



Third Session - Thirty-Seventh Legislature

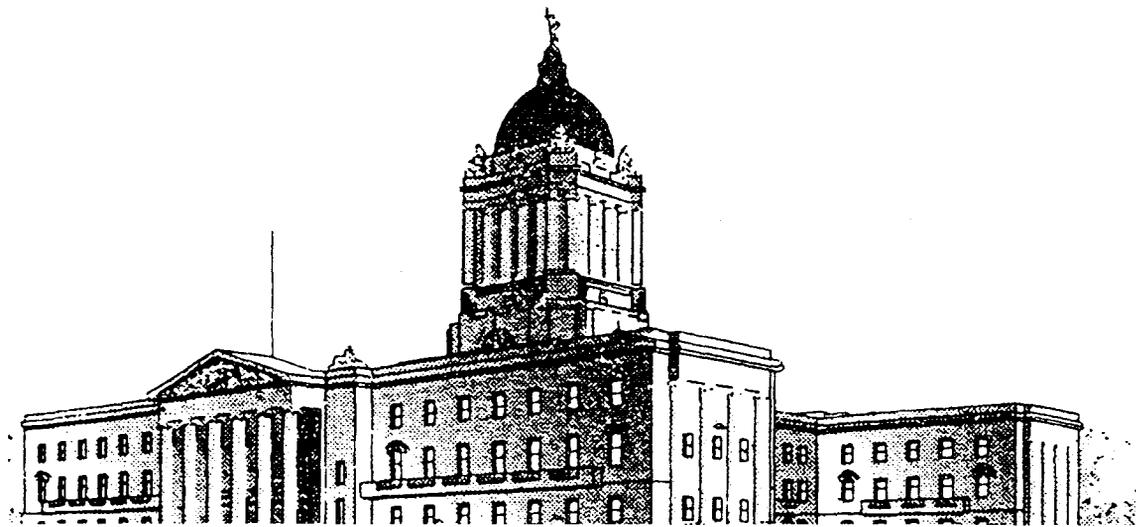
of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

*Published under the
authority of
The Honourable George Hickes
Speaker*



Vol. LII No. 77C - 6:30 p.m., Wednesday, August 7, 2002

ISSN 0542-5492

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	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.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
GERRARD, Jon, Hon.	River Heights	Lib.
GILLESHAMMER, Harold	Minnedosa	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
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.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
PENNER, Jack	Emerson	P.C.
PENNER, Jim	Steinbach	P.C.
PITURA, Frank	Morris	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	Assiniboia	N.D.P.
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, Joy	Fort Garry	P.C.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, August 7, 2002

The House met at 6:30 p.m.

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Mr. Speaker: The time being 6:30, we are now back in session. We are resuming Orders of the Day.

For the information of the House, for tonight only it has been agreed to that there will be no recorded votes and no quorum count.

Also for the information of the House there was agreement to waive rule 74(2) so that the remaining Estimates hours and the departments for consideration are not to be printed on the Order Paper for the duration of this session. Instead, it is my understanding that this information will be provided to House leaders and to the Member for River Heights (Mr. Gerrard).

Hon. Jean Friesen (Minister of Intergovernmental Affairs): I think it is the House's intention to move into Committee of Supply, to resolve back into Committee of Supply.

Mr. Speaker: As previously agreed, we will now resolve back into Committee of Supply.

COMMITTEE OF SUPPLY

INTERGOVERNMENTAL AFFAIRS

Mr. Chairperson (Conrad Santos): Will the Committee of Supply come to order, please? This section of the Committee of Supply has been dealing with the Estimates of the Department of Intergovernmental Affairs. Would the minister's staff please enter the Chamber?

We are on page 108 of the Estimates book, Resolution 13.1. Administration and Finance (b)

Executive Support. The committee has agreed to consider the Estimates in a global manner.

Mr. Larry Maguire (Arthur-Virden): I think I had just finished Estimates this afternoon with a question to the minister on relations with the federal government on areas of that \$2 billion that might be up in the air over the change in ministers in Ottawa and whether her Government has had any input today they might be able to share with the House in regard to any implications that might have in the forwarding of those funds and particular projects that are ongoing.

There seemed to be some concern in the paper that Mr. Rock wanted to do things a lot differently than Mr. Manley. I guess I am just querying the minister as to what her feelings are on that. It is a bit of a nebulous question perhaps. Really, I am just asking if the minister has had any contact and what kind of information she could share with us on that.

Hon. Jean Friesen (Minister of Intergovernmental Affairs): I am not sure I have a great deal more to share with the member than is in the press. There is a lot of speculation about who would be the new minister in the last couple of days. It has devolved upon Allan Rock apparently. After the federal cabinet meeting on Wednesday new positions were announced.

I am assuming at the moment that our contact for the Canada-Manitoba Infrastructure Program will still be Stephen Owen, who is somebody I have met with a number of times now and that the local person will be Minister Pagtakhan, as Stephen Owen indicated the last time he was in Winnipeg. At one level I am not anticipating any changes there. Stephen Owen was the junior minister to John Manley in this area. It is not anything I have in written confirmation, but my understanding is that will continue.

I believe the Deputy Minister of Federal-Provincial Relations has been in touch with

Ottawa and may have some other information on the new deputies and how those kinds of structures have changed. There was also announced an office of infrastructure, which was new, a federal office of infrastructure. Again, I expect that we will have more information on that through the deputy's exchange, whether that will encompass the federal-provincial infrastructure programs or not, or whether they will continue more or less in the same administrative structure as they are now, but, as I say, nothing that would suggest there would be any changes.

Of course, every time there is a change of ministers there is some catching up to do. There are personal connections to be established. We have seen some changes in the last number of months. Minister Duhamel, whom I had worked with for the first couple of years and whom I think we had a very good rapport with, obviously went to the Senate. Now we are dealing with Minister Pagtakhan, I think, who is very well aware of Manitoba's priorities, and Stephen Owen, who is from British Columbia, but has now been, a couple of times, to Manitoba and was here very recently for an event at The Forks.

When they were appointed in January, I did go down to Ottawa. As I said, I think we were the first province to sort of knock on the door, just to make sure the new minister understood a range of Manitoba issues in infrastructure and in the urban development agreements. We met Minister Pagtakhan at the same time.

I think we have had a reasonable response, certainly a great deal of interest in Manitoba issues. Minister Pagtakhan is very attentive. So we look forward to growing that relationship and to ensuring that the Canada-Manitoba Infrastructure Program, for which this department is responsible, can continue in an orderly manner.

