conclusion.

Mr. Schuler: So the minister needs 30 days to look into what he has already admitted to, acknowledges what has transpired with the school division.

Mr. Bjornson: It would be prudent to find out everything that went on in this process. The document that we do have does not provide all the information, and we are committed to finding all the information.

Mr. Schuler: The problem with this is that, first of all, the minister was not informed. I think all quarters that are viewing this whole unfortunate incident will see that there was a minister who was disengaged, did not perhaps know all the ins and outs of a department. That is fair. He is a newly elected MLA.

The best thing to do in this instance would be to either say I do not know or to actually come forward with the facts. The minister, out in the hallway, is being pinned down by certain members of the media because they feel he is being less than up front, and I am choosing my parliamentary words carefully here,

that he is not coming clean on these issues. It does not seem to be that he is picking and choosing the issues. It is basically every issue this minister just will not come out and say, "This is what happened, I believe it is wrong and we are going to deal with it."

On the one hand, we have a legal opinion that sets out what went wrong, et cetera, the legal opinion that evidently he did not know, even though his department called for it. Yet he is asking for a 30-day investigation to look into what is taking place. He actually does not know what took place is what he claims, so what is this committee supposed to look into when he does not actually know what is going wrong and what they should look into?

It just compounds, and it just gets worse and worse, and the minister knows from discussions in the hallway that it is not just the opposition that is frustrated by this. It is actually individuals from the media and the public looking in at this. You know, it probably would be a really good starting point for the minister to come clean right from square one and indicate exactly what he knew when and what was going to take place.

On the legal opinion, this is not a legal opinion about a private-sector company. This is not a legal opinion about an individual outside of politics. This is a legal opinion, as I said yesterday, about a provincial government funded by Manitoba taxpayers. It is about the Public Schools Finance Board funded by Manitoba taxpayers. It is about a school board funded by Manitoba taxpayers. We can argue which pocket it comes out of, but it is still the same set of pants and that is the taxpayer.

* (15:30)

The minister should do the right thing and table the legal opinion. It is all about public institutions. It is all about the taxpayers. It is time for the minister to start coming clean. Perhaps it is his boss's intention to see where this goes and hang the minister out to dry. I would say to this minister long before he was a member of this Legislative Assembly that there were others hung out to dry and paid the price. We have seen ministers of the Department of Education go through this place like a revolving door.

If I were the minister right now, I would be looking at my personal career and thinking what is

best for the member from Gimli. How am I going to deal with this? The best thing to do is start coming clean. A legal opinion is all about public money. Nowhere in there does it deal anywhere with individuals outside of the public realm, and if there are people named in there, I do not think the committee would have a problem if the name was blacked out to protect individuals, but the legal opinion should be tabled. It is time for this minister and for this NDP government to come clean.

Mr. Bjornson: Where do I start? The member from Springfield has suggested that I am disengaged. Well, I must take exception to that. I have visited over 160 schools, I have hosted more than 25 schools through my art gallery that schools provide art for through the Celebrating Music in Manitoba Schools Month concerts at the Legislature, pardon me, over 40 schools have been hosted. I have contacted over 200 schools, met with over 25 school boards of the 38. I have toured all the department buildings including Souris, the Text Book Bureau. Certainly, we have been engaged in a lot of consultation, so I really have to take exception to the suggestion that I am not engaged as Minister of Education.

The Public Schools Finance Board had called for the legal opinion. The legal opinion was provided to the Public Schools Finance Board, and indeed, this is a very complicated issue. I have come clean. I did say repeatedly what I knew and what I did not know. I have also said what we are going to do and these are things the member from Springfield has just called for. I have always been honest when asked the questions and we have decided to address this issue, as I have said, with the 30-day review. So I would suspect that even the member from Springfield can agree that in less than 24 hours, to have the commitment to a 30-day review and less than 24 hours to have terms of reference established for that review, and commitment to have that review conducted with the answers delivered on or before June 2, is a commitment to action.

So, yes, I have come clean with what I know, what I did know, what I do know. We are committed to action and we are committed to address this issue. When the member from Springfield suggests I should be concerned with what is best for the member from Gimli as Minister of Education, I am concerned for what is best for the public school system and all constituents in this province, not just

the constituency out of Gimli, or myself as a member of Gimli.

Mr. Schuler: You know, I am sitting here listening to the minister, and I am waiting for that perennial light bulb to go on over his head. It did not, so I will try to pull that little chain on the light bulb and see if we can get it to go on for him.

We do not dispute that the minister has been on this traveling road show, and we do not have a problem with the fact that the minister visits schools. That is an important part of his responsibilities, but the minister also has to run his department. It is running amuck. This department has been a problem for six years. For some reason the minister, in his travels in Seven Oaks School Division, never once heard that land was being cobbled together for schools that were not even being asked for and developments were being created which were illegal, and the minister knows nothing of it. He is out there going to events, cutting ribbons out in the sunshine, smelling the roses and all that kind of stuff. His department flounders; his department needs his leadership, that is what it needs. When I said it is time the minister look after his interests, I would suggest he look after the interests of his and his department's instead of the political interests of the bosses, starting with his Premier, who is going to hang him out to dry on this.

The minister says, is it not amazing that within 24 hours, I convened a commission. No, actually it has taken almost a year to get this minister to actually do something. All that he did was he took a scandal, sent it to his NDP buddies and asked them to look into it. They sent back a whitewashed report. I would suggest to the minister that is a really good place to start looking, that is a really good place to start cleaning house. How is it they could have sent a report that so badly snow-jobbed the minister and his department? Was the minister protecting his NDP supporters, his NDP contributors?

We put on the record, it is the \$7,000-club at the Public Schools Finance Board. That does not even bring in Mr. O'Leary's contributions which are amazingly substantial. It is time, Minister. Stop covering for the NDP supporters and start looking at what is happening in Education. I have asked this minister on numerous occasions is the message being sent out that this is appropriate action because the developing is still going on. I know he sent out

letters to all the school boards, but that is everybody else except for the school board which is run by the former disgraced NDP campaign manager, Brian O'Leary.

Everybody else has to play by a set of rules, except for boards and commissions that have been stacked by NDP supporters and NDP contributors. Minister, it is time to take control of your department. You have had over a year. This is not a 24-hour issue. This minister and his department have known for almost a year and chose to do nothing, other than send it over to the NDP financial contributors and have them whitewash the issue which is disgraceful. Illegal activities were taking place, and NDP contributors were whitewashing the whole situation for the minister. The minister has chosen to do nothing.

It is only when there is the glare of headlights in this minister's eyes does he then actually start to do something. This should have been taken care of a long time ago when the issue was initially raised. It should not have waited until the opposition spent all kinds of time finding out what was going on because people were complaining about this. People were coming forward with complaints; the minister was doing nothing. And so going to the minister, maybe it would just get sent back to Ben Zaidman and the boys. They would whitewash it for the minister, but do not worry, Minister, be happy. It is time for this minister now to take control. When will he take control? It is time to release the legal opinion that he received.

Mr. Bjornson: Again, where do I start? It is quite an interesting tale that the member from Springfield is weaving here. It is regrettable the member would be putting things on the record calling into question the integrity of educational leaders in this province. It reflects very poorly these comments that are made and how the light in which he is painting educational leaders such as superintendents, and such as the Public Schools Finance Board. Now these, of course, are duly elected officials on the school divisions. On the school boards, they are duly elected officials.

* (15:40)

With respect to the Public Schools Finance Board, it was an independent body of government. The member is suggesting that we get control of the department. Well, I would like to assuage those

concerns that, indeed, the department is running very effectively, very efficiently. We are dealing with an issue that has been at the table of an independent board of government, and an issue that also involves a duly elected board in the school division.

Now it is regrettable that the member would say such things about the Public Schools Finance Board, because we are talking about a very dedicated group of people who have had the responsibility of addressing \$333 million in infrastructure requests.

I might add that they are a very busy group, because that is \$161 million more in infrastructure than was invested in the previous five years by the previous administration. So they have had a tremendous task in hand, and that includes, as I said yesterday, a number of projects, much to the chagrin of the member from Fort Whyte who repeatedly stands in the House and talks about patronage with respect to the determination of where schools are being built.

As I reminded the member from Fort Whyte yesterday, we have built schools in Lac du Bonnet and Steinbach and Carman and major renovations in a number of other places.

I was in Winkler just this Monday, on a very cold, windy day, turning sod for a new school there. For them to suggest that this is patronage is absolutely, well, there are many words that I can use, some of which would be unparliamentary. I will not use those words. This is a very hardworking organization, the Public Schools Finance Board. We have had over 600 projects completed under the auspices of the Public Schools Finance Board. There are 690 schools in Manitoba, and we have completed over 600 projects. Compare this to what had happened in the 1990s when we had funding announcements of \$18.3 million on a couple of occasions, and these were to address all the needs of all the schools in Manitoba, and we had some serious infrastructure issues.

We have been very committed to infrastructure. We have been funding at unprecedented levels. Our new plan is three years at \$45 million a year, which is historic in that they have predictable funding which allows for a lot of flexibility. The Public Schools Finance Board can do long-term planning. They have also been asked to review the processes, and it is a time for renewal in the Public Schools

Finance Board. I really applaud the efforts of this organization which is, as I have said repeatedly, an arms-length organization of government.

There are doing wonderful work, and they are going to continue to do wonderful work, and we are going to continue to support those efforts with a commitment to capital, and I mean a serious commitment to capital. We have demonstrated that time and time again. We will continue to demonstrate that as long as we are in office.

Mrs. Driedger: Why would not the Public Schools Finance Board have shared their legal opinion with the minister?

Mr. Bjornson: As a matter of process, once the PSFB received the legal opinion, they were going to review it, discuss it, and bring it to my attention.

Mrs. Driedger: I would remind the minister this is about, what? May 4, 5, 4? The minister indicated yesterday that they have had that legal opinion for what, one to two months. Would the minister not have expected that to have been shared with him on a more timely basis?

Mr. Bjornson: The legal opinion was just part of the process that the PSFB had been engaged in. There was also another component that was going to be brought to the table. That was through land management review, and once the legal opinion and the report from the land management review had been brought forward, then both items were to be dealt with by the Public Schools Finance Board.

Mrs. Driedger: Could the minister explain what that land management review is, and if he has seen it?

Mr. Bjornson: Actually, this speaks to one of the issues that we are trying to address with respect to a review of the disposition process, and that is communication and the timing of communication. The Public Schools Finance Board has been engaged in this process and, as I said, once we review what has transpired, we are looking at how that communication can be improved.

Mrs. Driedger: I am asking the minister about the land management review that was going to be done that would be included with this legal opinion. The legal opinion supposedly was held back waiting for the land management review, so I am assuming the

minister has this land management review document. I would like to ask him the parameters of that document, who did it and much more specifically, what is in it.

* (15:50)

Mr. Bjornson: Yes, at the request of the PSFB, land management did a review, as I said. There were two facets to it, as I said, the legal opinion and then the financial component as addressed through the land management review. These will all be part of the process that we are engaged in, in the 30-day review.

Mrs. Driedger: Due to some comments coming off from the side here, could the minister just repeat what that second part was, financial something?

Mr. Bjornson: The land management review dealt with the financial component, and as I said, this will be part of the 30-day review.

Mrs. Driedger: What exactly was the land management review of? Just the Seven Oaks School Division?

Mr. Bjornson: The review is of the Swinford Park Development.

Mrs. Driedger: Can the minister tell us who actually conducted the review? Has it been completed, and has he seen it?

Mr. Bjornson: The review is conducted by the Land Management Services in Portage la Prairie. My officials have it and have seen it. I have not read the document.

Mrs. Driedger: What specifically were they looking into?

Some Honourable Members: Oh, oh.

Mr. Chairperson: Excuse me, there is some talking, and it is hard to hear the person speaking.

Mr. Bjornson: The purpose of the assignment was to perform a forensic analysis of the completed phases of the subject subdivision and to provide a feasibility risk analysis of the proposed phase, the third phase of the project.

Mrs. Driedger: The forensic analysis is obviously, you know, an after-the-fact financial analysis of the

situation. Would they have been looking into why there were properties in that development sold for a dollar?

Mr. Bjornson: The review looked at all facets of the development. That is part of the due diligence it has been engaged in, in this process. This will also be included, as I said, in the 30-day review that we are conducting.

Mrs. Driedger: When the minister indicated they did a risk analysis, was it an analysis of whether or not taxpayers' money was put at risk by having a school division take part in illegal land development?

Mr. Bjornson: Yes, that is exactly what it was.

Mrs. Driedger: Could the minister tell us the dates of when this review for the land management began and ended?

Mr. Bjornson: Yes, the process began in November and ended in February.

Mrs. Driedger: Well, the minister, then, has said that he did not get the legal opinion sooner because he had to wait for the land management review, but it looks like the land management review came in at the same time. So both of them would have been completed in February, and yet the minister was not given any of that information until I asked the question on Monday.

Do you think there is a lack of confidence by anybody towards this minister in not sharing this information with him and sitting on it for, oh, two months?

Mr. Bjornson: I would just like to clarify for the member that what I had said was that the PSFB was waiting for both the land management review document and the legal opinion. They were scheduled to review that and then the findings were to be communicated to me.

Mrs. Driedger: But the minister also said that both of those opinions reached the Public Schools Finance Board in February. He gave us the date yesterday that that legal review was done in February, was it not? Or was it provided to Public Schools Finance Board at a later date?

Mr. Bjornson: The legal opinion was provided in February, but as a matter of process both documents were going to go forward to the Public Schools Finance Board. That had not yet taken place. They will be reviewed by the Public Schools Finance Board, but it is also part of the dialogue that we are engaged in now on this 30-day review.

Mrs. Driedger: Can the minister say, then, who got them in February?

Mr. Bjornson: When the PSFB received the land management report, there were some questions that arose as a result of that report. The questions were put to the Seven Oaks School Division on March 1 and the questions were asked March 15. Pardon me, March 1 the questions were answered. March 15 the document appeared as part of the agenda for the Public Schools Finance Board. Again, as a part of the process, both documents were going to be dealt with together, and both documents were to be addressed by the PSFB, and at that point they would be bringing the issue to my attention.

Mr. Schuler: Okay. The minister says that Land Management Services looked at Swindon Park. Is there a difference between Swindon Park—

An Honourable Member: Swinford.

Mr. Schuler: —Swinford Park. I stand corrected. Is there a difference between Swinford Park and the entire parcel of property that the school board acquired?

* (16:00)

Mr. Bjornson: The short answer to that question is yes.

Mr. Chairperson: Member for Charleswood?

Mrs. Driedger: No.

Mr. Schuler: Although I have great love and respect for the people of Charleswood, it is actually the people of Springfield who elected me. So it is probably better going under the Member for Springfield.

The minister answered yes. Is that, yes, that the Land Management Services looked at the entire parcel of land?

Mr. Bjornson: Yes, they did.

Mr. Schuler: I just want to be very clear on this again. It is not just Swinford Park that they looked at, but they looked at the entire parcel of land that was put together by the Seven Oaks School Division?

Mr. Bjornson: I would like to ask the member from Springfield to clarify if he is referring to the one parcel of land in question or all parcels of land that apparently are part of a land bank for the Seven Oaks School Division.

Mr. Schuler: I think we should be very clear about this. We are talking about the Swinford Park, the post-Swinford Park school property and all the adjacent property that was brought together. We were under the impression there were nine parcels of land that were pulled together to create one parcel and out of that started to come the developments.

We are asking is it just the Swinford Park Development that was viewed, or was the entire parcel that was pulled together as a school board, because we know that there were smaller pieces pulled from various individuals and groups and such.

Mr. Bjornson: The review looked at all parcels in that development.

Mrs. Driedger: Considering the legal opinion was completed in February, and considering that the determination was that what was happening was illegal, why do you think the minister was not given that information until he asked specifically about it just this week? It would seem to me that if a legal opinion came forward in February that said illegal activity was happening, why was nothing provided to the minister for a period of at least two months?

Mr. Bjornson: Well, once again, the PSFB was still engaged in a process where questions were asked as a result of the land management report and correspondence was sent. March 1 the answers were forwarded and on March 15 the board dealt with those specific issues as it related to the land management report.

So this is part of an ongoing process. The intent was to advise me accordingly once PSFB was confident that due diligence had prevailed and that they had covered all aspects of the documents that were part of this discussion.

Mrs. Driedger: I am surprised that the minister seems to be taking this so well. Here we have an illegal act going on under his watch in the field of education, and you have got a Public Schools Finance Board that is sitting on a legal opinion that is talking about illegal activity, and he has not been informed. He, as the minister of this department, responsible for education, and his department has not shared with him a legal opinion. I mean, is the minister not angry that he has been kept out of the loop in dealing with a legal opinion?

Mr. Bjornson: Well, first of all, the arm's-length organization that is the PSFB was dealing with the issue. We are doing something about it. What we are doing is committing ourselves to this 30-day review that is underway as we speak.

Mrs. Driedger: Well, maybe it is payback to the minister because he dumped this issue on them in the first place. When he got the allegation sent to him a year ago, the allegation is actually very, very specific and it talks about—I will just quote it, the minister already has this letter: "I am concerned that the Seven Oaks School Division is acting as the developer of a community called the Swinford Development."

He goes on to talk about the minutes from the division meetings indicating that the Seven Oaks School Division is paying out rather large sums of money to contractors for installation of roads, sewers, and all the other necessities required to build the community.

There is no mention of any revenue expected from this development in their 2004-05 budget. I have not seen their financial statement for '03-04. I would like to see it. There are a number of more comments. This person that sent the allegation forward a year ago was pretty clear in making a very serious allegation. You do not have to be an Einstein to know that they are talking about the school division spending Education money on developing property.

The minister should know his own legislation, his own act, to know that this was illegal. I took two minutes to thumb through the act to find out where school divisions could spend their money, and what they could do with surpluses, and if they could have a reserve, and what could be in the reserve. It does not take long to go through legislation and find out, is this allowed, or is this not allowed.

So, in the first place, I am not sure why the minister would have thought it appropriate to even send this forward when, in fact, he should have been leading the charge a little bit more. As the minister in charge of a department, he gets paid well to do that job and oversee Education. He has an allegation that was put forward. The law is clear.

Why did he not act on it a year ago, and save all this money that has been spent on development, \$2 million on putting sewers and roads and fences into an area? Property taxes in that area are going up and up and up for people that are hardworking people in Manitoba. They are not the rich end of society. Those are hardworking people in that area of town, and their property taxes are amongst the highest in Manitoba. The amount of money that is going into children is almost the lowest in Manitoba. So those kids are not getting the same education that money buys in other parts of the province.