* (18:40)

Mr. Chair, I should say we were amongst the first of the provinces to sign the infrastructure agreement. We have equally been, I think, one of the leading provinces to have agreements on the expenditures of monies. I am told—obviously, I do not have detailed information—there are some provinces where the negotiations with the federal government were much more difficult, the

negotiations between the provinces and the federal government were more difficult, some where it was not until this year that money in fact began to be expended. We tend to think the joint administrative infrastructure we have is working well and that we have local ministers who are attentive to our issues.

Obviously, Mr. Chair, Mr. Manley had a huge range of responsibilities. I do not know how long it was anticipated when he received them that he would continue, but obviously we now have a rearrangement. I hope to be meeting with Minister Rock as soon as possible to indicate to him what our priorities are in infrastructure and to continue to talk to his other ministers to make sure we are on the right track with the right people about urban development agreements, about Economic Development Partnership Agreements and all of the other agreements Manitoba hopes to continue.

Mr. Maguire: Well, thank you, Honourable Minister. It is no doubt going to unfold, I guess, as the new minister gets a little more comfortable with the position he is in, but certainly I would assume the persons we have in Manitoba will continue to maintain the same kind of pressure to seek the kinds of dollars we are talking about in our infrastructure programs for the province of Manitoba. When they are talking about \$2 billion that might be up in limbo, I think it is incumbent upon us to make an early call to the minister in Ottawa and try to make contact, would be our advice, just to make sure, as with other things the Minister of Finance (Mr. Selinger) has had to deal with in accounting problems and that sort of thing in Ottawa that they know Manitoba is on the map, in their face a little bit and that we are still wanting to be at the same, not up the level of the ladder anywhere from where we were before, but certainly to make sure we are not any lower on the scale in some of these areas as well.

Mr. Chairperson, a number of these projects have come forward in the last few weeks. There has been a lot of discussion out of Ottawa talking about infrastructure projects over and above the kinds of Canada-Manitoba, Canada-provincial relations we have had in the past. One that is very pertinent to my own area and the reason I have raised some of these questions is,

of course, now as a responsibility and your involvement with the other associations and levels of government in Manitoba it is incumbent upon us to look at the twinning of No. 1 Highway, not just because it is located in my constituency in Arthur-Virden but because of the safety record. I have been putting the petitions forth in the House on a daily basis, spurred from the fact that two ladies in the Elkhorn area, Christy Robinson and Corrine Nesbitt, had taken initiative to get 426 signatures on a petition to seek the twinning of No. 1 Highway from the Hargrave corner on to the Saskatchewan border and of course the 12 kilometres of pavement your Government has announced some \$7 million towards. I acknowledge that, and it will be a contribution to it.

In discussions with the minister of highways, I do not know how we are going to get pavement on there for \$7 million, but there are a number of those issues the minister of highways will have to deal with. I wanted to just seek your thoughts on that project and the twinning of it. Because this \$2 billion the federal government is looking at is for network development as well as highway development and some of the, I guess that, when I say network development, I mean broadband network development that some of the industries are looking at, provinces are looking at, but that one is critical because of the safety factors and the amount of traffic on it.

Very clearly, those persons got involved in this because they have lost family members of their own. I just have to, along with the other projects we have talked about today, I would be irresponsible if I did not bring it up to the minister. You are the Deputy Premier (Ms. Friesen) of the province, and I would encourage you in caucus and in Cabinet to carry forward with the wishes of these citizens.

I asked the ladies at the opening of the Elkhorn fair how long it took them to get those 426 signatures, thinking that maybe they had been at this for a while. She said six days. There are only 250 people in the town of Elkhorn on a good day, so that is taking in quite a bit of the countryside to get very many more than that at this point. I would say they sought to see what could be done in that area. I said, well, I could put forth a petition in the House as well if they

could get some signatures on it. Some of them may be the same signatures that were on theirs but it was not in a proper form to present in the House.

I can tell you, in the hour after we did the opening ceremonies, it is kind of ironic, the opening ceremonies at Elkhorn fair take place at 6:30 in the evening when the fair only has an hour left in the day. That is just the way they run their event. The people come for the evening show.

Mr. Chairperson, I thought, well, they might give me eight signatures that I could take back to Winnipeg for the next day or whatever, but in an hour they handed me 20 pages of signatures in the community. That is without getting into Hargrave, Kirkella, Oak Lake or Virden. Some of those areas of course it is already twinned but people in those regions have certainly given me the indication they want that highway twinned. Of course the biggest thing they are concerned about is safety. I cannot harp on that enough, but it is also a great economic indicator and opportunity for Manitoba to attract back some of the traffic we are losing to the U.S. interstates and some of those areas. I am sure the minister is well aware.

I just want to put it on the record that this would be a great opportunity for us if there was some incentive. I know the federal government has some responsibilities obviously in this area. We are not getting enough federal money back from the fuel taxes they are collecting and the \$150 million they take out of the province every year. It is only in the last few that we have got \$2 million or \$3 million back from them.

I know and the citizens there know those facts, but I think it is really incumbent to try to move forward with this. I am not chastising the minister of highways for perhaps as much of how the dollars are being spent today in regard to highways, there is an endless amount of money needed in that area, but I think when you look at the economic activity that takes place, while we need to connect persons in the North and other areas of Manitoba so that we can have access to their communities and access to all of those towns, even though my son did make a living for a short time flying planes over areas

that did not have roads into them. He certainly did not run the company, and we have an industry in Manitoba developed around that as well. Those industries are still going to be there, they are still going to develop. There are still other projects for them as well, but I think we need to make sure what we are looking at. When we look at the fact that the southern hundred miles of Manitoba has over 90 percent of the population or near 90 percent of the population of Manitoba, the significance cannot be lost. For the sake of finishing the road from Hargrave to the Saskatchewan border, I guess my challenge would be to the Government and to the minister. If she could just respond as to where on her priority list this might be in regard to the economic opportunities that it would raise for her department and relations with the municipalities and industry in Manitoba, and where or if it has ever been raised by her in discussions with her federal counterparts.

* (18:50)

Ms. Friesen: I want to thank the member for that. I know he has been raising this on a regular basis in the Legislature. He has also raised the safety concerns very strongly.

As he mentioned, the minister of highways has for a number of years now been making the case on fuel tax and the implications of that for Manitoba's economic development, as well as for specific roads.