Now how could the minister see something come at him like this, not hit him between the eyes, not deal with it? Instead, he dumps the whole issue over to the Public Schools Finance Board. He then ignores the issue for a year. Meanwhile, Manitoba taxpayers and kids are paying because he is not doing his job. To me that is negligence on the part of the minister in his lack of taking charge of his own department.

* (16:10)

I would like to ask him who told him to dump this issue over to the Public Schools Finance Board. Why did he not take a leadership role, as he is the minister? Deal with it, and keep a handle on it if he was going to send it to the Public Schools Finance Board. Our former minister met with the chair of the finance board once a month. Does the minister not do that? Do they not discuss these issues? I hate to even say this to the minister, but is somebody pulling his strings? Is he not in charge of his department? Why did he not act a year ago, instead of taking \$2 million that could have paid for education, and could have paid for lower taxes—and the citizens of this neck of the woods should be absolutely fit to be tied with this Minister of Education (Mr. Bjornson) for his blundering of this issue.

Mr. Bjornson: First of all, I am certainly not defending the actions of the developer. With respect

to the issue of the expenditure, it is our understanding that no taxpayers' dollars were at risk, that the development paid for itself.

With respect to my role as the minister, I would like to assure the member from Charleswood that I am indeed very much in charge in the department. We are talking about an issue that was brought to my attention, and the allegations, as such, were thus forwarded appropriately to the Public Schools Finance Board to address those allegations. I have never been advised, as I have said, that what was happening was anything less than the usual process that would be followed with respect to the disposition of land.

Mrs. Driedger: I have been the Education critic for all of three months, and I have had this issue on my desk for a few weeks. I figured it out already. The minister has had a year in the job, and we are talking about taxpayers' money, I mean \$2 million, and that money does not get recouped until property is sold. In fact, we now find that Seven Oaks School Division still owns a lot of land. Taxpayers are paying for all of this, and there is this new subdivision that is going in. Can the minister tell us how much land is still owned by the Seven Oaks School Division and whether they are right now with bulldozers in that area developing a cul-de-sac?

Mr. Bjornson: First of all, I would like to assure the member from Charleswood that no taxpayers' dollars were lost in this process. I would also like some clarification with respect to the question on the property owned by Seven Oaks. Are you referring to all properties owned currently by Seven Oaks School Division, or a specific area that you are referring to, just for clarification?

Mrs. Driedger: The question itself makes me very nervous in that—and we will get to that later in terms of what else does Seven Oaks School Division own, but we are talking about the Swinford Park development. We have become aware of—again, this is just a random check of four properties that the Seven Oaks School Division still owns. It is in their name as of yesterday. It is in Glenboro Place, and we have the land titles for them. We checked this just yesterday and they own these four properties. I am asking how many other properties in the area does Seven Oaks still own. Considering it is illegal for them to own it and develop it, how many do they still own?

Mr. Bjornson: What we have been advised is the school division currently owns a 10-acre parcel with the intent to construct a school, and they do not own additional residential lots. They do not own any at this time. That is what we have been advised, but we certainly will expect to have all the answers as part of this 30-day process. You asked me what I have been advised, and this is what I have been advised.

Mrs. Driedger: I am not even sure what to say to the minister. Yesterday we just did a random check, and four properties are owned by the Seven Oaks School Division. They are on the land title as of yesterday. Can I ask the minister who advised him that they only own school land, ten acres for a school?

Mr. Bjornson: We have also been advised that the four lots in question have purchasers, that the sale has not been completed, and of course, there is a process where the transfer of title will transpire, but there are legally binding contracts so they do not own the parcels. Again, all these issues will be addressed when we do the 30-day review.

Mrs. Driedger: Can the minister tell us if Seven Oaks School Division is right now with the bulldozers out developing the cul-de-sac called Grady Bend, which is within the Swinford Park Development?

Mr. Bjornson: I do not know, and, again, this is something we are going to address. All the issues will be brought forward in the 30-day review.

Mrs. Driedger: Well, if the minister would care to look on the Web site of the Seven Oaks School Division and have a look at their minutes that is what this document, the "Seven Oaks School Division Swinford Park Development," is actually about, is Phase 3. Phase 3 is the development of the cul-de-sac of 20 single-family dwellings.

That school land was actually rezoned, or school parkland was rezoned by the City in early fall for the development of the cul-de-sac. On August 30, the school division paid \$93 to the City of Winnipeg towards this Phase 3. December 13, consulting fees for the Grady Bend site were paid to Lombard North for \$9,700. There is a whole bunch of Hydro, MTS, UMA Engineering, Cambrian Excavators dollars.

January 10 of this year, there is consulting fees for the Grady Bend site paid to an engineering

company for \$5,000. February 7, there are more consulting fees for the Grady Bend site paid to an engineering company. Oh, my goodness, consulting fees for the Grady Bend site, engineering, \$10,000 on February 7, another \$2,000 for that same site to engineers on February 7. February 7, Grady Bend, engineering again, \$6,800. Again, just April 11, '05, weeks ago, Grady Bend project, consultation fees to Lombard North Group, \$3,900.

So, within the last four months, there are all kinds of infrastructure dollars being paid by Seven Oaks School Division for the development of Grady Bend, which is that tiny little cul-de-sac right here across from Phase 1 of the Swinford Park Development. So Seven Oaks is spending, if I were to add this up, it looks like already over \$100,000 just in the last few months to develop this land. That is taxpayers' money that they pay for property taxes for education.

* (16:20)

How could the minister not be more on the ball with this issue and be dealing far more aggressively? He has got a lot of information there, so he sends out, you know, his letter, "School divisions, do not get into any property development." What about these property taxpayers in this area who are still bearing the cost for infrastructure development that is going on? This citizen that lives in this area e-mailed me this morning and said that the bulldozers are there right now.

Is the minister not going to pick up the phone today and call Seven Oaks School Division and say, "Do you still own that land? Are those bulldozers there that you are paying for with taxpayers' money?" Does the minister not want to know before 30 days are up?

Mr. Bjornson: A lot of the issues raised are issues that we are committed to address through the 30-day review process. We have advised school divisions that the disposition process does not include being developers. All school divisions have received that letter and we have committed to this process. We will have all the issues addressed through this process.

Mrs. Driedger: I just asked the minister to speak for himself. If people are wondering whether he is having his strings pulled, I mean, he is showing that.

He should speak for himself right now. As a Minister of Education, does the minister not feel that it is his job right now to find out a little bit more?

I am sure he is trying to be careful right now in terms of what he says. I appreciate that. He is probably worried about the legalities around this. He is probably worried whether laws have been broken. There have been allegations already of fraud around this whole issue and I am sure the minister is concerned. He should not be too surprised to hear that because those are e-mails we are getting from people that live in the area.

I am sure he must be hearing the same thing, and I am sure he is a little bit worried about his own skin in all of this. But certainly I would wonder is he satisfied that he is only going to wait for 30 days and not try to find out what is going on. So, in 30 days, he has to be investigating himself too, because he dumped this off, this illegal issue. He has dumped it off onto somebody else.

Not only does the minister need to be investigated—and the minister laughs at that, but the minister is part of who needs to be investigated in this and whoever advised him to dump this off onto the Public Schools Finance Board. There are so many people around this issue that need to be involved in this investigation. I am not really having a lot of confidence especially with the minister's answers today. This internal investigation is not going to even get anywhere near the answers that are needed for the public and for the taxpayers' dollars.

Now, I want to ask the minister who in his department is going to be investigating this illegal land development by Seven Oaks Division, and who in the department will be preparing that report. What are the exact terms of reference, because right now I am not at all comfortable with the minister's just lack of knowledge, lack of interest, lack of commitment to getting to the bottom of this? He needs to be part of the investigation. He needs to be investigated.

Mr. Bjornson: Once again, I am not defending the actions of the developer. We are committed to get to the bottom of this issue, and indeed, we are committed to a 30-day process. The staff that has been assigned to this task is Claude Fortier.

Certainly, to suggest that we are sitting on our hands, I must take exception to that. I mean, we have

committed to do this within 30 days. I asked the staff to look at it immediately, and I also suggested that, or mentioned in the House today—

An Honourable Member: Get your ducks in a row, only you cannot get them in a row.

Mr. Bjornson: I am sorry—

Mr. Chairperson: Excuse me, Honourable Minister, I will just interrupt. I cannot hear the minister speak too well, so keep your conversations down so we can carry on the Estimates debate.

Honourable Minister, you have the floor.

Mr. Bjornson: Thank you, Mr. Chair. As I was saying, we are going to be engaged in a process, as I said, in the House today. The answers to the questions will be on or before June 2.

Point of Order

Mr. Chairperson: The Member for Russell, on a point of order.

Mr. Leonard Derkach (Russell): Mr. Chair, what is this minister doing? This is an Estimates process. An Estimates process is where the minister answers the questions, not simply shove them off to some future date just because then his Estimates are going to be over. That is not the way the process works. This is an Estimates process where answers are to be provided.

If the minister does not have the answer, then he can take it as notice and come back to this committee with the answer, but an answer is not, "Wait till the 30 days is up." The minister has a responsibility, Mr. Chair. The responsibility is one that he took by oath, and when he took that oath, he took an oath on behalf of all the province and the citizens of this province, and that is to be forthright and forthcoming with information that is asked of him.

In this case, Mr. Chair, he is not being forthright and he is not forthcoming. He has a responsibility here. We have an illegal act that is taking place right as we speak, and yet the minister has done nothing about it and is not providing any answers to this committee.

Mr. Chair, my point of order is that in Estimates we are to be asking the questions. The minister, who

has his staff with him, is to be providing the answers. If he has an answer that he wants to come back with information tomorrow before the conclusion of the committee that is one thing, but he simply cannot use the 30 day, some illusionary 30-day window, as an excuse for all questions that are asked of him.

Hon. Stan Struthers (Minister of Conservation): On the same point of order, Mr. Chairperson, I challenge the Member for Russell (Mr. Derkach)—

An Honourable Member: You do not have to tell me.

Mr. Struthers: —to be polite enough to let me, as an elected official in this House, to respond to a point of order which is my democratic right on behalf of all of my constituents and the people that I represent in Manitoba. He should not be so rude as to try to stop me from doing that.

Mr. Chairperson, I would challenge the Member for Russell to point to the line in the *Beauchesne* that would actually show that he has a point of order. My understanding is that you need to point to *Beauchesne* to say, "Mr. Chairperson, according to the *Beauchesne* I have a point of order." The member was so far off of that.

Mr. Chairperson, this is clearly a dispute over the facts and I think that the Member for Russell—I will just be quiet until I am given a chance to speak by members opposite.

Mr. Chairperson, the Member for Russell simply abused the rules just now to take his opportunity to take some cheap shots at the minister that are unfounded, cheap shots that do not move this process along at all. The minister has been forthright. He has been quick to move in terms of setting up a process by which we can get to the bottom of this issue. The Member for Russell clearly, absolutely does not have a point of order and should not abuse the rules like he just did.

Mr. Chairperson: Order, please. Would the committee please come to order. If you have new information to add to the point of order, raise your hand.

* (16:30)

Mr. Jack Reimer (Southdale): My ears are always open when I hear what is transpiring here. Mr. Chairperson, the Estimates process, as has been pointed out, is exactly that: the chance for the opposition to question the minister on his department. The minister has staff here. One of the reasons for having staff here during Estimates is to give the minister answers that he may not have readily available to him. Staff is here to provide him with answers. He gives the answers back to the questioning opposition member or anybody that is asking him questions.

If the minister does not have the ability to answer the question, the minister would then take it as notice and bring it back to this committee. But to defer it into the next month when the committee in all likelihood would not be sitting is not appropriate action that is taken during Estimates. The Opposition House Leader (Mr. Derkach) does have a very valid point that Estimates do have a precedent and a procedure of providing answers to opposition members through the minister's staff, through the minister, through the chair. Then, if they are not available, they are taken as notice and brought back within a very reasonable time while the Estimates period is still in progress on that particular department.

Mr. Chairperson: The member of Russell, on the same point of order with new information?

Mr. Derkach: Mr. Chair, with regard to the Minister of Conservation's (Mr. Struthers) comments, the comments I had were with regard to the process and with regard to the minister's responses to the process. It was not attacking the minister personally. I was talking about the issue of him providing information to this committee as it is asked of him.

The reality is, in this province, we have a scandal, a scandal around Seven Oaks School Division, that the minister is involved in. The minister is involved because he has an obligation to all taxpayers of this province to protect the taxpayers and to ensure that The Public Schools Act is implemented accordingly.

Mr. Chair, it is obvious that an illegal act has taken place, and this minister is now asking for 30 days to settle the issue after he has had a whole year to resolve it. This smells of what happens in Ottawa

when we have Mr. Martin asking us to postpone a vote for six months so that he can correct the issue. Well, Canadians are smarter than that, and, in this instance, Manitobans are more intelligent than this.

The minister is being asked some questions. His obligation in this committee, according to the rules and practices of this House, is to provide those answers to the committee. If, in fact, he does not have that answer, then he has a responsibility to take that as notice and to come back to this committee with his answers. It is not acceptable for the minister who sits in committee, to simply ignore the questions by saying there is a 30-day process in place. That is not acceptable to any of the committees, and that was my point of order, nothing more, nothing less.

Mr. Chairperson: I do not want to have these points of order to be used for debate. I will listen briefly to the Minister of Conservation. Let us make it short, and I have enough information here to make a statement. The Minister for Conservation, you have the floor.

Mr. Struthers: There he goes again, Mr. Chairperson, no reference to the rules that govern this committee, no reference to any rules that govern the House. Points of order are not to be used, it is my understanding and I know he knows this as the House leader for the opposition, points of order are not to be used to debate. They are not to be used to slag ministers. They are not to be used to slag anybody else. They are to point out deficiencies in the debate. They are to point out breaches of the rules. The Member for Russell (Mr. Derkach) did not mention what rule is being broken, and the member from Russell simply used it to play politics on this issue.

Mr. Chairperson: I thank the members for the advice on the point of order raised. The honourable member does not have a point of order. A point of order should be used to draw the Chair's attention to any departure from the rules or practices of the House or to raise concerns about unparliamentary language. A point of order should not be used to ask a question, dispute the accuracy of facts, or clarify remarks which have been misquoted or misunderstood. I thank all the members.

* * *

Mr. Chairperson: We will continue now with our Estimates. The Member for Charleswood (Mrs. Driedger).

Some Honourable Members: Oh, oh.

Mr. Chairperson: I have ruled that there is no point of order.

I thank all the members for that. We will now continue with our Estimates. The floor is now open for questions.

Mrs. Driedger: Can the Minister of Education tell us, besides the Swinford Park Development, does the Seven Oaks School Division own any other parcels of residential property?

Mr. Bjornson: What Seven Oaks School Division does own is parcels of land in anticipation of construction of these schools. They do not own any other residential lots.

Mrs. Driedger: Could the minister indicate where these parcels of land are? He is talking about schools in plural. I would like the minister to tell us where exactly these parcels of land are that they own in anticipation of schools.

Mr. Bjornson: I am aware of a seven-acre lot near Leila North. I will get back to the member with respect to the other parcels of land that are owned by the school division.

Mrs. Driedger: The seven-acre Leila North, what is that in anticipation of?

Mr. Bjornson: Evidently, that property was acquired a long time ago. There is an adjacent middle-years school, and that seven acres is surplus and will be disposed of at some time.

Mrs. Driedger: I do not have all the accurate information right in front of me, but is there not some activity going on there related to the Seven Oaks School Division right now, related to that Leila property? Is there not something going on with the school division doing something with that property?

Mr. Bjornson: Not to my knowledge.

Mrs. Driedger: Does the Seven Oaks School Division not already own their land for their high school?

Mr. Bjornson: Yes, they do.

Mrs. Driedger: Where is that land, then?

* (16:40)

Mr. Bjornson: The Riverbend parcel in question, they are in the process of concluding that deal, but it is in the Riverbend area, the parcel that has been designated for the West Kildonan Collegiate replacement school.

Mrs. Driedger: How much land are they acquiring there?

Mr. Bjornson: That would be a 13-acre parcel.

Mrs. Driedger: And the minister indicated they have not purchased that land yet, that they are still in negotiation for that?

Mr. Bjornson: That negotiation is ongoing, but it should be finalized soon.

Mrs. Driedger: What is soon?

Mr. Bjornson: We will find out when it is expected that negotiation will be concluded.

Mrs. Driedger: When conducting the investigation into the illegal land development by Seven Oaks School Division, are the financial records of the division going to be examined to find out clearly how many taxpayer dollars were spent on the development?

Mr. Bjornson: All relevant information will be part of that review of what has transpired.

Mrs. Driedger: Will the financial records of the division be part of that? Will they be examined?

Mr. Bjornson: As that would be relevant information, yes, indeed, those documents will be examined.

Mrs. Driedger: Will the report investigating this illegal land development by Seven Oaks School Division list all of the financial details regarding all aspects of the development?

Mr. Bjornson: Again, we will be dealing with all relevant information with regard to this matter.

Mrs. Driedger: Will the investigation also examine the role played by the minister, or minister's office employees, in this issue?

Mr. Bjornson: The review will be looking at the role of the Public Schools Finance Board and the Seven Oaks School Division.

Mr. Reimer: I just wanted to ask the minister. He has alluded to letters that were sent to the school board instructing them that they cannot be in this endeavour anymore.

Would he be able to table those letters, or give us a copy of those letters?

Mr. Bjornson: Yes, we can certainly table that letter for you.

Mr. Reimer: Would he be able to, in the relatively short period, possibly in the next day? Or, if he has them, we can get them photocopied now. Also, the letter that he has indicated he has sent to the PSFB in regard to taking scrutiny of the whole endeavour that has happened, would he be able to table that letter of instruction to the committee?

Mr. Bjornson: I am sorry. Could the member from Southdale clarify what letter he is referring to?

Mr. Reimer: The minister has alluded that he has given instructions to the department to look into this matter. There had to have been some sort of letter of indication of what he was wanting to be looked into. What I am asking for is the terms of reference in the letter that he has outlined to the department for the PSFB to look into.

Mr. Bjornson: I had not actually sent a letter to the PSFB. I had instructed my deputy to look into this issue immediately, and to develop the terms of reference and to establish a process that we would undertake.

Mr. Reimer: Then the instructions and the parameters of what they are going to be looked into have not been finalized yet?

Mr. Bjornson: The process we will be engaged in, as far as the terms of reference are concerned, we will finalize those terms of reference tomorrow. I spoke very generally about what those terms of reference will be. I am prepared to share more specifically what those terms of reference will be today, if the member so wishes.