I would not say it comes out of the blue but the federal government's twinning of the highway was not something that had ever been raised with me in any discussions with the federal ministers. Now, obviously, I am not the lead on highways issues by any means, so I do not know if it came as much of a surprise to the highways minister but I read about it in the press. Then subsequently what it seems to be is one of a number of ideas they might be talking about for this potential fund. I am not sure how far advanced the plans are for this, what kind of time lines are around it, what kind of cost sharing is likely to be there.

It is quite possible that the minister of highways has had those kind of discussions or indeed that they have been taking place between federal

and provincial staff, I just do not know, but obviously the economic benefits for Manitoba would be strong and the safety issues even beyond that are significant. It is certainly something that from a rural Manitoba perspective, whether it is the twinning of this road or whether it is the maintenance and upgrading of others, there are a lot of highways issues out there.

The minister, as you know, Mr. Chair, has put forward a long-term plan, a considerable number of dollars. It was one I know he has talked to the AMM about at one of their June district meetings. It was certainly something, along with the Prairie Grain Roads policies, that I think the municipalities, if I can speak from that perspective, were very pleased with.

I do not have anything specific to offer to the member. I will draw the attention of the minister of highways to the questions you have raised and to your continuing concerns for both economic development and for safety issues in that area.

Mr. Maguire: I appreciate the fact that the minister would not be the lead minister on this question, but I thought that in her role as Deputy Premier as well that the importance of this to the economy of Manitoba, if this road was part of that five-to-six-year plan, five-year plan, I guess it is, that the minister has announced. I want the minister to perhaps challenge her counterpart that I would hope that is not a freeze on highway spending, if something was to happen that we could always go up from there and that this would take a priority. I say that with the greatest of economic concerns in place as well as the safety because if we were to go ahead and proceed with the twinning of No. 1 Highway from the Hargrave area to the Saskatchewan border and perhaps draw back the economic activity that can be generated from that, then of course we would have more funds available to build roads and repair roads in other areas of Manitoba as well.

I think there is a spinoff from the extra economic activity that we need to look at that will certainly be a benefit in other regions of Manitoba. Those persons in that area certainly do not mind the rest of Manitoba receiving the benefits from those dollars, spreading them

around the province, provided that road gets built. You only have to be on it for a very short time, as I have the opportunity frequently to travel that area in my constituency and see the traffic. It is one thing to see the traffic when there are tourists travelling heavily on that road in the summertime, but the safety is even more of a concern I think in the winter when roads are icy, when snow is drifting. Those kinds of circumstances maybe leave the roads less safe than they otherwise would be, but particularly the one thing that does not change that is constant on those particular sections of our highways in this province is the heavy truck traffic that is in those areas. That is not the only economic advantage, but it is a very constant one. We need to make sure that this project moves ahead.

I think the minister has indicated she is not sure whether there have been any discussions, certainly not in her department, with federal counterparts. I guess with her area and the discussions she has had, she has indicated the relationship she had before with Mr. Duhamel and now with Mr. Pagtakhan. I would encourage her as well as the Premier and her minister of highways to move forward with this and several plans.

A prime example of how this can be of benefit to the whole province is the twinning of 75 Highway south of the city of Winnipeg to the American border and the kinds of increases in trade that have taken place there. I would like to ask the minister if they will be encouraging, if you will, picking the tree while it is ripe, with Mr. Chrétien's seemingly—I used the term "Grit-lock" earlier this afternoon very purposefully. When you are looking at the leadership review that the federal Liberals seem to be undergoing, I am more concerned about that stalling any kind of activity out of Ottawa than I am about the departmental change from Minister Manley to Minister Rock and where this plays into the whole area.

There have been discussions that perhaps the Prime Minister's legacy should be to finish No. 1 Highway. I had a person tell me the other day that, just for the record, if the building of the highway would get Mr. Chrétien to leave, he would take a shovel and start digging it by hand

tomorrow. I think the person was actually pretty serious about that comment.

I just leave that with the minister and would encourage her to work hard within her Government to make sure that that goes ahead, that the project does become a higher priority and, hopefully, the encouragement of the federal government to put dollars, if they are going to come up with a \$15-billion project in that area that this certainly be one of them. I would encourage her to do that before Saskatchewan actually gets to the Saskatchewan-Manitoba border before we do.

Ms. Friesen: Mr. Chair, I am not sure about the race for the border, but I understand that Saskatchewan is only twinning or planning to twin between Regina and Wolseley. So there is a little way yet to go to the border. Nevertheless, I take the member's general point. Of course, the general point also would be that the provinces have, for some years now, collectively, in unison, repetitively asked for a national highways program. Again, I do not know where that was in the red book or which level of commitment was made some years ago, but the member's point about Grit-lock is, obviously, an interesting one. Timing is everything in politics. I guess I learned that repetition counts. The other truism that goes back a long way but takes a little learning is that timing is everything. The member may well be right that the time is a significant one.

I should say that there has been an additional highways infrastructure piece that came a couple of years after the Canada-Manitoba Infrastructure Program. There has also been the announcement of the strategic infrastructure. The earlier one enabled us to do the Prairie Grain Roads. Then there is this \$2-billion one. Then there is an additional border infrastructure program—big dollars attached to that. Certainly, for those latter two, there is very little flesh on the bones as far as we know in terms of criteria and how this is to be distributed. It does look as though they are gearing up. It does look as though some of this will come to fruition very quickly. We are always hopeful. We are, along with other provinces, I believe, on the record, encouraging, requesting—much more than that, much stronger verbs I need—a national highways program. I

think it is evident, particularly in the context of free trade, how significant highways are in all regions of the country, not just in the golden triangle, nor is it just in the Prairie Provinces that the road infrastructure is crucial. Obviously, the shift from railways to road has taken a tremendous toll in parts of the country. I do not know if it is any greater in the Prairie Provinces than it is elsewhere, but certainly it is very visible and very evident on the roads.

I take the point that the member has made about rural Manitoba in the winter. It was not a place until I became minister that I had traveled a great deal in, in the winter. I had certainly seen portions of it in the summer and spent time there, and I have a very healthy respect. I certainly used to be very much in favour of small cars, the smaller the better, you know, parking in the city, that kind of thing. I am driving what to me is a big car, and I know why now. I do not go out without all the requisite safety equipment. I am not sure I could actually use it all, but nevertheless it is there in the car and, should I be driven to changing the tire, I probably would do it, 40 below.

* (19:00)

Mr. Chairperson, I have a very healthy respect for people who do that on a daily basis. They have to do it. Certainly, road safety, weather conditions, and knowing the roads, knowing the patterns of traffic are a crucial part of rural Manitoba. In fact, I am sure of rural Saskatchewan as well. It is certainly something that I hear about as I go out to meet with municipal councils, particularly those municipal councils who have major highways running through the main part of the town. Highway 16, for example, is one common example that is brought up. Certainly, though, I do convey those to the appropriate minister, and they are part of the Government's perspective on renewal and economic development in all parts of the province.

We, obviously, have a large road network for, in some areas, a sparse population, and I am thinking not just of parts of rural Manitoba but particularly northern Manitoba. There is a network of roads in northern Manitoba which are in very serious condition with some very serious

safety issues and have been so for some time. At the same time, we are aware of the economic shifts and the importance of transport routes, as well as of the, if I can say, internal economic infrastructure of Manitoba and how significant not just domestic traffic is but the commercial traffic and, indeed, the growth of the trucking industry which has had some success, in fact, considerable success, in the Winnipeg region as well as in the western Manitoba region.

Mr. Maguire: Mr. Chairman, I thank the minister for her answer. As a husband of a wife that did travel 50 miles a day one way in the middle of winter as a physiotherapist to get from our home to her place of occupation, I can assure you that if you have to use that gear you will use it, and you will know what it is even if we do not when it is all there. The key is to make sure you have it in the vehicle.

I would like to move off that for a moment, if I could, and go back to just a couple of comments of concern that I have. It seemed so obvious earlier when we were talking about Rural Forum that it was going to be in Brandon. I just want to raise the concern that has been expressed to me, and notwithstanding the length and sincerity that I take the minister and the member from Brandon West for in their discussions when they say that Rural Forum will stay in Brandon, but part of the article that she also quoted me in regard to Mr. Smith's comments goes on to say as well: That Smith says organizers will expand, if possible, within the Keystone but also plan to start some events in towns within an easy commute like Souris and Minnedosa, end of quote, and referring to making Rural Forum a regional attraction.

The concern there that I have had expressed to me is that it is fine if we are going to continue to expand it, as was done this year with the tourist awards and a number of the projects that the minister has indicated, as was done by my predecessor. I know that she acknowledged the Member for Russell (Mr. Derkach) and his fine work that he did as Rural Development Minister at the Rural Forum this year. I respect her for that and thank her for those kind words, but I think the concern that is being raised here is not that particular projects that are there at the present time might be taken away, but if we are

taking projects into other areas—I know the Member for Brandon West (Mr. Smith) has mentioned Souris and Minnedosa in that particular article, which would be great if we could help some of those rural towns with their economies as well by bringing these kinds of projects into them.

Mr. Chairperson, I think the concern though that has been expressed is that if we start moving parts or segments of Rural Forum much further away than what could be a short commute in those areas, then do we lose the attraction of citizens from further away? I am talking Regina, because Brandon is a big trading area into eastern Saskatchewan. It may draw people as far away as Regina, from The Pas, from Nunavut as we have seen earlier.

Hopefully, we can get a little better air connections in western Manitoba in the future and have more direct routes but that is a concern that has been raised to me. I wanted to raise that with the minister that people are seeing that if we take some of the projects that are there and move them away, yes, we can still have a name Rural Forum in Brandon, but what would be the incentive for somebody from Winnipeg to drive to Brandon if it is going to come to Winnipeg?

I point out that it is a bigger issue than just Winnipeg, that fewer people would probably come to Winnipeg from Regina or eastern Saskatchewan than they would to Brandon and that area. I know Brandon is a huge trading area in that area of Saskatchewan, they get calls there as a former Chamber member all the time and a farmer in that area speaking with citizens in those communities. It is seen as a trading, central, regional city in western Manitoba and eastern Saskatchewan.

I just challenge the minister that the more events we could expand that project of Rural Forum with is a benefit. I just raise that has been the concern that has been raised with me. Could she try to clarify some of that?

Ms. Friesen: Mr. Chair, it is 10 years that Rural Forum has been going. Yes, it is something, actually not just last year but I think every year, I have tried to mention the Member for Russell's

(Mr. Derkach) initiation of this and the work he put into it. I think it is something people like to be reminded of and it is something that obviously was very dear to his heart and has had an impact upon rural Manitoba.

The other thing I wanted to say was that this is actually the second year that we had the tourism awards and forums at Rural Forum. The reason for that is the member may be aware of some of the changes we have made in REDI programs, that is to add tourism to one of the opportunities under the REDI infrastructure program.

Mr. Chair, under the Regional Development Corporations area, one of the things we are trying to do is to ensure that all of the economic development agencies in a region are working together. Sometimes what you have is a tourism agency or perhaps several tourism groups and you have a community development corporation, you have a regional development corporation, often with overlapping membership but not necessarily with a defined focus. Tourism as a major opportunity and a major direction for rural communities, I think, is something we need to bring greater focus to. I saw bringing tourism to Rural Forum as a way of doing that.

It is not going to happen overnight, Mr. Chair. I do not think it will even happen over a couple of years, but over the long haul, as we see that tourism becomes a major thread or stream in the presentations and seminars available at Rural Forum, that will help to fit, both with economic priorities in rural Manitoba as well as with the things we are trying to do elsewhere in the department.

As the member knows, the Premier (Mr. Doer) has been very strong upon ecotourism as a forum of development for Manitoba, particularly supportive of the rural trails, the Trans-Canada Trail. I do not know if part of that goes through the member's riding but it is certainly one that has very strong pockets of support throughout rural Manitoba.

Tourism generally is important for economic development. It is important for rural Manitoba. It is part of a direction that we are trying to move things in. When we think of rural Manitoba and

we think of Rural Forum, I wanted to see that kind of presence well established. As I said, I do not think we are there yet, but we are moving along those lines.

* (19:10)

It does fit with Nunavut as well, because one of the ways in which we are able to have an equal partnership with Nunavut is the mutual benefits that we can find in developing tourism in the North, whether between, for example, Kivalliq and the Churchill region, again, we are not there yet, but that is an area of tourism packaging and tourism development that offers, over the long term, the opportunities for an equal partnership. I think that is something that is very important to both Nunavut and to us.

After 10 years, Mr. Chairperson, we have been doing some evaluation. I have had, for the last three or four years, people telling me, well, move it out of Brandon; no, keep it in Brandon; less of this, more of that; more young people, not enough for seniors. You know, you pick up, especially around the food court, a lot of comments, a lot of anecdotal issues. Staff have done evaluations on a regular basis, but I thought at 10 years it was time to do something that was a little more in-depth and maybe helped us develop some plans for the future.