Mr. Reimer: Yes, please, if the minister could supply that to the critic, or to the committee. It

sounds like, if I am not mistaken, he said that we will maybe have them tomorrow. Is this correct?

Mr. Bjornson: Again, the terms of reference will be finalized tomorrow and the process will be finalized tomorrow. I can share the specific terms of reference today, if you so wish.

Mr. Reimer: Yes, if the minister could do that, that would be great.

Mr. Bjornson: Specifically, the review will undertake to address the following issues: did the Seven Oaks School Division act within its legal authority in the disposal of this land; did the Seven Oaks School Division conduct appropriate financial due diligence in the transaction associated with the disposal of this land; were the transactions financially beneficial to the Seven Oaks School Division; did the Public Schools Finance Board conduct an appropriate review of Seven Oaks School Division applications regarding the disposition of this land; and what should be done to improve the land disposition review process.

Mr. Reimer: These instructions would be going specifically to who?

Mr. Bjornson: To the deputy minister.

Mr. Reimer: Then the deputy minister would contact whoever he felt appropriate to get those answers, and then we would have a report filed back to us within 30 days, or at the end of 30 days?

Mr. Bjornson: As I mentioned in the House, we expect the report on or before June 2.

Mr. Reimer: I am assuming then if the report is finished expediently within, say two weeks, we would have a report by then?

Mr. Bjornson: The review will be completed and available to the public on or before June 2.

Mrs. Driedger: Can the minister tell us why there is no investigation into the acquisition of land?

Mr. Bjornson: The issue at question is the disposition of land, not the acquisition thereof. As I said, there are a lot of school divisions engaged in the process of acquiring land on speculation, acquiring land on the basis of five-year capital plans

and assessed need or perceived need, and that is prudent planning. So the acquisition is not in question, it is the disposition thereof that we are concerned about.

Mrs. Driedger: Well, I beg to differ with the minister because I think acquisition is part, or needs to be part of this review. The school division acquired far more land in a very interesting way, nine different parcels of land, some from individuals, two of them only paid a dollar for each of those properties, well, three of them. I understand one of them might have been from a developer and that would be very natural. I think there is a huge issue that needs to be looked at in terms of the acquisition of land, spending \$350,000. They have been acquiring land over two periods of time. In 2002, they acquired chunks of land, and then in January 2004 they acquired a number of other parcels of land, several from individuals.

I am asking the minister whether he would consider adding acquisition of land review into his terms of reference because there are questions around that as well.

* (16:50)

Mr. Bjornson: Well, it certainly is. It pertains to the particular development in question. We will be addressing the issue of acquisition of land in this case.

Mrs. Driedger: Will any outside assistance like auditors, forensic accountants or investigators be made available for the investigation into this illegal land development?

Mr. Bjornson: Internal Audit will be engaged in the process, internal audit through the Department of Finance.

Mrs. Driedger: Is this the Education department of finance, or is it through the Department of Finance?

Mr. Bjornson: That would be the Department of Finance, and we are also going to look at external assistance as required.

Mrs. Driedger: What kind of external assistance might the minister be referencing?

Mr. Bjornson: Assistance in areas of financial expertise.

Mrs. Driedger: Will persons who might have material information related to the investigation of illegal land development by Seven Oaks School Division be permitted to present their information in a public way to the person conducting the investigation?

Mr. Bjornson: This is a review process, not an investigation. It is not a public process. It is a review process.

Mrs. Driedger: Will the report include recommendations?

Mr. Bjornson: I would expect so, yes.

Mrs. Driedger: Is the minister prepared to commit that if there has been a breach by individuals who were involved in breaking the law regarding this land development, will he be addressing that through the report, or is that something that he will address afterwards? Will he determine during this process what the consequences will be?

I know in the past the minister said that is not his job, I think, but I know that the Morris-Macdonald School Board was dealt with by the minister. What is this minister going to do in terms of consequences around this issue?

Mr. Bjornson: I certainly cannot speak to speculation. We do have a process that we will be engaged in and we will review the outcomes of that process.

Mrs. Driedger: We know that the legislation says that there is a fine for violation of the act, and if people do not pay a fine that there is a term of imprisonment. Is the minister going to then stick with the act and follow along with his own legislation?

Mr. Bjornson: Again, it is speculation and I will allow this process to take place.

Mrs. Driedger: When they look at the land that was sold for \$1 or the property that was sold for \$1 in the six instances we know of, there were three other properties that were also sold for below value, two of those quite significantly below value, I know that Mr. O'Leary yesterday was indicating that some of this might be related to land swaps. Is that part of the investigation?

Mr. Bjornson: All pertinent, relevant information will be part of the review.

Mrs. Driedger: Will the minister also be asking them to look at, in the case of land swaps, who might have done the fair market analysis to determine what the fair market value of property is, and maybe is there expertise they will be seeking for that?

Mr. Bjornson: Certainly, as the review proceeds, we will be determining what needs to be looked at, but as I said before, all relevant information will be reviewed in this process.

Mrs. Driedger: The representative from the Lombard North Group indicated that he was totally surprised and did not believe that any homes in this area were sold for \$1. Home-builders said it was totally inappropriate for a school division to sell property directly to individuals.

Will those issues also be looked at, because there are some people out there very surprised and think that some of the activities that have taken place around this are very inappropriate?

Mr. Bjornson: All relevant questions, all relevant information will be explored as we go through this process.

Hon. Jon Gerrard (River Heights): One of the important issues for schools in Manitoba has been the number of young people who have been leaving school early. Some people call this the dropout rate which suggests the problem is with the children. Other people call this the push-out rate which suggests the problem is with the schools, that they are not adequately dealing with the issues. Can the minister tell us what the current dropout or the latest dropout or push-out rate is for Manitoba and what measures the minister is taking to address concerns about a high dropout or push-out rate in Manitoba?

Mr. Bjornson: The school-leaving rate varies from year to year, and currently the school-leaving rate is a little bit less than 25 percent. With respect to what we are doing to try to address this, what we are trying to do within the educational system is provide as many opportunities as possible for our students to succeed. That includes more emphasis now on technical-vocational education, specifically trying to address some concerns that had been raised by industry with respect to anticipated deficits in scale deficits and we are trying to address technical-vocational education. As you know, there are students who succeed academically and students who

succeed with more hands-on applications. That is one facet.

We also have unacceptably high dropout rates in the Aboriginal sector and, as such, we have been engaged in the Making Education Work initiative and the Aboriginal academic action plan to try and address issues of school-leaving rates that are problematic with our Aboriginal community. We have had a very exciting investment in that initiative and we are looking forward to a lot of good outcomes from that particular process.

With respect to other initiatives, there is a very strong correlation between success in school with community and parental involvement and, as such, we are committed to 15 community school initiatives which will engage a community and engage parents more in the educational dialogue.

These are just three of the initiatives, but certainly there are things that are done locally, as well, through the educational leaders within different school divisions and within different schools so there are a number of different initiatives that are currently underway.

Mr. Gerrard: The figure of 25 percent that the minister mentioned, is that for which year? Is that last year or is it the year before or current year?

Mr. Bjornson: In the last few years, the range has been always less than 25 percent, but 22, 23, 24 percent. That has been the pattern that we have seen in the last few years.

Mr. Gerrard: Can the minister table the specific numbers for the last, for example, 10 years?

Mr. Bjornson: I can table the numbers for the last five years and I will certainly do that.

Mr. Gerrard: Thank you. The minister's party has been in government for the last five-and-a-half years. One would expect, at this point, that there would have been some programs that have been undertaken which would show changes and outcomes from before and after over that period. Can the minister provide specific examples of improved outcomes measured before and after the institution of programs to reduce a dropout or push-out rate?

* (17:00)

Mr. Bjornson: Once again, we are engaged in a number of different initiatives now that will produce results with respect to drop-out rates. I am confident that they will do so in those initiatives I have identified with the community schools initiative, with the Aboriginal academic action plan, with the Technical Vocational Initiative. These are a couple of the things. There is certainly a correlation between how the school system is resourced, and our commitment to education is very clear with respect to the investment of an additional \$130 million into the base over the last six years.

There are other issues that we are working with Advanced Education and Training as well where there is a more dual credit. A dual credit program is being offered where students can go from high school to university or college with credits that will be recognized at the university or college level, so that makes that option more attractive to students as well. We are working on more emphasis on apprenticeship programs and things of that nature.

Another issue that we are working on to address drop-out, there are higher drop-out rates with new Canadians, and we are looking at new initiatives on English as a Second Language to accommodate new Canadians. Certainly there are a number of different initiatives that are underway to address this issue.

Mr. Gerrard: Thank you. It is a little disappointing that there are not any examples that the minister can bring forward after five and a half years of his government being in power. I would ask specifically about the technical vocational, if the minister can tell how many high schools there are in the province and how many of those would have technical-vocational capabilities in terms of learning opportunities.

Mr. Bjornson: There are two sides to that question. There are regional technical-vocational schools and there are also a number of schools that do have the capacity to offer some form of technical-vocational instruction. Having said that, I cannot provide the exact numbers but I would gladly provide those numbers for the member tomorrow.

Mr. Gerrard: The minister must have access to the total number of high schools in the province.

Mr. Bjornson: Yes. I am sorry, yes. I did not hear that part of the question. There are 690 schools in

Manitoba, and as far as the total number of high schools, there are 335.

Mr. Gerrard: What proportion of those 335 high schools would have access to technical-vocational training?

Mr. Bjornson: Once again, there are two different facets to that question. There is the capacity to offer technical-vocational training in some way, shape, or form, or there is the designation of being a technical-vocational regional institution as well. I would gladly provide those exact numbers for the member tomorrow, but it would be at least one-third that have some form of technical-vocational instruction available to the students.

Mr. Gerrard: Does the minister have clear indications that having the technical-vocational capabilities will actually increase the retention of young people in school?

Mr. Bjornson: I am confident that this will. As an educator I know that there are a multitude of learning styles, a multitude of, well the educational expression is multiple intelligences, and those multiple intelligences do involve a lot of the kinaesthetic abilities that our students possess. There is a lot of hands-on learning in technical-vocational opportunities for our students.

I have seen first-hand as I have toured a number of schools, and I have seen some of the equipment that has been acquired. I have had students tell me outright that they would not be in school if that program was not available to them. So I am quite confident that this will have some impact on retention in school.

Mr. Gerrard: Can the minister tell us what, specifically, his goals and targets are in terms of the vocational-technical approach? What is he going to do differently or augment it or change in this respect?

Mr. Bjornson: First and foremost, the curriculum is going to be revisited. It has not been rewritten in 20 years. There were a number of demonstration projects that were underway when schools applied for grants to bring forward demonstration projects. There is a commitment to increase some of the capacity with respect to the specialized tools that are available. I have seen a tool, or pardon me, a

machine, I do not recall the exact name of that machine, but a \$60,000 machine that was used for machining of aluminum in the example they demonstrated for me when I was there to cut the ribbon on that machine in Dauphin. It is quite a fascinating apparatus that students can have access to.

I know, certainly, we have come a long way since I was taking apart lawn mower engines in my vocational program, and I must admit I was not able to put one back together. Having said that, there are a lot more opportunities available to our students at this time, and we are continuing to look at ways that we can offer more options for our students through the technical vocational initiatives.

Mr. Gerrard: I would ask the minister what his target is in terms of what sorts of numbers he would expect to reduce the drop-out or push-out rate from, which is currently 22 percent, 23 percent, 24 percent. What is the minister's target in terms of what you would like to reduce it to?

Mr. Bjornson: Certainly, it would be difficult to assess the impact, but I am confident that the initiatives we have undertaken will have an impact on retention in schools.

Again, it is not just the number of initiatives that we are engaged in, in the Department of Education. We also have the Positive Parenting Program, the Triple P program that came through the Healthy Child Committee of Cabinet, which speaks to helping parents address issues that are behaviour related. There is certainly a correlation between behaviour disorders and things of that nature with respect to drop-out, or pardon me, school-leaving practices. So we certainly expect that these initiatives will have a very positive impact on retention in schools.

The early development indicator program through the Healthy Child Committee of Cabinet also assesses readiness to learn so students who might have some level of frustration when they enter the system in kindergarten, Grade 1, we can identify those areas and work to resource and address those areas more appropriately. So there are a number of different initiatives. We can also add to that, that we are funding guidance counselling at the early middle-years level. You know, school boards have funded guidance counsellors on their own initiative, but we have committed to fund them as well. So we are

providing as many supports as possible to help address the needs of our students, whether it is academic, whether it is vocational, whether it is some of the needs to address issues of behaviour that compromise the student's ability to succeed in the school system.

So there are a number of different initiatives underway. I am confident many of them will have a very positive impact. I really could not assess what that impact will be in real numbers, but I am very confident it will have a very positive impact on our student population.

Mr. Gerrard: It is disappointing that the minister does not, you know, even have a target. I understand there are significant differences from one province to another. Some provinces have significantly lower drop-out or push-out rates. Indeed, I think Saskatchewan may be somewhat lower than Manitoba. I wonder if the minister has taken the time to compare rates across provinces and to look at what is happening in other jurisdictions with respect to providing a positive environment in schools so that young people will decide to stay.

* (17:10)

Mr. Bjornson: Well, certainly there is tremendous effort underway to provide that positive environment in the schools. A lot of the relationship between student success is also connected to how we are resourcing our schools. There has been a tremendous effort in the last six years now, as we enter into the sixth year of our mandate, to provide meaningful support for the schools. As I said, there are a number of programs that we have initiated, and we take the issue very seriously that, yes, there needs to be more done to ensure student success.

I have been asked what my personal philosophy of education is, and my personal philosophy is one that I shared with many of the teachers that I visited throughout the province. We want our students to be able to succeed, regardless of who they are. In order for them to succeed or experience success, we must provide them with as many opportunities as possible. As I said, whether it is technical, vocational, whether it is academic, or whether there is an ability to bridge some of the challenges that they might have going from senior-years setting to college or university.

So it is a very holistic approach, and an approach that we have undertaken in many different areas with Advanced Education and Training, as well.

Mr. Gerrard: It is my understanding that there is not a particularly close correlation between the push-out and drop-out rates and the per-capita expenditures of students in high schools, for example, and clearly this is a pretty important area, and the marker of how well the provincial education system is doing. It is important. I would suggest that you have markers, just as students have to pass grades, for how well the school system is doing, and that you set benchmarks and targets as to where Manitoba should be, and then figure out a way to achieve them. It would appear that the minister is putting in place a lot of programs without necessarily setting a target. I think that it is not always the smartest way to proceed.

Let me give the minister an example. When we were in the Healthy Kids task force out in Virden, what we found was an example where there was a nurse who was funded to be in the school, and that one of the things that provided for was significant help to a number of young people. There are, as the minister well knows, high rates of teen pregnancies, as an example, and providing the sort of supports to young people so that they do not have health problems, and so that you have less likelihood of young people getting pregnant and having to look after their kids and dropping out of school. I wonder if the minister, whose government, I understand, cut back the funding for that program by about half this year, has even done an evaluation to find out whether the program had an effect or not on drop-out rates, or whether in fact it was run for long enough to know whether it had an effect on the push-out or drop-out rates at that high school.

Mr. Bjornson: Well, what we have been engaged in, I did mention the Community Schools Initiative, and certainly there are a number of examples throughout the province where there are community partnerships, per se, where we have various service providers actually in the school providing supports for our students.

We have recently had staff go to Saskatchewan to look at the very successful Community Schools Initiative that they have had underway in Saskatchewan for a couple of years, and we are committed to work with our partners in all areas across the department to provide the supports for our students. One of the initiatives that we have undertaken in the department, we are developing a support document for schools to explore more ways to engage the

community in the community that is the school. There are a lot of really good examples of how that is successful, and school divisions are providing us with the information on the best practices in this regard. I have always been a believer that the school is a very integral part of the community in every sense of the term. This is particularly true in small rural communities, and we are looking at ways that we can improve services to our students in partnership with many different organizations that would benefit our students' well-being and increase their chances for success.

Whether we have programs as we have seen with addictions counsellors in some schools or nurses in some schools, police officers in some schools, public health nurses, there is a variety of different initiatives that have been brought forward to support our students and we will continue to look at creative ways that we can provide more supports for our students.

Mr. Gerrard: Let me move on to another area. I gather the minister has been finally engaged in looking at the teachers' pension plan and wonder whether the minister plans to bring in legislation to make changes to the teachers' pension plan.

Mr. Bjornson: It continues to be an active file and we continue to work on that.

Mr. Gerrard: Is the minister looking at making changes to the cost of living adjustment as the Retired Teachers' Association of Manitoba members are asking?

Mr. Bjornson: That remains part of an active file. The COLA has had a return of over 92 percent on 17 out of 25 years, I believe. I will check that for accuracy, but I believe the COLA has had a very favourable return for 17 of 25 years. Again, I will provide that statistic for the member tomorrow if I have erred, but that is what I understand the rate of return has been: better than 92 percent in 17 of 25 years. I will follow that up for the member.

Mr. Gerrard: Next question deals with the fact that the minister is undertaking a review which I understand he said he would table by, I think it is about the 3rd of June with respect to the purchase of property by Seven Oaks School Division. I would ask the minister why he is choosing to do an in-

house review instead of an independent review so that there would be greater integrity to it.

Mr. Bjornson: I have confidence that this process in-house will get to the answers to the issues that have been raised.

Mr. Gerrard: And the minister will assure us that that report will be made public by what date so that we would have adequate opportunities to ask questions in the Legislature before it prorogues?

Mr. Bjornson: As the First Minister (Mr. Doer) mentioned today, it will be a public review. Once it is completed, it will be available to the public and, as I said in the House today, the 30-day window would be—it should be completed on or before June 2.

Mr. Gerrard: But there is one thing for it to be completed. The important thing is that it actually be publicly available by June 2 so that, in fact, there is an opportunity to ask questions.

Mr. Bjornson: Once again, I would like to reiterate that the commitment is to make the review public on or before the 2nd of June.

* (17:20)

Mr. Gerrard: Thank you. I just wanted to confirm that because that is a pretty important statistic. *[interjection]* We are going to hold the minister to this or there is big trouble. This is an important issue. I would ask whether that subdivision is inside of the boundaries of Winnipeg or outside the boundaries of Winnipeg.

Mr. Bjornson: It is contained within the boundaries of Winnipeg.

Mr. Gerrard: How many schools now have submitted plans to address bullying issues?

Mr. Bjornson: We are over 90 percent of schools that have indicated they are in compliance with the code of conduct now.

Mr. Gerrard: What is the minister doing to monitor the situation and to understand whether the amount of bullying has actually decreased or not?