Mr. Chairperson, it is large, and I think it should be large. I think the Keystone Centre is, as far as I am aware, one of the, perhaps the only place which can take the scale of operation that it has become. I think scale is important. I think this was my sense of where, in beginning Rural Forum, the previous government had looked at it; it was that sense of pride, a sense of optimism, a sense of connecting the skills, and not just the products, but the ways in which people had taken hold of the opportunities that were available in rural Manitoba, the examples, the networking and the colloquial jargon. So size is important to that. A small forum would not necessarily provide that same sense of what rural Manitoba represented.

So, having said that, we are obviously committed to the Keystone Centre, and not just

through Rural Forum, but through many other ways, whether it is in grants, or whether it is in support for the board, or support through other programs that the Province sponsors at the Keystone Centre.

Insofar as the member has expressed, as people have expressed to him, the idea of taking things away, taking them out to other communities, that is not my intention. What my intention is is to say what are the programs that have been successful at Rural Forum, and how can we take that success and make it available to smaller communities? So I suppose, in a way, it is repetition again. Is there a particular seminar that went well? Is there a kind of seminar that people at Rural Forum have said, yes, that is the kind of thing I want to know more about? Okay, if we get that kind of very specific feedback, we will be able to say if it is financially feasible, if it is a relatively small operation, or a small panel, or something that is done within the province and does not involve, perhaps, a wide range of outside speakers, why not take that on the road? Why not take it to two or three towns? Why not have a commonality of experience or of programmatic discussion that could occur in two or three towns?

I suggested earlier to the member the experience that we are having in the youth exchanges in the town halls. It is something that I have found particularly beneficial, and I know that other ministers have enjoyed it. Can we take, not remove, that from Rural Forum, and continue to have that ability for students to connect with each other across the province? What is the nub of that? What is the experience that has been important to them, and can we do that on a regional basis as well? So it is learning from Rural Forum as to what people value, and repeating it in other areas if it is technically and financially feasible.

Mr. Chairperson, the member earlier talked about attendance at Rural Forum. It has been increasing but I think it is very difficult to predict attendance at Rural Forum. Certainly, by having younger people, because they do come in groups, we are able to predict that a little more, and certainly the seniors. We have encouraged seniors to come from Winnipeg. I know those groups who have come have very much enjoyed

it, so you get some predictability there, but I am told the experience over the last seven or eight years has been that it always depends on the weather, it always depends upon what is happening on the farm at that time. Sometimes it depends upon what other events are going on.

I know this time there was a music festival and that some of the young people who might have wanted to come actually could not get a bus to come because all the buses were heading in another direction and taking students out to a big music festival. Those kinds of things I think will always be there and we have to sort of judge as best we can.

Mr. Chair, I do not know if I have clarified it for the member. When I say "taking from," it is taking the ideas and finding ways to get those ideas and perhaps those examples to Rural Forum, so that local people could attend, so it is not just the leaders or the people who perhaps have official positions, so that we are able to take something that maybe the municipal leaders or seniors' leaders have been involved in, found useful, and get it back into their communities where they can participate and where we can foster perhaps some new ideas.

Community economic development was one of the themes of this year's forum. I think from that area there are a number of things we might want to take to communities. The formation of small co-operatives, for example, or some programs that deal with new generation co-ops and try to get that down to the level of small groups, but get the small groups that are in the community so that the people you are talking to are not just from all across Manitoba, as they would be at Rural Forum, but you are actually getting the people who might be following through together on that particular project in a small community.

It is not a very complicated idea but I did want to say it is not taking away from Rural Forum in that sense, it is repeating the strengths of it and doing it in smaller scale and in smaller communities, in addition to the scale of Rural Forum which I think is an important part of it.

Mr. Maguire: While the minister was speaking, I was assuming all along the projects she would

take to other smaller communities, if you will, would be held during that same time period as Rural Forum. Is that what she meant?

Ms. Friesen: No, Mr. Chairman. Maybe that is the key to my explanation. No, it would be at other dates throughout the year. One of the issues we have faced in Rural Forum is, oh, this year, the rain has been early, or the rain has been late, and people have not come because of X or Y reason. So maybe there is a way we can also address that as well and have these repetitive seminars, programs or workshops at other seasons when it might be more appropriate.

Mr. Maguire: I appreciate that answer from the minister. Certainly, as I said earlier, anything we can do in those communities to enhance any kind of activity in them is a plus. I would just challenge her again that some of the things that have happened this spring in her Government have taken away from some of those areas, so I would hopefully encourage her to use it as an opportunity.

Mr. Chair, I named some of the events that take place apart from the agricultural societies that hold their fairs in those communities all summer long and the 4-H rallies and events that take place in some of those communities that certainly involve the young people and the leadership of those communities. They are a part of the rural culture and rural forum, if you will, of each of those towns as much as people having coffee in the local coffee shop. They are part and parcel of what makes those communities tick and keeps them going out there, keeps them as communities. So if there are other things that can be done besides the festivals and other things, I just mentioned a few this morning, I will not go into more, but virtually every community in every one of our rural constituencies has an event every summer that is an annual event, if not two or three of them, on major weekends, that really help those areas as far as their economic activity.

* (19:20)

To get back to Rural Forum, I am glad the minister reminded me of this when she spoke of the importance of youth being involved in these events in Rural Forum. Obviously, we need to

do everything we can to try to provide focus, policies, formats and everything that will do as much as we can to keep as many of our young people coming back to our homes or their homes and give them the opportunity to be in business or work with family on operations that are in existence today, not just on the farm but in our communities as well, and provide them with that opportunity. Of course, they have to make that choice.

Mr. Chair, one of the things the minister, Deputy Premier (Ms. Friesen), talked about earlier today, insofar as the expansion of the events that have taken place, was the discussion with students at Rural Forum. I would certainly encourage that kind of activity and encourage more students to become involved. Of course, the business development games and groups that were there and have been there for years have been great. The new events that have come forward are of sound nature.

There is one area, and the minister was explaining and expounding on the virtues of the Rural Forum and the opportunities at the AMM district meetings this spring that I had the opportunity of attending in June.

One of those that she indicated was the fact that there were a number of rural youth there and that they were involved in these forums with ministers, which certainly I do not have any problem with, but the one forum I happened to listen to for a short time involved the Minister of Education (Mr. Caldwell) that is here today. In response to a query that came from one particular student, he had the audacity to make a very political comment, I thought, in regard to where he was at. I do not know where he got this but his comment was, in reply to this particular question, that there were, quote: 10 years of Tory neglect, as part of his answer in regard to answering these students. I just bring this to the attention of the minister that I do not think it is appropriate for any of us to use those kinds of forums for political venue like that.