Mr. Bjornson: We have requested that the remaining schools be in compliance. Certainly, this is an issue we have been very proactive in trying to address what has been happening in the schools as it relates to, not just bullying, but every facet of student

safety. The process that the schools of the divisions have been engaged in varied with respect to their capacity to review their codes of conduct. All schools do have codes of conduct. They do have emergency plans. They do have a lot of policies in place. Currently, over 90 percent of the schools in Manitoba are in compliance with the legislation. We will continue to support and assist other divisions in ensuring that they do comply.

Mr. Gerrard: Is there any sort of centralized reporting or information gathering system so that you know the number of people who are raising concerns about bullying across the whole province?

Mr. Bjornson: With respect to any incidents of bullying or any incident of a serious nature within the schools, we are developing a protocol for communication. We request that all schools advise us in the event of a serious incident whether it is bullying, whether it is Internet predators, whatever the case might be. We have asked all schools to do that and we have asked all schools to submit their codes of conduct as well.

Mr. Gerrard: But one of the critical things clearly is, what would qualify as a serious incident? I mean, if a parent complains about bullying, what will be the criteria as to whether it will be a reportable incident or not?

Mr. Bjornson: That speaks to the process we are engaged in right now and why we are developing the protocol for that communication.

Mr. Gerrard: In the interim, if there are parents who are concerned and feel that their school division is not adequately listening, is there a process that they can get some sort of hearing under circumstances where the school or the school board does not appear to be adequately listening?

Mr. Bjornson: Parents are involved in the development of the codes of conduct, and individual school divisions do have certain policies around procedures in the event that parents have some concerns they wish to address with the school division. We have also provided support documents for parents with respect to how to address an issue of conflict that may arise in any given school now where there are some concerns over how the complaint would have been dealt with. So we have provided that support. Parents are involved, as I said,

in the development of the codes of conduct, and each school division does have a certain protocol with respect to addressing parent concerns.

Mr. Gerrard: So what you are saying is, essentially, there is not any centralized resource that parents could come to should there be problems which do not seem to be addressed by local school divisions. Certainly, from my experience, this seems to be an issue at the moment, that there are some parents who are concerned about not having their issues adequately looked at locally.

Mr. Bjornson: Again, I will reference this support document that we have developed. It outlines the process and the procedures that a parent can follow in the event they have a concern over the way an issue was dealt with around their child's situation in the school. In the event they are not satisfied, there is certainly an opportunity for the Department of Education to provide support for that parent with their school support unit to help them address issues that have caused them concern.

Mr. Gerrard: I would ask that the minister provide copies of that support document to MLAs if that is possible, and then I would pass on to my colleague from Inkster.

Mr. Bjornson: I will gladly provide that document, and I would like to welcome the colleague from Inkster.

Mr. Kevin Lamoureux (Inkster): Mr O'Leary's name has come up in the last few days, and one of the concerns I had raised back, I guess it would in 1999, is I had a number of teachers that had approached me in regard to the final exams. As the minister is aware, in '99 I believe it was, Grade 12 exams were compulsory and no one was to have an advance copy of one. As it turned out, one teacher had indicated that there was a release that was given which was premature, which in essence violated what the Department of Education's edict was in regard to not releasing these exams.

I questioned the government of the day back then. I was very critical of the government and challenged the government to take action. They told me back then that in fact they would look into the matter and report back on the issue. Again, it is primarily because Mr. O'Leary's name has been coming up in the last few days, I am wondering if the

minister can indicate whether or not he is aware of the incident that I am referring to, and if so, if he can indicate whether there ever was a report on Mr. O'Leary's behaviour.

Mr. Bjornson: There was a follow-up with the school division and I will gladly provide the details of that follow up for you tomorrow.

Mr. Lamoureux: Yes, I would appreciate that because I know, having talked to a number of teachers back then, it was just felt that it was not appropriate and it looked as if there was no action that was being taken. It was an important issue for me back then. There just happened to be an election that followed shortly after that, so I was not able to do the follow up back then. Only because his name seems to have resurfaced, I would very much appreciate finding out what actually took place. I thank the minister for looking into it and getting back tomorrow for me on it. Thank you.

Mrs. Driedger: Can the minister tell me if the Manitoba Public Schools Finance Board Annual Report for '03-04 has been tabled yet? It appears that it is not in the library here in the building. I note that the last one was put out for '02-03, and that was tabled on March 24, '04 or was made available to the Legislature library. Can the minister indicate where the '03-04 one is at?

Mr. Bjornson: I understand it is currently in the Department of Finance and there are some reporting issues to be sorted out before it will be available.

Mrs. Driedger: Can the minister indicate if some of those issues might be related to flow of money around Seven Oaks School Division?

Mr. Bjornson: I can assure the member from Charleswood that has nothing to do with the report.

Mrs. Driedger: With the money involved with Seven Oaks School Division, we were indicating yesterday a concern in terms of the fact that they put out \$2 million, and they do not recoup money until after properties are sold. When they do recoup money, does any of that money flow back in through the Public Schools Finance Board?

Mr. Chairperson: The hour being 5:30 p.m., the committee rise.

INTERGOVERNMENTAL AFFAIRS AND TRADE

* (14:50)

The Acting Chairperson (Mr. Doug Martindale): Good afternoon. Will the Committee of Supply please come to order. On Thursday the committee had been discussing this department in a global manner with all of the staff that had been present at that sitting. Is it still the will of the committee to continue with a global discussion of this department? *[Agreed]*

The floor is open for questions.

Mr. Larry Maguire (Arthur-Virden): Mr. Chair, I just have a number of areas of questions that I was asking the minister last week as we moved through the Estimates here on Intergovernmental Affairs and Trade. My colleague the Member for Fort Whyte (Mr. Loewen) may have some questions later on in regard to trade issues as well, and I would just encourage the minister's staff on Trade as well to be present at that time. Most of my questions will be on Intergovernmental Affairs, but we will move forward in that area as well.

Just a straightforward question to the minister though as we move forward in regard to Bill 40 that we talked about last week. The other day in regard to the minister contacting persons who had indicated to the Clerk that they wanted to speak to Bill 40 when it was up last fall, the old Planning Act that was killed last fall, can the minister indicate to me if he was willing to contact or if it was his intention to contact those 82 organizations, I believe it was, that the new Planning Act, Bill 33, has been tabled?

* (15:00)

Hon. Scott Smith (Minister of Intergovernmental Affairs and Trade): The member knows that the process in the Legislature allows for all public participation at our meetings. Certainly the regular process followed once, and I am hopeful quite soon this bill comes back through second reading and open to the public. There will be an opportunity for anyone in Manitoba to come and make presentation possibly in this room.

I do not believe that anybody that was signed up for any bill previous, last year, or certainly any bills

that were held over such as The Water Act and others, have forgotten about some of the concerns they have had with different areas in The Planning Act or, certainly, with any issues that they have. That opportunity will be, obviously, provided to all public in the province of Manitoba through the processes we always do through the Legislature.

Ms. Bonnie Korzeniowski, Madam Chairperson, in the Chair

Anyone is welcome to come and make presentation to this bill. I would encourage the member that if, in fact, he feels that there are people that maybe have interest in this bill, that I would encourage him to call as many people as he believes are out there that maybe have some interest. I have encouraged many people personally to make presentations, certainly, if they have an issue and certainly all public and everybody in Manitoba is certainly encouraged to come out if, in fact, they have a presentation to make at that time.

Mr. Maguire: I want to ask the minister in regard to the rebate he is providing, his government is providing, on education taxes on farmland that he announced at the AMM meeting last fall. A few questions in that area, and one was: What parameters did the minister and his department use to determine, or his government, I should say, use to determine the percentages, 33 percent for the first year and 50 percent for the next year?

Mr. Smith: Yes, the formula that was used was 50 percent of the actuals on education taxes that the people are assessed.

Mr. Maguire: I realize that it is. It was 33 percent was the percentage of actual tax payable on farmland for last year, and I believe the minister's statement was 50 percent for this year. Can he just tell me why they chose those numbers, 33 and 50?

Mr. Smith: The actual commitment some time ago was to be 20 percent, I believe, of reduction on education tax, by the government some time ago. Obviously, we decided to exceed that considerably. We saw this as an issue that was important to Manitobans. We saw it as an issue that was important to producers, especially many people in areas in the province that are having difficulty. Obviously, AMM had put this as one of the top priorities that they had.

When we took the overall budgets and budget numbers, obviously, and set our priorities within our government, we look to see what costs were, obviously, on supporting different priorities that we had. We had said this was a priority for our government. Certainly, the ability of the government to make that a commitment, obviously placing it at a top priority for our government, was able to be achieved using those numbers. Obviously, going to 50 percent was something that was committed to, it was something that we were able to do in a set period of time, certainly on year-ends, looking at our priorities with revenue and certainly what were are putting out to priorities in Manitoba.

So the number at 50 percent is something that was achieved in a short period of time. It is something that was certainly well received by producers. I know AMM has had a resolution that they would like to see it go to 100 percent. Certainly, we have exceeded our commitment on what we had initially said prior to the election even, and those numbers were able to be achieved through setting our priorities with dollars that we had.

Mr. Maguire: Can the minister just indicate to me again then his priorities? I think if he can just indicate to me what the dollar values were for the two years that he felt farmers would save in that area.

Mr. Smith: In the first year at the 33% rate reduction for education taxes paid on farmland, it was \$13 million at that time. Now, in the 2005 budget, this is increased with the 50 percent to total \$20 million in tax savings to farmers in 2005.

Mr. Maguire: Yes, I would assume then, obviously, my numbers, the number that I thought was being looked at by the farmland of Manitoba was around the \$40 million total. The minister is indicating that they are saving to farmers today in the neighbourhood of \$20 million, about half of it, obviously the 50 percent that he put out, that he announced.

He has indicated that they did it because they changed their priorities from the last election, and from last summer, and indicated that they felt there was a need now to alleviate that concern. Certainly, the farm community can well use that money. That is why we suggested in the '03 election, as the Conservative Party, that we eliminate the education taxes off of farmland. We felt it was unfair to do it just on farmland, and that it needed to be continued

with residences in Manitoba as well. That does not cost \$700 million, I believe, as the member's party has indicated. I think the member indicated that even in Hansard the other day, or in the Estimates that we were dealing with. That would be, of course, the removal of education taxes from all property in Manitoba, which is not what we were suggesting at this time.

I am wondering if the minister still feels that the need is there in the farm community today, given that there is, you know, his government indicated that there was \$180 million. This is not all in his department, but there was an indication that there was \$180 million made available to the farm community back in September of '03.

That is what the government indicated that they were willing to make available, and, in fact, that was the announcement: "We have made available \$180 million for farmers." Of course, \$100 million of that was loans that farmers could apply for and take, of which there is about \$68 million uptake on that program, which I think indicates a need from farmers themselves, and I think it indicates the tightness of the situation.

It was not even all taken up, because those farmers feel they just cannot afford to take any more loans. So I know that the need is there, and I know that in regard to my responsibilities are in rural development. I would love to see more industries, value-adding, more opportunities out there in value-adding in Manitoba, but part of that right now is sustainability of what is there. While this move helps the farm community in some effort, I would never say it does not in that regard.

Can the minister indicate to me why they just chose 50 percent? If it was a priority of a government that has now come in with, as I said the other day, some of the largest transfer payments in Manitoba history at \$359 million, over half a billion dollars' worth of new revenue indicated in the budget that was just passed.

Can the minister indicate to me why they indicated that they would only move to 50 percent on farmland?

Mr. Smith: The Province of Manitoba, obviously, has set priorities that were very clear with Manitobans, certainly prior to the last election and

one of them was certainly to deal with producers in rural Manitoba.

We did not change our direction of what we were dealing with, with assisting on the educational tax, but, in fact, we exceeded by 30 percent of what we had said we would do on education tax. It is something that we were able to do, and it was something that was a priority. We are dealing with growth in many areas in Manitoba as we look around the province of Manitoba, in just about every sector in Manitoba. It is hitting new heights.

We have had an increase of about \$10 billion in the revenue coming in from many areas in Manitoba. We are also seeing some areas, over the last five years we are seeing some areas that are certainly impacted by decisions, political decisions, I might add, from our American neighbours that have impacted, obviously, the beef industry in this province.

* (15:10)

When you see how easy it is for one judge in Montana to affect a massive industry that we certainly hold in high stature here in Manitoba. It sets a reality of redistributing, certainly, a lot of our efforts to assist areas that we believe are critically important.

We have done that in many cases through Agriculture. I know the member was at a lot of the meetings with the Minister of Agriculture (Ms. Wowchuk) and saw the commitment by this government which continues to obviously support our agriculture industry. The BSE support programs out there have been very substantial and Manitoba is providing more than \$180 million in assistance through a variety of programs that include direct payments to producers, low interest loans and incentives for increasing slaughter capacity and testing animals in the province of Manitoba.

We continue to work with some of the producers, and in fact, to name one, Ranchers Choice, that has been one of the keys. There are many others looking at the slaughter capacity in the province of Manitoba, as well, that we continue to work with. We are to the point with Rancher's Choice that it is nearing a business plan that they have looked at. We are coming very close to increasing the slaughter capacity in that area, but, as the Premier (Mr. Doer) has mentioned many times,

we have increased our slaughter capacity here, utilizing a lot of the facilities we do have in Manitoba. Those numbers have just about doubled our slaughter capacity here over the last year or so.

The recognition of the support, obviously in the education on farmland, was very well received. It was something that I might mention was well received in areas when we were up meeting with the folks in the Interlake and when we were at the AMM convention in Brandon. It was at their convention that they were recommending strongly that education taxes be eliminated 100 percent off farmland. Obviously, we have worked with them to an extent of 50 percent, which was quite surprising to a lot of the folks who were out there.

When you look at the immigration policies we have established, and the member speaks of rural development, it is very critical for Manitoba. The rural development in many of the areas in Manitoba when you take within a 30-minute drive of Winnipeg, the success stories we have seen, certainly in Selkirk, and we have seen in Morden, Winkler and Steinbach and many of the others, where we are seeing immigration policies in Manitoba exceed expectations of many of the folks that are out there. We continue to do that and many of those people are going to rural Manitoba. It has broken a trend that many folks used to go and immigrate to some of the larger centres and our urban centres where now, we are seeing quite a reversal of that.

Many, many people are going into targeted areas in rural Manitoba which is helping some of the success that we are seeing with many of the companies we have out there. The diversification we have seen from obviously our producers and others in challenging times has been supported by this government in many ways. Obviously, any time you can reduce costs during critical times for producers is something that is positive.

The crop insurance we saw introduced, certainly the inclement weather in 2004, made both seeding and harvest a challenge in many parts of the province, so the crop insurance paid to producers certainly has hit new heights. It is more than \$166 million to cover those crop losses and that included 25 million for excessive moisture claims which was a new program launched by this government in 2000. Hometown Manitoba, obviously local communities can apply to receive financial assistance on a cost-

shared basis to improve the look of their main streets, including outdoor meeting places, green spaces and building exteriors.

When we continue to look at the programs of this in many of the rural areas, we are seeing what we are seeing in a lot of the rest of Canada, we are seeing in some cases smaller communities that are having challenges because of vertical immigration over the last number of years with fewer people and same infrastructure to support.

I think it is critically important to note that through the innovation and work in this department, the increase in revenue in dollars, we put that back into being a priority of this government. It is about an 8% increase to the municipalities in Manitoba, into Winnipeg and to our cities in the province, from this department, to support many of the programs that we have out there. It is one of the largest increases year over year to many of our communities that support many of the things critically important in economic development in rural Manitoba in having those increases.

The growing opportunities, the member mentions agriculture. Manitoba Agriculture, Food and Rural Initiatives has undertaken its own renewal to help rural communities, producers and farm families with improved access to services. The result has heightened the focus on value-added production in rural economic growth, animal health and food safety. I think the member from Portage certainly has recognized that in his community very substantially over the last period of time in the agrifood industry in his community. The new chief veterinarian obviously recognized the importance of animal health and food safety to the economy. Manitoba became the first province in Canada to create a position of chief veterinarian.

So, with those few comments, Madam Chair, certainly there have been a number of programs introduced into the Rural Economic Development Initiative that have supported rural communities. Substantial programs are available. They are being utilized by an area of the province that is certainly in need. We believe, with the increased funding in many of these areas, it is very important to support our rural communities in a time where Manitoba—although we are seeing record growth in our province that we have not seen for over 20 years. We are seeing record immigration in our province that

we have not seen in over 20 years; we are breaking numbers. Certainly, when you look at the housing stock and the value and the price of our properties in many of the urban areas, they are smashing records year over year over year. We do realize and know that there are areas in the province that do need to be supported, and they are in a substantial way.

Mr. Maguire: Madam Chair, I will get to some of those issues that the minister has been referring to, reading from, in a short while.

My question was to do with getting to the 50 percent of expectations on the education taxes on farmland and removal and why he chose to only go to the 50% level. I want to correct the minister in the fact that this government has not spent \$180 million. They have made \$180 million available to farmers in rural Manitoba, and that was not taken up, by his own government's admission, in Estimates. There was \$116 million of it utilized so far; \$68 million of that was in loans, leaving \$64 million basically for his government in unspent funds in those rural areas of Manitoba.

Of course, his Minister of Agriculture has just not participated, albeit the other ministers in Canada did not either, in relation to the billion-dollar package that was just put out by the federal government. They may have had some other reasons why they want to make some rather large financial announcements in the last few weeks from the federal government's area. Nevertheless, there are funds there that have not been spent.

My point is if the minister really wanted to help rural areas when he talks about slaughter plants, why they could not have used those funds to build the plant and utilized a group in Manitoba to manage it. Certainly, even a loan to those industry people to get the plant built, instead of waiting now to see whether we can actually get the environmental issues cleaned up around the Rancher's Choice plant that is supposed to be built in Dauphin. There is an environmental concern there. I would have thought that the government would have looked into that before they announced it was going to go there. Certainly, they should have had discussions with the community in regard to that. It has not happened.

I am not saying that the government should be owning slaughter facilities, because I believe that private industry can manage that kind of an industry

better than government can, more flexible in that area, but the funds could have been made available a year ago. We would have had a plant up and running by now and slaughtering beef in Manitoba, a real opportunity to expand an industry here that is lagging behind and being forced to expand its herd size simply because it cannot market them. When they do market culled cows, they get nothing for them, whether it is in the beef sector or the dairy industry.

For the minister to say that we have made \$180 million available or spent \$180 million when that is not even factual, I think we have to take the minister to task on that and let him know it is not true. I guess I have to ask the minister. The commitment I understand that he made on education taxes, to bring it back to where we started the question, will the minister indicate to me that it is correct in his announcement, if I am to understand his announcement correctly, at last November's meeting, that it was for a two-year commitment.

* (15:20)

Mr. Smith: Madam Chair, it is of some interest, certainly of some interest to me, some of the member's comments. Obviously, when the member says, "Why did you only reduce the farm property tax by 50 percent," it might strike some people as a strange comment. It certainly does with myself.

I know many commitments are made by different governments, and I think the interesting pieces, when you take those in combination, I know the member's party had mentioned they were going to increase health care spending in the province by 1 percent. I think most Manitobans and most people that are out there see the commitment that we are making in health care certainly exceeds what the member is stating, 1 percent. They would be very, very hard pressed, they would have to cut many of the other services that are out there throughout the entire system, obviously with health being about 40 percent of our entire budget and health care running at about 5% or 6% or 7% increases year over year to maintain and keep the good, quality service we have here in Manitoba.

The member is not really saying where he would cut out that couple of a hundred million dollars, but I am certain he feels he could do that and also reduce the taxation by \$40 million as well. It is easy to make

those statements. Obviously, when we are exceeding, by far, our commitments we made on the educational support for farmland, it has been well received. To say, "Why are you only reducing taxes by 50 percent," is a strange comment. We have exceeded our commitment, and certainly it has been well received by the communities.

The interesting piece is, obviously, when we make a commitment we do not only meet that commitment, we exceed it. You take, for instance, the ESL on properties that we have said we will phase out over a period of five years. It does also affect personal residences of producers and farmers and people that are out there. So that tax saving, obviously the ESL was reduced another \$30 million in 2005 or about 47 percent now, resulting in about a \$120 saving on a \$125,000 home. So that included also supports and helps out all Manitobans and certainly producers.

When you take into consideration the \$20 million taken off the entire amount on farmland, that impacts producers and certainly people in rural Manitoba very substantially. Also, the educational commitment that we have made, going from \$250 to \$400 on their education, has been very well received.

So we have done it with growth in the province. Obviously, we have redistributed that growth to assist in areas we believe are some of the largest concerns, putting that money into a quality health care system here in the province of Manitoba, continuing to support in a substantial way our educational system that is here in the province, and assisting and supporting areas of need, in this case, some of the farm property owners we have in Manitoba that have been impacted by a downturn in the economy, certainly from the BSE, from some bad years, from one year from drought to the next year with too much moisture. So we have seen that over a period of time.

It is of interest, too, when the member talks about assistance. The members opposite had taken the portioning on farm property and increased that from around 27 percent up to 30 percent on the farm portion. That is the assistance they gave our farm communities over the years. We have taken that portioning down now, again, to 26 percent, saving the farmers an additional \$2 million. It is pretty easy when you pull out a pen and a piece of paper to see the real actions and what we have saved our

producers and our farmers, compared to the member opposite making promises. Certainly, the promise I see is taking farm portioning from 27 percent up to 30 percent. That is their commitment.

Mr. Maguire: Madam Chair, I would say that the minister made the move from his feeble election promise of a few percentage points per year and reduction of these education taxes because of the fact that the Progressive Conservatives of Manitoba wanted to eliminate the education taxes off of farmland and residences. As well, there was extreme pressure from the Association of Manitoba Municipalities to ask for education taxes to be removed off of all properties, not just 80 percent of it as they had sometimes asked for. They feel strongly now that it should be removed from all property, and the Keystone Agricultural Producers have always felt it was an unfair process to have education taxes on farmland.

So I submit to the minister that, clearly, he felt a lot of pressure from these groups and ourselves in regard to how far in the dust they were leaving these farmers in regard to the concerns that are growing out there and the fact that, of course, these dollars are of some value to the farm community.

It is just too bad they have not felt enough priority to have completely eliminated it. I certainly will not go into the desperate situation in health care that has been documented many times in Question Period in this Legislature in regard to where this government is at with highway medicine and hallway medicine and all of those areas continuing around it.

When youth break legs at a rural hockey tournament and cannot get into even a Winnipeg hospital for five days, when seniors that are 84 years old cannot get access in 14 months, have not even heard from the government in 14 months except for a questionnaire received in the last 10 months to see how much pain he was in with regard to a hip replacement, I should submit that while some expenditures have been made by this government, they have not had a priority in regard to how those dollars are spent or we would not be seeing the desperate concerns that we are in rural communities.

That adds to the concern that rural people have with this government in regard to some of the decisions this minister has made as well as he with his colleagues on Treasury Board and Cabinet. I

submit to him that I have outlined now the reasons why they made a move on education taxes. Can he indicate to me that this was a two-year commitment?

Mr. Smith: Madam Chair, it gives me the opportunity with the member's questions to highlight obvious commitments that were made and making things affordable for families in Manitoba is a priority.

It is not only farm families, it is families all over the entire province of Manitoba, whether they be in the urban centre of Virden or whether they be a farm family in our rural areas. Obviously, when you look at what we have done in assisting those communities, and the farm families in Manitoba and farm producers in Manitoba, it is very, very substantial.

You know, we have reversed a trend by the previous government of assistance back to municipalities in a substantial way. When you look at the Education Property Tax Credit, it was a two-staged approach. It now saves taxpayers \$53 million annually.

The next target was the education support levy. We have done that. It is one of the two school taxes that home-owners do face, and we have committed to lower those educational taxes throughout all of Manitoba, and very substantially in rural Manitoba that we have made in that commitment to the 50 percent.

Lowering the taxable portion on farm properties, as I have mentioned before, is \$7 million. Madam Chair, cutting school taxes on farmland 33 percent, exceeding in one year what our 20% commitment was. It was well received, but then another 17 percent on top of that for a total of 50 percent was something that was extremely well received. The cutting of taxes totalling some \$142 million less in the property taxes in 2005 than they would have had had we remained on the course of the nineties is well received, and it is recognized.

The change in total education property taxes, as I mentioned, on a house of \$125,000, it is very, very substantial. I am pleased to say the announcement that we had that by January 1, 2006, the middle-income bracket will fall from 14 percent to 13.5 percent, saving Manitobans \$24 million per year. This is a 19% reduction in the middle tax rate since 1999.

When you look at the amounts of dollars saved on personal income tax, on educational property tax, on the commitment to communities by this government over the last period of years, it does change, a real difference that we saw of non-support in communities not just in rural communities but throughout all of Manitoba through the nineties where you saw education taxation by school divisions increasing in double digits.

* (15:30)

Now, when we are supporting education in a more substantial way, we are certainly supporting education that is exceeding year over year in many cases, rates of inflation, and the commitment to the capital infrastructure we are seeing in this province that had deteriorated terribly through the nineties. Not only are we exceeding in many cases what we had promised, we are rebuilding a system that is taking some catch up to do. When you underfund, in many cases it takes a lot of years to catch up to that.

When you underfund education in a substantial way, when you underfund reductions in personal income tax, as the member opposite does not like to talk about, but in fact did, Madam Speaker, you have to take an entirety—

Madam Chairperson: Order, please.

Point of Order

Madam Chairperson: The Member for Arthur-Virden, on a point of order.

Mr. Maguire: Yes, Madam Chair. I would just like to bring to the attention of the minister that I asked a simple question about whether it was a two-year commitment on the education tax removal, 33, 50 percent, two years. It was fairly simple. I wonder if I could just refocus him in regard to the question that I had. It was, you know, was this a two-year commitment that he announced.

Mr. Smith: When you also look at other savings that we have seen for Manitobans—

Madam Chairperson: On the point of order, it is not a point of order, but I would ask that the minister please address this question.

Mr. Smith: Thank you very much, Madam Chair. As the member had asked for and we had agreed to, we did mention we would look at these Estimates globally, have staff from Trade here and Emergency Measures and Intergovernmental Affairs. The member asked many, many points in his question, and I am doing the best to address every one of those. I would not want to leave any of his questions left out.

So, when you look at the reduction in budgets for a small business in rural Manitoba, you look at the reductions of certainly for the first time since the Second World War reductions in our larger businesses here in Manitoba from 17 down to 15, and going down to 14.5 percent. Obviously, they are in rural Manitoba and they are in urban Manitoba. They are all on the way down, and they are all reductions, and certainly Manitobans recognize that.

In terms of one of his final questions, Madam Chair, the commitment certainly is not a two-year program. It is something that was advanced from 33 percent in the first year when announced to 17 percent this year, and that reduction in taxes will continue year over year. So not to leave any confusion with the member, certainly, that program advanced 33, now 17 percent added on as of January 1 for a 50% reduction in this year, and it will be a 50% reduction next year and the year after that, or we may have the ability, you never know, to increase that reduction as we have done in the ESL and as we have done with the property tax assistance. So for the member, no, it is not a two-year. It is something that has been advanced to 50 percent in year, and it will be the same or exceed next year.

Mr. Maguire: Well, I am sure rural Manitoba will appreciate that announcement, because of course the one last fall indicated that it was a two-year commitment to 33 and 50 percent, and there was nothing apparently announced beyond that. So I appreciate that.

I want to ask a question about the decision that was used by the minister in regard to the payments. He indicated that this money was paid out to farmers, that the education rebate that the government has put in place was being, used the terms earlier, paid out, and I am sure that was just a colloquialism that the minister will correct in his answer here. But, I mean, this truly is a rebate that farmers have to apply for. Is that not correct?

Mr. Smith: Yes, it is correct.

Mr. Maguire: And if the farmer does not apply for the rebate, he does not get it back.

Mr. Smith: It is a system that, obviously, when you look at the actuals of what is paid, you can see what the actual, about 50% rebate, will be. So it is certainly something that is very clear and people can understand.

Mr. Maguire: It is not actually paid out to farmers, though. They have to apply, and if they do not apply they do not get the rebate. Is that correct?

Mr. Smith: Yes, the ability is there for everybody that does pay to make application and certainly have it refunded back 50 percent of what is paid.

Mr. Maguire: And that is paid out to the landowner, not necessarily to the person that operates the land?

Mr. Smith: That is paid to the property owner.

Mr. Maguire: So, in the case of leases where an individual is farming the land and has agreed to pay the taxes verbally or on a written agreement and is the one that is actually operating the land, and the owner comes in and applies for the rebate and has that rebate provided, then that operator would then have to go and collect those funds from the person that owns the land.

Mr. Smith: This is paid out to owners of property that have paid their taxes.

Mr. Maguire: I am just outlining this because it has been brought to my attention that there is at least one case that I am aware of, I guess the person who was farming the land has an agreement that they rent and part of that rent would be the taxes. Yet now they are ineligible for the rebate because the landowner has actually received the rebate. So I just wanted to bring that to the minister's attention.

Mr. Smith: I know there could be a lot of different contracts with the landowners to renters or people that have their land. I would assume that people would work out an agreement with the landowner regarding that issue if in fact taxes were paid, that they would be able to work out some type of a process to recoup their dollars. I would not want to

hypothetically consider everybody would do that, but it just strikes me as common sense that something would be available, quite frankly, to people out there. There would be probably a million different contracts that are signed out there with different T's crossed and I's dotted, but off the top, hypothetically, it strikes me as not something that could not be overcome with an agreement, if in fact he had agreement in that form that the member had mentioned.

Mr. Maguire: But under a long-term agreement that these two would have and a dispute arises out of this, about the only suggestion the minister would have for this kind of a case is that they would have to go to court and settle it.

An Honourable Member: And if they could not?

Mr. Maguire: Then a common-sense arrangement.

Mr. Smith: Getting into hypotheticals is probably not the best way to go.

Mr. Maguire: This is an actual case.

Mr. Smith: In the actual case the situation would be obviously different in many different rental contracts. What we have committed to is to a 50% refund to property owners in this area. If they in fact have contracts that they have gotten into with others, I guess you would have to look at each one of those ones individually. Probably the onus would be on the person signing those contracts and knowing what they are getting into, as we do with any contract. Certainly, the credit is paid, the 50 percent is paid back to the property owner.

Mr. Maguire: Could the minister indicate or agree that this rebate process that he has does not save the municipal offices across Manitoba any savings in regard to their operations of their offices?

* (15:40)

Mr. Smith: Basically, this would be something that would be neutral for offices in Manitoba. Certainly, it was not the intent to have a saving in this area. The intent was to save the farmland owner 50 percent on their education paid taxes. Generally, it will be revenue neutral for the department, so to speak, or the offices.

Mr. Maguire: I guess my point, Madam Chair, is that if the education taxes off residences and

farmland was eliminated, and the Association of Manitoba Municipalities across Manitoba did not have to collect those taxes, would the minister not agree that there would be a savings in their operating costs?

Mr. Smith: No, I would not agree with that, Madam Chair. Certainly, we still have to collect municipal taxes within those areas, so the savings are not something that I would see, it would be something that would, as well, be cost-neutral. It would be something that the offices would be there and the municipal portion, the municipal side, would still have to be dealt with.

Mr. Maguire: Certainly, they would have to have staff to collect the municipal taxes, which is about half of the tax bills in Manitoba, Madam Chair. I guess I would have to disagree with the minister. If they were not having to have collecting, dividing and sending on these funds for education to the government, the indication of all municipalities, that I have talked to, is that there would be some savings.

So I would dispute that, but, having said that, I guess I want to ask the minister, but before they made the decision to rebate education taxes from farmland and, of course, we have established that if the farmer does not apply then they do not get the rebate.

As the minister is in Intergovernmental Affairs and Trade, did he have any discussions before he brought this change in education tax rebate about with any of his federal counterparts?

Mr. Smith: Obviously, the office and many of the staff have had discussions with many, many Manitobans and federal counterparts on this particular issue or this specific issue, certainly no straight discussions of any federal counterparts. If the federal counterparts would like to step up to the table and reduce taxes on any of the farmland, or anything they have to do in Manitoba, I would certainly welcome that. We, quite often, look forward to doing that with our federal counterparts.

The recommendations and some of the considerations go way back, certainly with myself, to AMM days or SCM days, in fact, where many times we have had rural areas and producers recommend that education taxes be reduced or some form of reduction on educational costs on farm property land.

Certainly, we did take that into consideration, exceeded our commitment, and if the federal government or if the member opposite knows of something the federal government would like to talk to my office about in some form of them cutting taxes for Manitobans or producers, I would certainly be willing to sit down with him and get that information.

Mr. Maguire: Does the minister agree that one of the misleading facts about this whole process is that the Premier (Mr. Doer), which is not, I know, this minister's portfolio, but he is the one that made the announcement of education taxes, and so I will get to that in a moment—has indicated that Agriculture and Rural Initiatives got the biggest percentage increase in the budget of any department in this spring's budget since the election?

The minister has indicated that it is about a \$20-million rebate value to farms in Manitoba on the farmland, the increase was about \$19 million to \$20 million in the Department of Agriculture and Rural Initiatives coming out of Finance and Education, and those areas providing those funds to Agriculture, and then turning around and using the whole amount for the rebate to education taxes on farmland. Does he feel that that is the proper place to pay those funds out of?

Mr. Smith: What I would agree to is a premier in the province of Manitoba that has made a commitment prior to an election of a 20% reduction in educational taxes on farmland, and a premier that has led this government to give a reduction of 50 percent of educational taxes on farmland. I would say that is a pretty substantial commitment, in fact, exceeded what was promised.

We look at the reductions in many of the other areas that I had mentioned. I certainly say that on the income tax side, with the reductions we have seen with the reduction in small businesses taxes that we have seen, with the reductions of the educational taxes on property throughout all the province of Manitoba in all areas of our province that we have seen.

More dollars in Manitobans' pockets in a substantial way, in fact, exceeding what was promised in the election, plus the commitment that we have seen in rebuilding a health care system that was decimated throughout the nineties. Certainly, I

would agree that is what we have seen from the Premier of the province of Manitoba, and exceeding expectations that are promised before elections is certainly something that is nice to deal with. I would say that is what I see as fact.

Mr. Maguire: Well, obviously, it is a complete wash in regard to the Agriculture budget. That is all I am saying, is that once you take the rebate out and pay it out of Agriculture, there was no increase in Agriculture budget. We have established that.

I want to say that the reason I ask the minister in regard to whether he had spoken with any of his federal counterparts or not, and why we felt so strongly that if you eliminated the education taxes off of residences and farmland, as opposed to what this government has done, that it is not trade—that it would never become a trade irritant.

Can the minister indicate to me if he has looked into the trade aspects because of the countervail issues that have been placed on our hog industry? Because we have seen closure of a border that none of us agree with.

Having had some experience with the Wheat Board in the past, I know that they have been challenged nine, ten times from our American neighbours in regard to the challenges around the operations of the board, and we have won every case in that area, particularly on durum, hard wheat and barley that are left with the board.

I would probably agree with the minister that these trade issues are used by the Americans as a trade irritant to throw roadblocks up in place to inhibit us from trade. In this particular case, if you eliminate the tax from a particular commodity, in this particular case, farmland, and in particular, the province of Manitoba, that it would be much more trade neutral than the route that the minister has taken, which is a rebate from government in the form of cash, as opposed to a government indicating to the assessment branch that you would just cut the value that you would collect in half.

That is much less of a trade irritant than the route, the process that the government has used in Manitoba. I would go further to say that the Premier probably directed the minister to do this, because it was an opportunity for him to send cheques out to farmers and make it look like they were doing

something in the province of Manitoba, when it is known by every farmer out there today that there was a much more simple way to do this.

So can he indicate to me just the kind of talks that his government had, internally and nationally, in regard to whether or not this could be deemed as a trade irritant, and put our farmers in Manitoba in a much more tenable position than they already are?

Mr. Smith: No, I would not agree with that. Obviously, I think it is something that is well received. Number 1, I believe that the producers, certainly, and the farm owners have certainly encouraged, and AMM has encouraged to reduce the educational taxes on farm property is something that I would say is well received.

* (15:50)

In fact, I think working in other areas in trade, on both internal trade, interprovincially, and trade nationally, internationally and hemispherically, is something that is a key issue. Obviously, when you have groups from the United States that are able to, through political process, close a border to some of the best products in the world because of political reasons is probably something, I guess I would agree with the member on that statement, that those types of things should be something that are dealt with through the political process, and brought forward with their issues.

The general measures that are not specific to individual commodities are not vulnerable to U.S. trade remedy actions, and it is something we continue to monitor and work with the United States on. In fact, not long ago, we were down in Washington dealing with some of the issues. In fact, between the period of the AMM convention in Brandon and going down to Washington to deal on issues of trade and impacts of trade regulations is when the judge from Montana closed the border again, which was about three days prior to the border being opened. It shows the impact of political process, certainly from the United States side.