I guess I would ask the minister does she think that is all right. Does she think it is okay for her member to make comments like that in those kinds of seminars when we are trying to be non-partisan? Maybe he was not, obviously.

Maybe she does not think we should be. I would ask her indulgence with that and see if she could answer as to whether or not she thinks it was appropriate for the Minister of Education to make those comments.

Ms. Friesen: I think the purpose of those round tables was for students to meet with ministers, to make their points made directly and forcefully, and they did. Some of their questions—I did talk about the way in which they prepared them and the way in which they prioritized them—were very pointed. I think some of them were such that, the member might call it political answers, were unavoidable.

If you are talking about some issues, a political response is one, I think, you would be seen as evasive if you did not make it. Clearly, there are differences of political opinion. I think it makes sense. I was not there for the Minister of Education's comment. I can certainly answer for myself. I cannot remember what the question was, but I did indicate I am going to give you a political answer now. You have raised a question, and I am going to give you a political answer about what happened before and what we are doing now.

In some cases, Mr. Chair, answers I gave to questions were included. I tried to summarize the responses of both sides of the House. For example, I will give the member two examples. One was a question that was raised with me, well, actually not one, many questions. I am sure if the member circled the room he was aware, and it would come as no surprise to him, the concerns of rural young people about graduated drivers' licences. Those were expressed as well at the hearings that were held. So I talked to the students about the hearings. I talked to them about the private member's bill that had been brought forward by the Member for Portage la Prairie (Mr. Fauschou) and an indication obviously that everybody's concern was safety and the other provinces which had developed this and that both sides of the House had agreed to that. Now that is not a non-partisan answer. That is a political answer which indicates where each side of the House stood. I indicated it as such.

The other area where I indicated I was giving a political answer, and again, it stretched

both sides of the House, was an issue of students who were asking a very good question: What are you going to say to rural Manitobans, young Manitobans, who are considering leaving the province? My personal answer is find all the education you can, wherever you can, but come back, come home. Our job as politicians is to make that possible for you and to make that an attractive option. So I would never discourage a young person from going anywhere to seek education. I know that is a difference of personal opinions, and some people would and others would not, but that is not my particular view.

So I said do that. Our job is to ensure that there are places for you to come home to and that there are opportunities for you. What kinds of opportunities are there for young people, she said? What are you doing? So I said, well, one of the areas, and this, again, is a partisan comment is, in previous years you have not had this opportunity to meet with ministers, it did not happen as part of earlier Rural Forums. I do not know of any other place in Canada where that happens. Now that does not mean it does not. My bet is, probably, if I looked into smaller provinces like Nova Scotia and maybe P.E.I., those kinds of forums do happen, but I just do not know.

So the scale of the community, I think, Mr. Chairperson, is an important one, and here is something where we as a political party have built on that and said, okay, here is something that we can do. On the other side of that, I said, one of the things that the previous government did, and I have talked about this at the AMM quite a bit, is renewal of municipal officers. One of the things that the previous government did was to, in The Municipal Act, enable young people to be appointed to municipal council. I think that is a good idea, and I am constantly encouraging municipal councils to take advantage of it and wracking my brains as to why it is not working, or looking at why it is working where it is.

One of the things we did at Rural Forum this time was that simulated game for a municipal government. I am off on a tangent here, but this tangent is why is it not working. I think it is because it says, one person, one student, and young people at that age tend to like to do things

in groups, particularly if they are in a group of quite senior people with lots of experience. I think they are probably more comfortable with two or three people, young people, who had that presence. So I am trying to work on that. But those are clearly different governments which did different things, and in one case, and in most cases, there is not a strong contrast in political argument. Nevertheless, I outlined the two positions of governments on those areas.

Mr. Chairperson, I think there are some areas where there are clear political divisions that students would expect you to speak to. For example, at the discussions at Rural Forum, there were questions raised about the prices of inputs into the farm economy. One young man, who obviously did the family's computing, had a lot to say about the rising cost of inputs for farmers—very detailed, very concerned—but he lacked a historical context of what had changed 10 years ago when the Crow rate went. Who abandoned the Crow rate; why did they abandon it; what was their purpose? Those are political answers, and there are clear and very well formulated political divisions within this House and within rural communities.

So I do think that politics, capital "P" and small "p," is something that we all represent. I think we want to see it done in the best way possible. We want to see it in a way that represents each of our positions on these issues in a direct and an honest way. I think that is what students would expect, what citizens would expect to see. So I am perhaps not on the same page as the member in defining what is politics and what is not and what is appropriate with young people. I do think there is a difference in dealing with young people. You are dealing with people who are not of voting age. You are in a position, like a teacher is, of authority in something like this, even though you are at a round table and the assumption is, perhaps, a little different than a classroom.

*(19:30)

I do think you have to be very careful about how you present things. The best way, as always, in those situations where you are in essentially a teaching situation, is to present, in the best way you can, both sides of the issue. If

you are heading into an area stronger in one area, you are very clear. You say this is my bias. This is my political bias and this is my political position and you make the student, in this case you are dealing with students, very aware of that. You do, if you are a good teacher, as well, make the beginning of the year the beginning of the class. You make your assumptions clear so that students are well aware of the principles or the moral basis from which you come, so that they have the ability. You give them the tools to make those judgments. I suppose I revert to being a teacher in those situations and would approach it in much the same way.

Mr. Maguire: I just want to make it clear that the minister is basically telling me that she thinks it was okay for her Minister of Education to make these political partisan comments at a forum where these youth, as she has indicated, under voting age, were present. I do not have any problem if she wants to hold those kinds of forums publicly. Their parents are coming to these, and if they want to make their comments on it, they are quite within their rights to make their own decisions as these youth are, but, as she has indicated, there is a much more impressionable age that, perhaps, was being dealt with by her Minister of Education, her cohort from Brandon East. He may have felt very comfortable on his home turf in Brandon to make those comments, but these students came from all over the province of Manitoba. I would indicate to her that never before, some of these folks have indicated to me, was this type of partisanship shown at such an event.

In the games and events that have been held for youth, and there have been lots of them since the beginning of Rural Forum, I just want to go on record for certain as saying that I do not support that kind of partisan use of this kind of an event. I think that it could quickly lead to less attractiveness to the event, as opposed to what it was meant to be a greater attraction. I would certainly hope that the minister would be more careful in relation to discussing this with her colleagues for future years and hope, as she says in some of these articles, that, perhaps, it is too late to make changes for next year's events, but this is one area that very clearly can be making Rural Forum a much more successful event for our youth in Manitoba.