What I would say to the member is the amount of work that has been done looking at new markets is something that is critically important. We have partners that are down in the United States. In fact, many of the producers down in the United States are as frustrated, I would say, as the producers we have

here on our side of the border, from this political action from the United States, from the Republican government that we see in there right now.

I know we have monitored not only through ourselves from Manitoba but with Minister Peterson and others on what possibly we could do from Manitoba, not only Manitoba, but working in conjunction federally with our counterparts right across Manitoba: Softwood lumber is a good example. Hogs, as the member mentioned, is an example. We look at the beef industry right now, which is an example, and there are many other cases where we believe there should be a lot of work done.

We think, through dispute resolution mechanisms and strengthening, that we would like to see that as first point of action. Trade sanctions become very difficult to manage in different sectors, in different areas, and I know B.C. and others would like to head down that road, head down that direction. They are impacted, as is Manitoba, but B.C., obviously, on the softwood lumber issue and others.

I think working in conjunction with our federal partners, working on what we believe are some of the vulnerabilities we have seen here in Manitoba and others in the dispute resolution mechanisms and strengthening that case is something that we have put forward very strongly. I know down in Washington when we were there, there are many of the political decision makers down there that believe very much along the same route.

It is not that far off to look at what has happened with Devils Lake, and in that area where International Joint Commission where we have always had dispute resolution mechanisms dealt with through that committee. For the first time in Canadian-American history, Madam Chair, it is not being considered.

I think we have some issues to work out with our neighbours. They will continue to be our strong trading partners, but some of the actions that have been taken from the political process down in the United States are certainly not something we agree with, but we are continuing to work with them.

Mr. Maguire: I just want to point out to the minister again that the farmers are very concerned about this in farm organizations They appreciate the fact that

they have received a 50% reduction in their farmland. There is no doubt about that.

As for being well received, I would probably announce to the minister that it is more a state of desperation that this government has not been able to provide them with the kinds of support they need in the rural communities. They have cut grow bonds basically in rural areas. There are cutbacks on ready funds. There are cutbacks in Green Team developments, cutbacks on community development processes, cutbacks in adult education mechanisms, opportunities out there in rural areas.

You have a government that has done cutbacks in rural hospitals, cutbacks in being able to attain the kinds of medical care that they need. There are farmers out there that are absolutely desperate in relation to this spring's process, and it is not just on the BSE side. We have seen some of the lowest grain prices in the last 20 years take place this past winter, and yet the government gets all kinds of plaudits for making \$180 million available, when they agree that they have only spent \$116 and that \$68 of that is going to have to be paid back in loans, starting this fall.

I would ask the minister to sit down with his Cabinet colleagues and members of Treasury Board and make sure that they have a good, sound plan for the way those loans are going to have to be paid back, because they were two-year loans and they are going to start being paid back this fall. The government is collecting a percentage of value over and above what the government can actually borrow funds for on those.

So they are charging dollars to farmers for a cash advance, in a sense, Madam Chair, that they are getting. To add to it, the concerns of down the road having to fight off a trade irritant, as the hog industry has just spent \$25 million having to do in this country, is certainly something that I think needs the minister's attention.

I can only reiterate the question in regard to the opportunities of development. This is also an opportunity to mention as well that, if the government had had a more sound management process from this minister, killing Bill 40 for Bill 22, the water act, we would not have perhaps, when he talks of assessment values and where they have been, the fact that there was a clause in that Bill 22 at one

point before the minister brought in or it appears at least as if he wants to bring in a subamendment to eliminate the commercial assessment on farm buildings.

Part of that bill allowed for the commercial assessment of farm buildings across the province of Manitoba, which would double the taxation instead of cutting it in half from the present process that we have already seen.

So for the minister to take credit one day for wanting to put \$20 million in farmers' hands through a rebate program that they have to apply for that may not be trade-neutral, and then say that, silently in a bill, we are going to double your taxation on your farm buildings through a commercial assessment process as opposed to the farm process that is there now, is a double standard at the very least that farmers have seen through.

That is why we have had so many calls in regard to making sure that gets changed. It was certainly a concern of AMM, and I hope the government listens in regard to that, because if that is to go ahead, it would devastate a lot of the farm communities, a lot of the farms that we have in rural Manitoba today.

It is just not something that can be slid in under the auspices of a water protection bill because everybody wants to make sure that we have clean water. There is no doubt about that. So I just ask the minister again to make sure that this is a trade-neutral program that he has implemented and to make sure that, before he announces any increases in it, that they make sure that it is not a trade irritant.

Mr. Smith: Just an opportunity to correct the member. Obviously, in the answer when he had mentioned hogs and the reduction in education taxes, I had mentioned before that general tax measures that are not specific to individual commodities are not vulnerable to U.S. trade remedy actions.

That is the answer he wants to take back to the producers which is factual. That is the answer that it does not impact on that side, so he can be crystal clear with that. Maybe cut it out of Hansard and put it into big letters and take that to everybody he goes out and talks to in the rural area. So, specifically, it will not impact and it will not be a problem with our trade action in the United States.

The member was incorrect. The support for rural municipalities, obviously into the budget that we are dealing with here today and speaking of, in '05-06 the REDI funding was substantially up, and when you look at the transfers through REDI and the VLT transfers that, as the member knows, were down because of some of the smoking issues and others in rural Manitoba, is up considerably in '05-06.

So the support year over year that we are dealing with here in this budget is just indisputable of being up in numbers for support on the REDI side. The transfer and increases to municipalities is up overall in the province of Manitoba 8 percent. So the member, as we go through line by line, may want to get into greater detail with that, both in the city of Winnipeg and in rural municipalities, but it is up substantially.

* (16:00)

Last but not least, the member had mentioned Bill 22, which did not increase the assessment of commercial farm buildings. So I am not sure where the member was getting that from or where his information came from, but I can tell the member that it did not increase the assessment of commercial farm buildings. So he can maybe cut that out of Hansard when he gets it, to be crystal clear on that as well.

The support for rural Manitoba is pretty obvious in this budget being up year over year.

Mr. Maguire: Well, Madam Chair, it is obvious that the minister has funds in the budget to eliminate the education tax off of farmland totally. So will he be doing that in this fall's announcements?

Mr. Smith: I know that was the hollow commitment that was made by members prior to the previous election, along with the 1% increase in support for health care. What I will tell the member is we will continue, as we have, substantially supporting rural Manitoba. The many areas that we have talked about here today, certainly from this department, a year-over-year increase to all rural municipalities, 198 throughout the entire province of Manitoba, up 8 percent.

The member does not think that is substantial, at the cost of living that is averaging about 2 percent. I am not sure what he does feel a rate for increase

should be, but the continued support in so many areas in Education and Health and Agriculture and our commitment, certainly, in Conservation, commitment in Water Stewardship and many of the other areas, have all increased, year over year. Budgets that are affecting not only rural Manitobans, but all Manitobans in the province of Manitoba have been well received.

The member speaks about rural areas. I agree that we need to continue to support our rural areas, our agricultural areas through initiatives in many cases where we are having people with, as the member mentions, some of the lowest commodity prices that we have seen in a good many years. I know the member from Arthur-Virden has seen many years in his own operations on farming go up and down. This is one of the worst times, lowest in the grains and the oilseeds and obviously in the cattle industry, that we have seen in many, many years.

The support has been there, transitional support has been there in many different areas, in many different departments and that is recognized. As I had mentioned, the member prior, when we had committed a reduction of 20 percent on farm property taxation, and then came through with a 50% reduction, obviously that was something that we had committed to.

We will continue to work with AMM, which is certainly a good indicator of what is happening throughout the entire province of Manitoba on their resolutions and their recommendations, and certainly do it in a substantial way. It is something that we have a balanced-budget legislation and put it into our priorities, one of our priorities. Certainly, high up on the list is rural Manitoba and the support for producers in the province of Manitoba. We continue to support and fund agriculture in our government very substantially. Certainly, that will be continued through my department when we have the ability with the new revenues that we are seeing in other areas in Manitoba to redistribute that into our rural areas in a substantial way, any way that we can.

Rural communities have done quite well in spite of some of the serious impacts that they have had. When you take, as the member, we both know, let us take the town of Virden. When you have producers and others where their income goes down, obviously you see that start to spin cycle through communities and through businesses in those communities. So,

when you look at the reduction of taxation on a lot of the small businesses, we have seen not only to assist the producers, but to assist those small businesses in those communities stay viable and have the ability to maintain and keep employees in their facilities. It is critical to rural Manitoba, as well.

So I think the commitment on the reduction within urban areas such as Virden and rural areas in Manitoba is critical, that the assistance goes to many of those different people in those areas in the towns and the villages and in, certainly, in this case, when we are talking about reduction of 50 percent on the educational tax on farmland, quite significant.

We will continue to work with AMM. We will certainly continue to work with producers on issues of slaughter capacity in the province and other issues. We have been open to that, many of the departments. We believe there is more work to do and we will continue to listen to those people.

Mr. Maguire: A couple more questions in this area, Madam Chair. I guess one of the things I would like to ask the minister about is funding to Grow Bonds. Are they still funding that program? Can he give me any indication of how many have been applied for, and how many have actually received funds in the last couple of years?

Mr. Smith: Yes, Madam Chair, that is probably a question that, I know, was asked in Agriculture, that is something that is dealt with in Agriculture. So the question would probably be better directed to Agriculture regarding Grow Bonds.

Mr. Maguire: Well, I know it was a program that this government thought was a good one, because they expanded it into the city of Winnipeg and then forgot to fund it, even into northern Manitoba, Madam Chair. They basically left the same amount of funding and expanded it to the whole province. It was originally started out as a program to help rural development between different areas. Of course, in some cases, municipalities were involved in those areas as well.

But I know that one of the areas that the minister is involved in is, of course, in a number of development programs in the city. Of course, they will be very happy, I am sure, to have received some of the funds in the latest windfall from the federal government in regard to funds for utilization of

community clubs and ventures in the city as well as other areas of Manitoba.

But one of the questions that I want to ask the minister is that, for years there has been discussion around the whole area of amalgamation of municipalities and in those areas, I wonder if the minister can give me any indication as to his intentions in regard to being able to, or what his thoughts are, or what he thinks is necessary, and what his plans are in regard to amalgamations of municipalities in Manitoba.

We have a government that forced amalgamation of some of the school boards in Manitoba at one time. I just wondered if this minister has any intentions of doing that with municipalities as well.

Mr. Smith: I believe that the Association of Manitoba Municipalities certainly has dealt with that issue. I know when they had the two organizations in the province of Manitoba and they amalgamated into one association, many of the members at that time in different communities believed that was a good move.

I think the autonomy for decision making of those different municipalities is something that should probably be worked out through their organization and recommendations come back from that organization. Obviously, it is something that should be dealt with at that level.

Certainly, we are not looking at the restructuring in any way. We are prepared with AMM to deal with that issue. When they raise that issue, if it is something that we can be involved in with them on their recommendations, it is something we are more than happy to do. If they are looking at a restructuring in some form and would like our assistance, we believe that it best comes from the Association of Manitoba Municipalities to make those recommendations to us.

Mr. Maguire: Madam Chair, there have been discussions for some time in regard to the assessment branches in Manitoba. I wonder if the minister can indicate to me whether he, as well, agrees that there would be—or at least maybe I should ask him what he feels the size of the savings would be if there was some amalgamation of the assessment branches in Manitoba.

Mr. Smith: Yes, obviously, for many years there have been a number of issues regarding assessment in Manitoba. A lot of the issues that have been brought up from the City of Winnipeg and from the City of Brandon and from some of the municipalities have been looking at the possibility of more frequent assessments bringing the year from four years to three years, and other different ideas that they have had.

* (16:10)

If that was the direction that it went, to hypothetically assume that there would be savings certainly is not something that I would want to think about without a good business case or a business plan.

Obviously, Madam Chair, there have been many recommendations by both the City of Winnipeg through their Winnipeg Charter and through what they believe on assessment could be possible and obviously from rural Manitoba where a number of offices are. The amount of work, if in fact you went to a more frequent assessment, obviously, you would have to take the impacts and rationalization of what that would mean for staffing and costs and time.

As the system is right now, we are not looking at a reduction. The amalgamation obviously would not reduce, if in fact you did it with the City of Winnipeg, the costs. You would still need to have the same amount of work done and the same amount of properties assessed. So we would have to look at exactly what the business case was, what the plan was, and we are not at that point certainly by any means.

Mr. Maguire: I thank the minister for that answer. I asked some questions in regard to staffing and that sort of thing in Brandon the other day. It seems that—if I asked the minister this the other day, please indicate that to me, but it seems that there has been about a 30% increase in supplies and services in the Brandon office and the minister's office in Westman in the regional Cabinet office. I wonder if the minister can indicate to me what is happening there. There is no increase in staff; it certainly does not look like. Can he indicate to me why such a large increase in supplies and services was required in that area?

Ms. Kerri Irvin-Ross, Acting Chairperson, in the Chair

Mr. Smith: Madam Chair, the budget changes obviously reflect into this year 2005-06 an overall increase of about \$10,000, increase in the operating budget. It basically brings it more into line with estimated costs. When you take the cost per square foot, obviously there is more space. There is more ability for public meetings in the office now in a more substantial way. You have the same staffing allocated to it, but with the general increases in both costs of office operation and the general increases in staffing over a period of years. In 2002, for instance, 2002-2003, the budget was reduced to reflect the lower per square metre space costs with the move to the provincial building, which was less expensive than the private lease, I might add, that was out there. The increase in costs now has just been inflationary costs that we have seen. The square metre cost on more square feet is up. So generally that is the \$10,000 increase in costs.

Mr. Maguire: Is this something that is similar in other areas of the minister's area, because if you move to Human Resource Management, it is roughly the same kind of an increase, smaller amounts but from 12.7 to 16.9 in Human Resource Management as well. Is it the number of cases, the number of turnovers? There were a couple more people hired in that area, but—no, pardon me, it was the same amount of persons, just a few more dollars in that area.

I wondered if the minister could indicate to me, there is about a 7.5% increase in salaries for those persons, as well as a smaller increase in the Supplies and Services.

Mr. Smith: In many of the areas the member mentions this budget really adjusts to bring them more in line with the actual costs of operation. That is what we have done in this budget in many areas. Obviously, some are increases, some are decreases, and it does come more in line with actual costs of delivery.

Mr. Maguire: I thought maybe in the area of Supplies and Services, Madam Chair, but the salaries are 7.5% increases. Is that what the minister considers normal?

Mr. Smith: I wonder if I could just follow the member as to just what page he is on and what we are referring to.

Mr. Maguire: Page 25, Human Resource Management, subappropriation 13—

Mr. Smith: When you look at the cost increase on the 138.4 on the four staff, take into account the benefits and the accrual in the pension liability at 2.9, you take in the merit increases that were salary adjustments at 2.7, which is the cost, and the change of staff turnover at 2000 and the GSI at 2.4, it brings it up to 148.4. Those increases are the reason for the \$10,000 increase.

*(16:20)

Mr. Maguire: There is a couple of thousand dollars there which seems, a 15, 16, 17% increase in Employee Benefits. You go to the next page on 27 on Financial Administrative Services and you have an Employee Benefits increase there of almost \$8000, roughly another 17, 18 percent. Can the minister indicate to me if that is normal? It seems that as I go through a number of these areas of Employee Benefits in this program, they are all up more than what the cost of living would be. Can he indicate to me what change has taken place to allow for an increase of between 15 and 20 percent in relation to these Employee Benefits in these different areas?

Mr. Smith: When you take the budget the member was mentioning on page 27, \$467,000, and you take into account the benefits and the accrual and the pension liability of \$5,300 it is not a large increase by any means.

The merit increases which are obviously there at one point \$9,000 and the change in staff turnover that certainly we have not had a reduction in staff year over year of \$13,000. Again, the GSI at \$8,000 is the reason for the increase in that, year over year.

Mr. Maguire: Before I turn it over to my colleague from Fort Whyte, Madam Chair, I just wanted to say that I have appreciated the last hour and a half with the minister in Estimates in this room, but there seems to be a breath of fresh air here in regard to the view that I am getting at least anyway. I wanted to commend the artist that has painted former Premier Filmon's portrait that is now on the wall, and it is a pleasure to have him join us here in the Chamber again in the Legislative Assembly of Manitoba.

Unfortunately, because of being able to attend Rural Forum on Saturday, or Friday, rather, I was in Brandon, I was not able to be here, but I think that it is a great painting, great portrait. I certainly

commend the artist for the effort that they have made, and maybe we can enlighten our Legislature with another one in a few years of the Premier that is presently in power and move on to greater things in this province.

Madam Chair, I just wanted to indicate that as I have gone through a number of these areas, and I will have some further questions of the minister in regard to these areas. I do not have the numbers that the minister has given me in regard to pages 25 and 27 in the Estimates books. So I am wondering if he can provide me with the information that he has in regard to where he has received those numbers from that he has provided.

I also bring his attention to the Municipal Board part on page 29 in regard to the area there. There have been no new staff members by the looks of it. There again, a considerable amount of increase in employee benefits. Maybe he has some other numbers that I do not have in those areas, but if he could supply me with those I would appreciate it.

Mr. Smith: I must admit that I agree that is a very good portrait done by a well-recognized artist. Obviously, it is very well done to add to the room. I like the fact that it is the past Premier's picture that is up there as well, and, as the member mentions, maybe in 10 or 12 years you may see the present Premier (Mr. Doer) up there on the wall as well to proudly decorate this proud history of Manitoba.

I know the member is my critic on a couple bills and certainly, I think, bills 33, 5, and 7 maybe. We will be getting together to do a bit of side by side, I hope, shortly on those bills. Certainly, if he has not been contacted, he will be contacted shortly to sit down and do that. I will try to provide him with some of the numbers that I have given in Hansard here today and rationale of those increases at that time or hopefully sooner.

Mr. John Loewen (Fort Whyte): Madam Chair, I would just like to ask the minister when he first became aware of the problems at Crocus.

Mr. Smith: The member from Fort Whyte has had the opportunity to speak with the minister responsible for the Crocus Investment Fund at quite some length over the last period of time. Members have asked me those questions of the minister responsible for that department. Certainly, we had agreed to

globally look at this department, which we have done in some detail with the critic from Arthur-Virden. It is certainly something that we will continue to do. We will do this department in a global way.

Obviously, what is being dealt with in Crocus right now is being dealt with through proper process. It is looking at the issue of some of the allegations that are out there and being dealt with in the proper way through the Manitoba Securities Commission and the Manitoba Auditor. Certainly, that is the process it should follow.

Mr. Loewen: I think at the table we are all aware of what processes are underway. I have just asked the minister a simple question. When did he become aware of the problems at Crocus.

Mr. Smith: I know there is a process that is the proper one right now that is being followed with the Manitoba Securities Commission that is looking at this issue. The Auditor is looking at this issue. Obviously, it is something that is of interest to us all. It is something that deals with the Department of Industry. It is something that deals with the board of directors from Crocus. Like the member from Fort Whyte, we all look forward to some of the recommendations that will come out of the investigations on some of the allegations that are out there by the securities committee.

The member, a number of years ago, had brought up Crocus in a substantial way. That is something that this House all realizes. We have heard of Crocus. We all know of Crocus. Certainly, when this issue is dealt with by a third party, we will all look forward to getting the issues on the table, look at some of the recommendations. We have followed very consistently the recommendations from the Auditor General and from the Manitoba securities committee. So that is the process we should follow. That is the process that is being done. It is the process that I believe in.

Mr. Loewen: The minister was the Minister of Industry until October of last year, October '04. Unfortunately, he was the one that was charged with monitoring the fund. I guess, obviously, he did not perform that duty. He is obviously not going to answer that question. I would be curious to know if, when Mr. John Clarkson resigned as the board member of Crocus in what I have been told is May of 2004, did the minister have any discussion with Mr.

Clarkson as to reasons why he would resign from the board.

Mr. Smith: The member from Fort Whyte seems to be confused on the Estimates that we are doing here today. However, they are global Estimates, and the member can ask questions, whether he wants it in Health, or Agriculture, or any of the other departments, but the Industry Minister has been asked questions which Crocus deals with in his department. We all know that the Province does not direct or manage investments in the Crocus Fund, as the member has been told many times. The board directs all management and investment decisions and are certainly answerable to shareholders and investors. Obviously, fiduciary responsibility is to the board members by them.

So I think the member well knows that there is not management and direction from the government regarding Crocus. It is something that is done with the board members, and it is the Province's responsibility to make sure that the parameters of that legislation are followed. That is something that this government has done, something that the member well knows. Obviously, the same system was set up in the early 1990s by, at that time, Minister Stefanson, if memory serves me right. Those things will be dealt with by the proper third-party authorities. I know we all look forward to seeing the report and looking at some of the recommendations that are brought out at that time.

The Auditor General, as we all know, is very competent. I have full confidence in his ability to come out with facts that we can deal with, to come out with possible recommendations, and to deal with the possible allegations that have been made in many areas.

Mr. Loewen: Just so the minister is clear, I have never asked and never will ask, about government's interference with investments. So I am simply asking him what discussions he had with the current and previous board members. Did you ever have discussions with John Clarkson while he was the government-appointed board member at Crocus?

* (16:30)

Mr. Smith: The member knows that the fiduciary responsibility of board members is to shareholders. We know that they deal with this issue, they manage

this issue. It is the same structure that has been in place for a good number of years. It is something that is being reviewed. It is something that is being considered and looked at by the Auditor General. It is something that is being looked at by the Manitoba Securities Commission.

What the member does not understand about fiduciary responsibility of the board to its investors and others, and the role of government to make sure that the parameters are followed in that legislation, is something that maybe he needs to have explained over and over.

Mr. Loewen: Well, I can assure the minister I do not need to have anything explained to me by him, other than answers to pretty direct questions.

With regard to appointment of a member of his department, Mr. Ron Waugh, to the board of Crocus, did the minister have any discussions with Mr. Waugh regarding the Crocus Fund?

Madam Chairperson in the Chair

Mr. Smith: The direction in the early nineties of this labour-sponsored fund was followed again by this government. The civil servants that are appointed to that board does continue. Those appointments are done within the parameters of the legislation.

The member well knows that this government, as I would assume or I would certainly hope the previous government did not in any way direct the management of investments in the Crocus Fund, or manage the Crocus Fund and decision making of that fund.

That is something that is done by the directors, competent directors that were appointed both previously and now, and that is a process that was followed by this government, and I am assuming, the process that was followed by the previous government. The parameters of legislation are something that this government has dealt with and will continue to deal with.

We will have the Auditor General's report, and we will have the Manitoba Securities Commission report, in the next short period of time, I am told, and look at the recommendations and some of the information that comes out of those reports, and as we have done before in many cases. Assume that it

has been thoroughly done, it has been thoroughly investigated.

Mr. Chair, it has been something that when recommendations come forth, as the Auditor General did back in '99-2000, make changes on the parameters of what the governance model should look like, such as the Auditor General brought it to attention, putting information in employees' pay-cheques was something that he recommended government not have involvement in.

It was a good recommendation, something that was followed by this government, and we will look forward to any recommendations that may come out of both the reports from the Auditor General and from Manitoba Securities Commission.

Mr. Loewen: Well, the minister's response, it would be laughable if it was not such a complete slap in the face to those unitholders at Crocus, and the taxpayers of Manitoba that have just seen \$60 million of their hard-earned money disappear under his watch.

I just want to remind him that he should keep his notes because one of these days he is going to be in a situation, quite likely, where he is going to have to actually tell the truth and swear to tell the truth and rules of evidence will prevail. He should be mindful of that whenever he is speaking on this issue, and he should take it a little more seriously.

Having said that, I know the member from River Heights is under a deadline and the Leader of the Liberal Party would like to ask some questions, so I am going to defer to him right now and I will come back after.

Hon. Jon Gerrard (River Heights): I am just looking at an advertisement put out by the NDP dealing with Waverley West, and it said that it is going to be a transit-sparked development. I ask the Minister of Intergovernmental Affairs whether there are plans to have rapid transit into the Waverley West area.

Mr. Smith: I can tell the member from River Heights that, certainly in this budget, it has been one of the largest increases to transit in Manitoba in over a decade. Obviously, as a city service on rapid transit, something the City of Winnipeg would be dealing with, it is something that many, many have considered a priority, and, with the increase in

funding that we have provided Brandon, Thompson, Flin Flon and Winnipeg, it is something that the City of Winnipeg providing the service would be taking into consideration.

The transit grants, as I mentioned to the member, in those communities that I had mentioned, certainly went down during the nineties from about \$18.2 million to \$17 million, a reduction of a million, or well over half a percent. This increase to the City of Winnipeg through our Building Manitoba Fund, we have increased Winnipeg's transit operating by \$2.5 million this year or a 15% increase year over year, and the transit capital funding by almost \$900,000, which is about a 27% or 28% increase. The City of Winnipeg, I know, has transit as a priority, and certainly this government is funding transit as a priority.

Mr. Gerrard: I take the minister's answer to be no, that he has no plans to put rapid transit into Waverley West. I had discussed this issue with some people in the disability community, and they had been actually quite excited about locating in Waverley West, but the critical issue was whether there was going to be rapid transit available to them or not. So I was just asking the minister, and it is disappointing that he is providing an answer which would appear to be no, there is not going to be rapid transit to Waverley West. If the minister has another answer, I certainly would be prepared to listen.

Mr. Smith: Certainly, the member, I know, was paying attention, but there were distractions and things happening around the room that may have distracted him away from the answer, so I will mention again that we have had a 15% increase to funding for the City of Winnipeg and on Winnipeg Transit operating, and we have had about a 28% increase on the capital. I am not sure if the member is confused and feels that the Province of Manitoba provides transit services in Winnipeg. I can tell him that is not the case. The City of Winnipeg does provide transit services in the city of Winnipeg, and I can tell him it is the same in Brandon. We do not run a bus service, quite frankly, or transit service in any of the communities. We certainly are funding at a higher level than has been done in a decade for communities to support those services, so the member may be confused, or may think that the Province of Manitoba is hiring bus drivers and driving rapid transit or services. That is not the case. It is a service provided by municipalities in

Winnipeg. It is a service provided to municipalities in Brandon, Thompson and in Flin Flon. The service should be provided, obviously, by the communities that are in the business. The Province of Manitoba is just funding them in a more substantial way than has been done in a decade.

Mr. Gerrard: Yes, I would just note that it was this NDP caucus ad which was circulated around which claimed that there was going to be a Transit Smart development in Waverley West, so it is disappointing that the minister is saying that he is not even responsible for this, and it is kind of surprising that he would put it in this when he is not even responsible for it.

* (16:40)

I have another question which comes from this NDP ad. It says that there are not very many other opportunities, the pickings are slim. Kapyong may provide another 300 lots, and Fort Rouge Yards another hundred, and yet I am informed from other sources that the City has identified 25 000 potential residential lots already designated. So the City of Winnipeg residential land supply study identifies 20 300 lots on large parcels of land, 2328 potential infill lots and 3065 serviced vacant lots on land already designated. There seems to be a little bit of a difference between the NDP ads and what I find from other sources. I would ask whether the minister can confirm that the sum total of the other opportunities is 300 lots on Kapyong and another 100 at Fort Rouge Yards.

Mr. Smith: The City of Winnipeg certainly has had a lot of information on the supply of land and lots within the boundaries of the city. A lot of that information was provided and brought forward in a factual manner on long-term planning over the next 20 years or so. Most land banks and developments in larger centres deal with long-term planning and lots. The City of Winnipeg obviously brought forward good, solid information. It was assessed and considered through my department, and we dealt with those facts. The member may have numbers that he is pulling out of newspapers and other areas, and I am sure that could well be factual in some areas, or he could be pulling it out of different areas where he has.

I know the City of Winnipeg. I have no reason to believe that information provided to my office from

the authorities at the City of Winnipeg was incorrect. They did a good assessment on what they have for land in the boundaries of the city. There are different spots in the city where in fact there are different numbers of lots available, and the long-term planning. Winnipeg is experiencing a growth that they have not seen in some decades.

I believe they put together the factual information. They looked at the land bank resources that they have now. They looked at the future needs for development in the city, and brought those facts forward. With those facts and figures, we based what they consider to be future needs in some of the demand in areas in Winnipeg. Very accurate. The demand in southwest Winnipeg was identified substantially.

You consider that not all designated land the member may be mentioning is developable or something that would actually be used for infill or would in some cases be parking lot property or it may be parks or it may be some other land that is for other uses. It quite frankly is not really land that will be developed on over the next period of time. They took that into consideration and brought forward the facts of what they believe is developable and what they believe are accurate figures, and that is what we based all our information on.

Mr. Gerrard: I think one of the things which has been quite interesting to observe in the last few years of NDP government is the move by the public sector, that is the government of the province and the school boards, the Seven Oaks School Division, into land development and development of subdivisions. This is not particularly a usual role one would expect of the Province. It provides some potential conflicts of interest when the Province gets into the role of developer as well as regulator. I would ask the minister if he could tell us in brief his philosophy in terms of the role of the Province and the public sector as land developer.

Mr. Smith: I think it is interesting to note that when we deal with Plan Winnipeg and not in the development of individual properties that are out there. The City of Winnipeg has reviewed the proposal for development and, in this case, determined that the amendment to Plan Winnipeg is warranted. It is the City's request obviously to amend Plan Winnipeg to redesignate, in this case, Waverley West lands from rural to neighbourhood policy.

So it is a request from the City of Winnipeg. It is a request based on facts that they have brought forward. The member from Fort Whyte laughs. Quite frankly, he lives up in that area, and certainly what he appears to be saying is that Winnipeg does not need more developable land. Now he may be basing his facts on information that I do not know. He may believe there is more developable land in Fort Whyte or Lindenwoods or other areas in there, but that is not the indication that we have got from the City of Winnipeg.

The City of Winnipeg, in their long-term planning, has said up in southwest Winnipeg there is a need for developmental land over the next period of time as Winnipeg continues to grow. The numbers certainly vary when you look at different numbers out there, but 650 000 to over 700 000 people, 725 000 people. The balance of the city of Winnipeg is considering large growth over the next period of years. Certainly, it is something we have seen in Manitoba. It has been very substantial over the last five and six years where we have seen more people coming back to Manitoba. We are seeing more families coming to Manitoba. We are seeing more need for both infill in the inner city and we are seeing more need for options of other land that is out there.

The City of Winnipeg, I would say, is, through their professionals and people they have in their land developments sector here in the city of Winnipeg, quite able and more than happy to provide us with factual information dealing in what they believe is a need for the city of Winnipeg to grow. I believe the information that was provided to us was very accurate. It is the City of Winnipeg's request to amend Plan Winnipeg and to redesignate Waverley West lands, which was done, to rural and neighbourhood policy areas. So I believe the City of Winnipeg's numbers were quite accurate.

Mr. Gerald Hawranik (Lac du Bonnet): I have a question of the minister. It is a constituency question. I have a constituent who wants to purchase some land from his parents in the Rural Municipality of Springfield. I note that they have given me a number of calls over the last few months with respect to the amendment of the development plan by-law of the Rural Municipality of Springfield, specifically as it relates to the area east of Anola. A Municipal Board hearing was held early in December, and that decision, I believe, has to be sent to the minister

within 30 days. It probably was sent to the minister for his attention. I phoned the Rural Municipality of Springfield this morning, and I understand that they still have not received it, the approval by the minister. They have waited a very long time for the minister to respond to that amendment to the development plan.

My question to the minister is when will he be approving that development plan amendment, and when specifically will it be sent to the Rural Municipality of Springfield for consideration.

Mr. Smith: That particular plan certainly had been given consideration. If, in fact, they have not got the approval yet, it has been approved. It should be in the next short period of time. If they have not got formal written notice of that, it should be very shortly. I know, possibly through the system over the last few days or the last week or so, a letter may be at the municipal office now, but it has been approved. I do know that.

Mr. Loewen: I know the minister never has to deal with this, but just so he understands the situation with regard to rapid transit, I can assure him that from Lindenwoods and Whyte Ridge to downtown by the current transit system is anywhere from an hour and a half to two hours. So, when people talk about transportation in these areas, the minister should take it a little more seriously and do a little better research on it.

* (16:50)

With regard to the numbers that he is quoting, and again, these are not numbers that are pulled out of the air. I know he likes to try and ridicule them and make fun of them, but I would refer him and maybe he might take the time one of these days to actually read this report prepared by the City in October 2004 entitled *City of Winnipeg Residential Land Supply Study*. In that study, it indicates that there are over 2300 infill lots. These are City of Winnipeg statistics from their own land development. There are 20 300 greenfield lots, 10 000 of those in the southeast portion of Winnipeg, and 3000 of those in the southwest portion of Winnipeg.

I am just wondering how he justifies his NDP caucus putting out a piece of, basically, propaganda, full of misinformation that states, with regard to building lots, the pickings are slim. Does he call

20 300 greenfield lots and over 2300 infill lots "slim pickings?"

Mr. Smith: The member does raise an issue. Certainly, an important piece of our community, Linden Woods, and the area up in Fort Whyte, is a large-scale development that we have seen over the last number of years. The member, I am not sure how often he rides the transit; he has given me the time that it takes an hour and a half to two hours to get from that area to, I believe, he is speaking the inner city here, where we are sitting today. I believe that is why.

The member should, certainly, recognize that in the nineties the transfer of dollars from the Province of Manitoba to the City of Winnipeg, in fact, went down. It did not just stay flat; it went down from \$18 million to \$17 million. You see an increase that we have now with 15 percent on capital side and 28 percent on the operations side. Obviously, we do believe in good rapid transit. We believe in good transit system in all our communities and urban centres in Manitoba, and that is recognized this year in this budget that we are dealing with here now.

The City of Winnipeg, when they bring forth a lot of the variables that they have in their planning for development and development needs and certain communities and areas in their city, has taken into account the lots that are available now. They have taken into account developable lots; they have taken into account areas where the highest need will be, as good city planning does over not a period of next week or next month or the next year, but certainly what they see as the growth and the potential and the areas that are most fitting for the growth in the city.

The City of Winnipeg has taken into account all the lots that are now available for development, and they are looking over a long-term plan of some 15-year time frame. When the lots are extinguished that are now available and developed—we have seen in the last, certainly, five years how fast the lots are developing in the city of Winnipeg. I believe that the horizon for good planning does not just consider short term. It is very responsible of the City of Winnipeg to consider that long-term planning.

Most large centres and cities across Canada do have that 15-to-20-year horizon and certainly plan for that. The City of Winnipeg is doing the same. The demand has increased. The demand continues to

increase. The lots and the infill are happening in a substantial way, and it certainly takes several years to bring lots and developments on-stream. When you look at something, for instance, that we are speaking here about today with Waverley West, it is not something that has developed overnight. It is a large number of lots that are developed over a period of time. They are developed in a sustainable way that were the recommendations back to the City of Winnipeg, utilizing infrastructure and the means to do that. Certainly, that is what the City of Winnipeg is doing.

The lots that are out there, people have mentioned many times the amount of lots, but I think we all know that those lots do not develop in one year or two years or three or four years. The amount of lots that would be there would be developed over a 15-to-20-year time frame. The City of Winnipeg believes that the lots that are now available will be utilized and used by that time, plus the need for new growth and new development in their cities. It is good planning; it was well thought out; the factual information that was provided was well done, in my opinion.

Mr. Loewen: That is quite an answer to a fairly simple question. This piece of propaganda put out by the minister and the NDP caucus indicates that Kapyong may provide another 300 lots. The City of Winnipeg's analysis of that same site indicates that there could be 1200 to 1600 units on that piece of property. Who are we to believe?

Mr. Smith: As the member knows, the amount of homes built on any property could be considered something that would depend on the density of the development on that property. Obviously, if you take property, it is the proper zoning and you have zoning for high-density properties, you can have numbers that vary. If you have zoning requirements of single-family properties and homes, you can get another number.

It would depend on what was being developed and what is there, but I do have to mention when you talk about a simple question, planning is not a simple question. It is something that takes in multiple variables. The answer to the member's question is not something that should or will be answered with a simple yes or no. When you take in the amount of factors on good planning, it is many areas that are covered. The relationships and interrelationships

between developments and developments within certain parts of the city take in the amount of factors that are in consideration is something that needs to be looked at. As the member asked questions, there are answers and good reasons for decisions.

Mr. Loewen: The same analysis by the City of Winnipeg's Planning, Property and Development, Land Use Division indicates that Fort Rouge Yards could contain 200 to 565 units. The propaganda put out by this minister indicates that there are only 100. Who are people to believe?

Mr. Smith: When the City of Winnipeg had reviewed the proposal for development, they did determine that an amendment to Plan Winnipeg was warranted, and they did take into consideration numbers that they believed to be factual. I have no reason whatsoever to believe information that was provided to me at that time by the City of Winnipeg was inaccurate.