I would concur, as well, that some youth may feel that they would like to do things in pairs or three or four in a group, but, I think, as well, one of the successful areas—and not all communities as she has indicated, have taken it upon themselves to adopt and accept this, but—were the Justice groups, community Justice groups that have taken place in some of our rural communities as well as urban areas. I think that kind of peer counseling goes a long way towards a real-life experience, not just for the ones who are caught doing something and have to appear before them, but, certainly, for the rural youth that have been part of those, speaking from experience. It is an endeavor that I would encourage rural municipalities and other groups to be more involved in, as well. The point has to be made that the kind of partisanship shown by the Member from Brandon East (Mr. Caldwell) is not acceptable at these kinds of events in the future. I believe that, perhaps, the next time the minister is speaking to a group like AMM, that she could clarify that to them a little bit more that just exactly what it is used for.

She may not have an opportunity to speak to those kinds of groups in district meetings prior to her Government calling an election in this province again, but, then, of course, that would be up to her and her leader—

An Honourable Member: Did he say election?

Mr. Chairperson: Are you finished?

Mr. Maguire:—her and her leader, I would assume. No, I was not, but I will finish and just see if the minister feels that it is okay for that kind of partisanship.

Ms. Friesen: I was just joking about the member talking about calling an election, and I wondered if I had missed something there.

I was not there for the comments that the member is reporting for the Minister of Education (Mr. Caldwell), so I do not know the context of this, or what discussion preceded it or followed it, or what kind of discussion had come from the youth, or that followed with the youth, on this. So I literally cannot comment on what the member is bringing, but I do speak for

myself, and the member was certainly there for part of the discussion with my group.

I have indicated the ways in which I would deal, in general, with young people, and the ways in which issues came up in my group and the way in which they were handled. It does not mean that I necessarily think I handled all of the questions well. There were a number that there are no easy answers for. It ranged from genetically modified foods to how do we ensure that there are recreation facilities in very small communities for young people.

As I said, one of the things that I thought was most valuable, and which you do not really see until you have been talking to the students for about an hour, you do not really begin to see the cross-fertilization, the ability to take a question from one side of the room and pose it to the other side, and to get the discussion going where you can pull back a bit. It takes a while to do that, but I think that is the most fruitful, and I saw it happen in my group towards the end, where one group talked about, or one side of the group talked about, the skateboard park that they had heard had been put together, I think it was in Steinbach, and then comments and questions were raised from different parts of the group. Each had a different piece of information that they shared, and I hope that a couple of them did go back with the idea that, yeah, they could do it themselves, that there were partners in rural communities whether it was the churches, whether it might be the municipal council, or the school board. Just the very fact of being in a group and identifying their needs in a public vocal manner led to the realization that there was some local opportunity to make some changes. Now, I do not want to think this is nirvana, by any means, but it is a beginning and it is, after all, what parliaments do, and what legislatures do as well, to some extent. So, as I say, all I can do is speak for myself.

Mr. Chairperson, I liked the member's comment about not just, I think I am interpreting a bit here, but not just being on a municipal council and listening and talking, but being involved in something which is action-oriented, and which has a, I guess I am interpreting quite a bit, the member talked about the community justice groups and the real-life experience, I

think was the way that he framed it. I think that is a very good way of coming at it, and obviously those things are there in any case, but are there ways in which we can draw upon the experience of one group and transfer it to other parts of the province where, perhaps, there might be some interest in it, whether it is 4-H or whether it is other youth organizations, or whether it is youth groups within service organizations? I think there may be some opportunities that we can see there that Government might be able to play in bringing people together.

* (19:40)

Mr. Maguire: I believe, earlier this afternoon, I was asking some questions on salaries and personnel. I would just like to go back to that for a moment, Mr. Chair, and ask the minister, if I am clear, I believe she indicated to me that the salary range for the executive assistant in Brandon, and, I guess, the special assistant that would be there, or administrative director, I guess, would be the positions, and that there was another position, but it was vacant in Brandon at this time.

Ms. Friesen: Yes, Mr. Chair, there is a vacant position in the Brandon Cabinet office.

Mr. Maguire: Could she indicate to me how long that has been vacant?

Ms. Friesen: Mr. Chairman, that position has been vacant for about two or three months.

Mr. Maguire: Can the minister indicate to me who the other person was, that there were three staff people there, who the third person was that is not out there?

Ms. Friesen: Mr. Chairperson, the previous occupant of that position was Paul Black.

Mr. Maguire: Just a question in regard to logistics, as well. Will the minister be filling that vacant position?

Ms. Friesen: Mr. Chairman, there are no advertisements for that job at the moment, and I am not sure when I could advise the member that we would be filling it. We are trying to manage vacancies, as I am sure the member is aware, and

so I really cannot tell him when that would be filled.

Mr. Maguire: Could I just get from the minister, Mr. Chair, what the salary range was for the executive assistant in that particular location, again?

Ms. Friesen: Mr. Chairman, the salary of the previous occupant of that position was \$56.9, and we are looking for the range of that.

Mr. Maguire: Mr. Chairman, I was not sure that the minister was done with her answer there. I stand corrected. I thought she had mentioned this afternoon that the salary range was in the \$47,000 to \$50,800 range.

Ms. Friesen: Mr. Chairman, the classification is a PM2, and that range is 43.4 to 54.6.

Mr. Maguire: Could I just get those numbers again, Mr. Chairman?

Ms. Friesen: I thought the microphone was not on. The classification is a PM2, and the range for that classification is 43.4 to 54.6.

* (19:50)

Mr. Maguire: This afternoon, I believe, if I am correct, if the minister can confirm for me, the present salary of Mr. Wowayda is 49.9 and Ms. Everitt is 33.4?

Ms. Friesen: I am not sure that we actually talked about Wowayda's salary. Maybe we did. I do not remember. But we will just check on that. I think the ones that we talked about were in my office here, Lisa Bukoski and Val Bingeman. What the member is looking for is the salary range of Jason Wowayda's position. Is that it, Mr. Chair?

Mr. Maguire: No, the minister has given me the salary range of the Brandon executive assistant and the administration director there, I assume, when she indicated that it was PM2, and I was looking for the salaries that she did give me this afternoon for both Winnipeg and Brandon. I was just confirming that.