I know the Planning Division with the City of Winnipeg has taken into consideration in many cases, the member mentions a few of the developments that are around the city of Winnipeg, some of the density figures that are possible within those developments. It takes into consideration, as I mentioned before, whether that is developed into single-family homes, whether it is developed into multi-use residences or whether it is developed into higher-density areas where lot sizes are reduced. It can vary, and certainly will vary based on zoning that is available now on properties. In many cases, zoning changes would have to be made on some of the properties. To assume a hypothetical of what that might be zoned to or what the accommodations on that property, whether it be commercial, residential, high density is something that can fluctuate.

The City of Winnipeg looked at those variables and what they would like to see in their development within those areas and use the numbers that they would like to see on their planning of usages for those areas. Those are the numbers that are considered. Those are the numbers that were supplied by the Planning Department in the City of Winnipeg. It is certainly the City's request to amend their plan for good planning, looking at the future of developing more requirements for residential space and individual space for multi-family and for individual homes. It will vary, and the amount of the homes on

a particular property can vary depending on what that usage might be in the development.

* (17:00)

Mr. Loewen: The minister does not really like to be bound by facts, but we will try to draw him back into reality. The area in acres of the Fort Rouge yard is 25. His government's and his propaganda that says there are only 100 units that may be provided by the Fort Rouge Yards would mean that there are 4 units per acre. Does he think that is an acceptable number, in terms of housing within the Fort Rouge yard that gets developed with 4 units per acre?

Mr. Smith: Again, the member is hypothetically looking at what might be a development. I know a lot of the planning that is out there right now has different ways of planning.

An Honourable Member: It is not hypothetical, it is right there.

Madam Chairperson: Order, please. I would remind all members to please speak through the Chair and be recognized, thank you, and have respect for the person holding the floor.

Mr. Smith: Madam Chair, I know the member likes to yell from his seat without listening to an answer. That seems to be something that he does quite frequently.

Quite frankly, you know, when you look at planning and the different planning models that are out there, some communities are planned differently. I would assume that the community that he lives in, in Fort Whyte, may be different sizes than some of the lots that are in Tuxedo. So the average is, it is my understanding, about four lots per acre, when you have to take into account the services, the streets, the parks and the green space. I guess it can vary with whether you have paths and walking paths and you have more green space in an area or whether you have multi-family dwellings.

As we have mentioned before, many times you can have more density on a unit or on a per square acre. It can vary, but the average seems to be quite frequently now about four lots per acre, depending on what is built into that area. Whether or not there happens to be a school built into an area will reduce obviously the amount of land mass within that area.

Whether or not you have a play structure or playground within that area will certainly from location to location vary with the density that you can build on per acre.

So, yes, what I will tell the member from Fort Whyte is the average seems to be about four lots per acre. That is the norm that is out there now for developments. The member from Fort Whyte disputes that fact, and maybe he can supply that factual information to me. Maybe he can supply that factual information to the City of Winnipeg.

Mr. Loewen: Well, the minister should actually do some research on this issue. I realize that he is not from the city of Winnipeg and is at a bit of a disadvantage. I mean, I grew up in Fort Rouge. There is no need for new schools. Lord Roberts School is right there. Churchill High School provides the necessary high school spots, and it has empty spaces. This type of development in Fort Rouge is exactly what is efficient. There is no need for more parks. McKittrick Park is less than a block away. There are lots of parks in that Lord Roberts area and that Fort Rouge area. If he would take a tour through the neighbourhood, he would realize that the density is far greater than four units per acre, and in fact, it would be ridiculous to have a development within that area of four units per acre. It would be entirely out of place.

So, in reality, again, it just goes to show how desperate the provincial government, the NDP government, is to, you know, put spin onto their decision. Again, for the minister to sit here and try and indicate this is a request from the City of Winnipeg when it was clearly driven by the provincial government, clearly driven by his department, is a complete insult to all residents of the city of Winnipeg.

The facts are the facts. They are put out not by a partisan group but by the City of Winnipeg's land use planning department who also indicates in their report, and I will quote from the report, in the summary, again, quote, "Overall, the city of Winnipeg has approximately six to ten years of total land supply available for residential development. There are approximately one to two years of supply for the entire city available immediately in the short term."

So based on the fact that there is a land supply of six to ten years and there is one to two years of

supply available immediately, I would ask the minister why he chose to usurp the process and simply give his stamp of approval to this project instead of following proper process and sending it to the Municipal Board? What could he have been thinking?

Mr. Smith: It is evident that the member is from Winnipeg, and it is quite evident that he has grown up and lived in the city of Winnipeg most all his life. The beauty, I guess, that I have is that I have been throughout the entire province of Manitoba and, certainly, spend a great deal of time in here and recognize not only dealing with the City of Winnipeg, but dealing with the entire province of Manitoba on a larger scale.

I know the member from Fort Whyte, often when he gets to other areas in the province of Manitoba, has difficulty finding his way around, probably in the city of Brandon, in many cases to do that. Quite frankly, when we have a department, City of Winnipeg planners, we have three planners in fact sitting right at this table. The member, what he seems to be doing is indicating that, quite frankly, he does not believe the factual information that is supplied by professionals. I do. I believe the planners at this table supply good information. I believe that City of Winnipeg planners have supplied documented factual information and they see growth. They see long-term planning as being a priority within the city of Winnipeg.

We do not second-guess the City of Winnipeg on factual information. I believe information we receive from the City of Winnipeg is very relevant. The member might dispute; he may have more planning experience than planners I have in my department. I am not sure of his background, but I know the planners within my department have certainly agreed with the assessment the City of Winnipeg has made, certainly agreed on our process that has been followed to the letter in agreeing that the City of Winnipeg was quite right and had approval, had their third reading, and obviously passed it.

The studies that they have done have been very relevant. The information that they have had, the hearings that they have had, certainly suggested the amendment was a positive one. The Province of Manitoba does listen to the City of Winnipeg.

When the member mentions that this seemed to be popped out of the air, the previous mayor from the

City of Winnipeg, Mayor Glen Murray, was looking at this issue quite some time ago. I know the new mayor in Council was looking at this issue, and, certainly, it is their request that the amendment to Plan Winnipeg continue. It is based on their facts. It is based on their information. It is based on the professionals in the department following process in this. It is in all developments in the province of Manitoba that this development was approved, and it was done through a proper process and procedure.

Mr. Loewen: A process and procedure which completely ignored the Municipal Board, which was the minister's decision and nobody else's. Can the minister indicate how much the government has paid to consultants to provide studies in their analysis of the need for Waverley West?

Mr. Smith: In asking if our department has paid anything, our department has paid nothing to consultants.

Mr. Loewen: Well, there is a very big discrepancy between the City of Winnipeg's financial impact analysis and the Province's. Will the minister table the financial impact analysis and the detailed pro formas that accompany it of the provincial analysis that indicate there will be a profit of over \$200 million? We have the City's pro formas. It seems very difficult to get our hands on the Province's pro formas.

Mr. Smith: Again, the member is asking something that deals with another department. It is probably something that should be considered or brought up with the Department of Housing.

Mr. Loewen: So is the minister saying that, in his decision to submit to bypass the Municipal Board, he did not even look at the pro formas of the financial analysis that was done by the Province of Manitoba?

* (17:10)

Mr. Smith: Just for clarification for the member from Fort Whyte, again, as I have mentioned, City of Winnipeg is a mature level of government, and they do have processes in place to ensure that all public input is done for its decisions. The City reviewed the development proposal, determined that an amendment was necessary, and the City provided for a full hearing regarding the issue and related to the amendment. Our department did review those facts;

they do support the case that was brought forward by the City of Winnipeg. That is the process that is followed, and that is the process that I believe is the proper process to follow.

The member seems to be disputing information from the City of Winnipeg, so I would suggest that the member may want to question the City of Winnipeg on the facts that were presented. He may want to ask the City of Winnipeg whether or not the documentation that they filed was accurate, and I certainly believe that the information that was supplied to us was accurate information. That is what we based our decisions on.

The process was followed. When you go back some 20 years on referral to the Municipal Board, the only time there were ever referrals to the Municipal Board from Plan Winnipeg was dealing with procedural issues. This, in fact, was not a procedural issue. There were no changes between first and second reading of this development, and there was no reason to do that.

The City of Winnipeg is a level of government that has considerable expertise. It is a level of government that has displayed the professionalism on the factual information that they supply, and there is absolutely no reason in this case that I would dispute any of the information that was supplied to me.

So I am confident that the City of Winnipeg, on their long-term planning, had taken into consideration all information. I believe that they had taken into consideration the need for development in the city of Winnipeg over the next 15 to 20 years, and I based my decision with the information that was supplied to me from the City of Winnipeg, which I do trust.

Mr. Loewen: Well, just for the record, because the minister continually wants to twist and turn and paint a different picture, I want to make it very clear. I am not disputing any numbers that came from the City of Winnipeg. I am disputing the numbers that this minister and the NDP caucus put out in their blatant propaganda sheet that they sent around which differed substantially from the numbers that were supplied to the minister and to his department by the City of Winnipeg in October 2004.

I mean, that is the crux of the matter here is that the minister and his government have purposely put

out misleading information in an attempt to back up their misguided process. It has got nothing to do with the department. It has everything to do with the minister and the government members. It is something that they need to be called to task for.

Again, the minister indicates that there has not been a history of issues being sent to the Municipal Board. I just, again, point out to him one of the previous ministers, Jean Friesen, sent, in 2003, to the Municipal Board an issue regarding some lands on the north side of Portage Avenue, and a fairly small parcel of land, 340 feet on the north side of Portage Avenue, which was requesting to be redesignated.

So how could it be that this government would send a request to redesignate 340 feet to the Municipal Board and yet a parcel the size of Waverly West would not be sent? What possible justification is there for that?

Mr. Smith: The member, I think that, when you take into consideration reviewing from about 1985 to 2005, there are approximately 35 changes to Plan Winnipeg. Over that period of time, there were 4 sent to the Municipal Board.

I can say to the member 3 of those, as I mentioned before, were because of procedural issues, for instance, an example of a change in something that was done between first and second reading. So, of those 3, you leave 1. What the member mentions is something that, in the case of Plan Winnipeg amendment, the member is referring to the R.M. of Headingley, which, I believe, attended a public hearing conducted by Executive Policy Committee on the by-law but was not afforded the opportunity to make a presentation. So Headingley was not able to make the presentation at that time, and, certainly, the amendment was forwarded to the Municipal Board to allow the concerns of Headingley to be heard.

The objection was from a municipality outside the city of Winnipeg. I believe that they needed representation in a more expansive way. That was an anomaly over the last 20 years. Certainly, I would agree with that decision. If this was the case in this decision, it would have been afforded the same opportunity, but, out of the other 31, they were not referred. As I mentioned, out of the 35 or so, I believe it is 35, 3 were referred because of procedural issues, and 1 was referred, as the member mentions in this specific case, because of a

municipality outside that needed to be afforded the opportunity to present their views.

Mr. Loewen: Well, the minister, in his piece of propaganda, indicates that the only Plan Winnipeg amendments that get sent to the Municipal Board are exceptional cases. Does he not feel that a development the size of Waverley West, which he has indicated will be the size of the city of Brandon, is an exceptional case?

Mr. Smith: As the member asks for facts, certainly, supplying him with the facts is that out of the 35 cases that have been referred, there are changes to Plan Winnipeg. As I have explained to the member, three cases of procedural issues, one case, as we have mentioned here before, the member does not seem to want to, quite frankly, look at the information that is supplied by the City of Winnipeg.

The City of Winnipeg requested to amend Plan Winnipeg, to re-designate this area, was brought forward by the City of Winnipeg. Previous Mayor Murray and now Mayor Katz and the council right now are the ones bringing this forward. I believe that they have done their homework. I believe that they have presented my office with factual information, and, generally, the City of Winnipeg is a mature level of government with staff that has clear processes that they follow, set planning principles, and good planning principles, and that the City proposed that the land be developed.

The City, at its own planning process, proposed the amendments to Plan Winnipeg. So they supplied factual information, information that I certainly have no reason to believe is inaccurate. They took into account all the variables that they need to take into account and supplied us with that information. The development was dealt with no differently than other developments that are out there. The process was dealt with in the same way that it was dealt with by other governments, and, quite frankly, the planning staff here assessed the information from the City of Winnipeg. I believe that they are very competent to do so and the recommendation was sent back to the City of Winnipeg.

Mr. Loewen: The minister not only is insulting members with his responses, but, I believe, he is being insulting to the department as well. These are well-qualified individuals. The reality is this is being driven by a political decision as opposed to a

bureaucratic decision, and, quite likely, if it was being driven by a decision from the qualified staff, it would have gone to the Municipal Board, but we will leave that at that.

Will the minister table the pro formas for Waverley West that indicates the profit of over \$200 million that his government is projecting?

* (17:20)

Mr. Smith: I think the member, again, is confusing this department and these Estimates with Housing. Obviously, it is something that could be raised in that department, information supplied by that department. I suggest or recommend to the member that that be brought up in the appropriate department and considered by that department, and that he do that.

The member is quite right. The staff that I have and the staff of the City of Winnipeg are extremely competent and not driven by any political drive. It is driven by a process that is followed to the T. This again, on this one, was brought forward by the City of Winnipeg, upon the City of Winnipeg's request, to have the amendment done to Plan Winnipeg on this development. That is pretty straightforward. It is something that is a good planning process. It is something that is not political. It is something that follows the process to the letter. So the member is inaccurate in even mentioning that.

I will agree, and we do not agree on everything, the member from Fort Whyte and myself, but we both agree, I have good, competent staff in my department and, I believe, with the City of Winnipeg.

Mr. Loewen: I wish the minister would respect that. How many objections were received to the Waverley West amendment?

Mr. Smith: I think the member got that response yesterday in written form in the House. If he has lost his copy, I will certainly supply him with another one. That information was tabled in the House I believe yesterday. The member should have got it. I am sure he did.

Mr. Loewen: Is the minister embarrassed to indicate on the record that it was 22?

Mr. Smith: It is one of those ones that if the member had it at his fingertips, or maybe he lost it underneath

his files there and has just found it, but it is not something that is embarrassing to admit on the record. We have a lot of paperwork here now. If the member would like me to take more time to find things, I can certainly do that. It is not something that is embarrassing whatsoever. There were 22 objections filed, and 22 objections taken into consideration.

Mr. Loewen: I would have thought that with that many objections the minister would have referred it and followed the advice of the previous minister of Intergovernmental Affairs, who did, in fact, make a commitment to the Provincial Council of Women that she would have done the right thing and referred it to the Municipal Board.

The minister has indicated in the House a number of times that profits will flow to the inner city. Can he give me a detailed breakdown of what profits are expected to flow to the inner city, exactly how they are to flow, and what they will be committed to?

Mr. Smith: Whatever may develop there is out in the future. The member may again want to refer that question to the proper department. That would be something that could be referred to Housing. It is something that I know the member could get good factual information from the proper department on that.

Mr. Loewen: It would be nice to actually get some factual information from this minister. That would be a new experience for a number of us.

With regard to the development of Waverley West and his analysis of it, did the minister take into account the fact that schools in Lindenwoods, Whyte Ridge, Richmond West, are bursting at the seams? Just for example, I believe the H. G. Izatt school—a K to, I am not just sure, I think it is K to 8; there may be some 9 still in that facility—does not have a class of less than 30 students. If so, what can the neighbours of the Waverley West development expect in terms of immediate construction of schools and infrastructure to make that development a little bit more palatable to the community surrounding it?

Mr. Smith: Certainly, it is my department's and my responsibility to review and assess cases put forward by the City of Winnipeg on proper planning. That was done. Obviously, the City of Winnipeg has

reviewed the proposal that was out there for development and determined that an amendment to Plan Winnipeg was warranted. It was my department's responsibility and was done at the City's request to take their factual information on their future planning and growth under consideration, and that was done.

What has happened in previous developments through the nineties is not something that I can speak to, obviously. It is what this plan, at this time, and this factual information was supplied to my department, my office, and that is what was dealt with.

Mr. Loewen: Well, what the minister has done, basically, by rushing through this process and by ignoring the role, the very substantial role that the Municipal Board should play in this type of amendment to Plan Winnipeg, is he has managed all on his own to corrupt the planning process, not only for the City of Winnipeg, but for all of Manitoba.

Considerable effort goes into developing. I realize the minister may not be aware of this, but considerable planning and effort goes in, not only from the people within departments, but from outside, from the community as a whole, into the development of Plan Winnipeg. That was a process that was a substantial undertaking. That process that was undertaken, I believe, in the last time in 2001, set out the parameters for which planning would go forward for the City of Winnipeg. For this minister to have, basically, with the stroke of a pen, corrupted that entire process and undermined all the work and all the effort and all the thought that has gone into the development of Plan Winnipeg is not only absurd, it is something that gives new meaning to the heavy hand of this NDP government.

How does this minister believe that, in the next version of Plan Winnipeg, any volunteers or community minded citizens will be willing to put in the time and effort when they have just seen all the effort that they put into this last Plan Winnipeg virtually wiped out by a stroke of the pen because of this minister's and this NDP government's desire to reap some financial gain, supposed financial gain, short-term financial gain from the rezoning of some property?

I want to remind the minister that this is something that has been completely orchestrated by his government. His government has been the puppet

masters. It started with the member from Fort Rouge announcing it in the House, much to everyone's surprise, without any process, just announcing that the NDP government was going to oversee the development of a piece of property the size of Brandon without any public consultation, in direct contrast and completely contrary to Plan Winnipeg. How can the minister justify this?

Mr. Smith: The member, as he rambles nonsense, is quite extraordinary. You know, development plans cannot be static. That is something that is obvious. Plan Winnipeg was passed in 2001 and taken into account. Population growth that was, through the nineties, quite stagnant, '96 to '99, obviously, a large change over the last period of time. The growth in the City of Winnipeg and the population growth have certainly exceeded all projections and expectations.

You must accommodate changes in assumptions, obviously, when you have large growth that we are seeing in the province of Manitoba and the city of Winnipeg right now, but, certainly, in detailed plans. We have required an area structure plan, obviously, in this development that will deal with detailed development. The City of Winnipeg are the ones that

have requested this plan amendment to the City of Winnipeg, and this change, and, as far as initiating the idea, obviously, from the former mayor, Mayor Murray, and now Mayor Katz and their council, they see the city of Winnipeg growing. We do as well with the information that was provided to us.

The former mayor maintained that the province of Manitoba is growing. The city of Winnipeg is reflective of that. So the information is provided to us, the factual information. Dealing with the southwest side of Winnipeg and the growth in that area has been well done, well documented, and, from the City of Winnipeg to us, brought forth a good plan. Quite frankly, we see the growth as well. We see good planning.

Madam Chairperson: The hour being 5:30, committee rise.

IN SESSION

Mr. Speaker: The time being 5:30, this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 4, 2005

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