Ms. Friesen: I think we are a bit confused here. The vacant position is a PM2. Jason Wowayda's

position is an executive assistant, EXA, and Donna Everitt's position is an AY3. So I had just given the member the range for PM2, and what he is looking for then is the range for the executive assistant. Am I correct? And I had it earlier today but he wanted to confirm that it is the same in Brandon. Is that it?

Mr. Maguire: Yes, Mr. Chair, I would request the executive assistant's salary range in Brandon, as well as the AY3, if that is what the minister has indicated, the present position that is filled in Brandon, as well as the salaries of those individuals at this time.

Ms. Friesen: Mr. Chair, rather than give that piecemeal, just give me a few minutes and we will do each one at once.

We do not have the actuals here, but we will get them for you for next time or whenever, as soon as we can. I do have the ranges, so we will do both of those. The range for an AY3 is \$30,000 to 34.3 and the range for executive assistant is 41.7 to 47.2. We will get the actuals later.

Mr. Maguire: Thank you very much, Honourable Minister. I do not think I asked earlier today, if I did, my memory is short. Can the minister indicate when Mr. Woywada was hired in Brandon?

Ms. Friesen: I did not remember, but staff remembered you did ask that earlier. What I said at that point was in the fall, this last fall, late fall. Again, if the member wants a specific date, we will have to find that out.

Mr. Maguire: Can the minister indicate who Mr. Woywada replaced?

Ms. Friesen: Mr. Chair, it was Cathy Thomassen.

Mr. Maguire: Mr. Chair, that name rings a bell. It was the "Donaldson," I think, that I was referring to this afternoon, that the minister thought I was anyway.

Thank you. I believe that you came back with the responses to some of the ranges and salaries after seeking that during our break this

morning that we were interrupted with. I know the minister had other appointments from 10 to 11:15. When you came back, you gave me some of those salary actual numbers at that time. I believe the salary that you told me that those persons had at this point were 49,900 for Mr. Woywada and 33,400 for the AY3. I wonder if the minister can indicate to me how often those salary ranges change.

Ms. Friesen: Mr. Chair, the amounts for those ranges change as a contract changes. If the contract makes any changes to them, it does not always, but that is the point at which it would change. What we are in at the moment, apparently, is the third year of a three year contract which ends in March 2003, I think.

Mr. Maguire: Mr. Chair, so those salary ranges would have changed from the fall of '99, obviously, on a three-year basis?

* (20:00)

Ms. Friesen: I would anticipate so, but I would have to look at the contract. Sometimes lower ranges change but not upper ranges. I am just going generally from a knowledge of contracts. Sometimes what is negotiated is higher salaries for lower-level employees and no change in upper-level classifications. Sometimes it is the reverse, so you would have to look at the individual contract, and, if we have anybody here, just ask who can give an indication of how those might have changed in general since 1999.

Without having the contract in front of us, a general approach would be that the salary ranges we are talking about here might have increased in the region of 1 to 2 percent since 1999.

Mr. Maguire: Then, I guess, if in fact the minister gave me the proper number this afternoon, I would just raise with her that it appears as if Mr. Woywada's salary is about \$2700 higher than the high side of the scale. So it is just simple math; \$47,200, I was just told, was the high side of the range, and the actual was \$49,900. So I just wonder if she could clarify that for me.

Ms. Friesen: Well, the member is right to pick up on that. We have made a mistake, and we do need to be precise on this, so we are going to get

the precise salary for Jason Woywada. I think we are right on saying that it is an executive assistant position, and the range is 41.7 to 47.2. We do not have his actual salary, although the member is right. I did give him an actual number a little earlier. That is not necessarily the number I should have given him, so let us check. We can give it to him in writing, and let us see if we can get it right. My apologies, Mr. Chair.

Mr. Maguire: I do not ask that question because I would want to reduce Mr. Woywada's salary. I just bring out the technical detail that just hit me earlier today that when I looked at some of the minister's own numbers that are put out from time to time, that with the numbers that were given, there was some conflict there, and yes, if you could clarify that, I am sure we will have an opportunity by the sounds of it to do that either later tonight or tomorrow morning. If you could get back to me on the exact numbers and position category that would be involved there, I would appreciate that.

I just want to back up to the Executive Support for a moment. Are all of the positions that are listed in the Estimates book, the nine and a half positions, are they full at this time, or are there any vacancies in that area?

Ms. Friesen: Mr. Chair, this is something we did look at earlier. This is an area where we had two maternity leaves. As I indicated to the members before, there are people on term in here but there are no vacancies.

Mr. Maguire: In the area of Human Resource Management, I think there are only four positions there. Are there any vacancies in there? I think the minister gave me the names of some of those persons earlier today and there was one vacancy, if I am correct.

Ms. Friesen: Mr. Chairman, in the human resources area we have one vacant position, and we have two people, Freda Broughton and Alice Reimer, who are in positions.

Mr. Maguire: So there is one vacancy in that area. Will the minister be filling that position?

Ms. Friesen: That is under consideration right now, but I do not have any timetable for that.

Mr. Maguire: Just this question, Mr. Chairperson, with the staff that are remaining in some of these departments. In the Executive Support, of course, it is full. That is the indication, I believe, you gave me. Would there be a normal number that the minister could give me of overtime work by staff in those departments, if in fact there is?

While the mike is still on, notwithstanding that we are sitting at ten after eight and have a few hours to go yet.

* (20:10)

Ms. Friesen: Could I just clarify what the member is actually asking? Is he asking about overtime in Executive Support, or is he asking overtime across the department?

Mr. Maguire: I was asking more, I suppose, for what might be a normal amount of overtime in Executive Support.

Ms. Friesen: Mr. Chair, in Executive Support, I do not believe that we have paid any overtime, and I am informed that there is very little overtime across the department. That is, I should say there is very little paid overtime across the department.

Mr. Maguire: Thank you very much for that answer, Madam Minister. That is a very political answer and a very clear one, and I am sure that you appreciate the staff's extra hours they put in, as we do, that is for sure, from the department.

I have a question in regard to the type of staff. Most of the Executive Support, I assume, is full-time equivalents, if not all of it. Can the minister indicate to me if all of it is full-time equivalents, of the nine and a half staff people that are listed under Executive Support?

Ms. Friesen: I think the member has asked, as I understand the question, essentially are there any part time, are there any three-quarter time positions, or are they all full time, and the answer is they are all full time. Some are term but they are all full time.

Mr. Maguire: Mr. Chair, I thank the minister for that response that nine and a half full-time

equivalent positions are all full time. Thank you. I will just let her clarify that.

Ms. Friesen: That elusive half position is one that was there for the previous minister, but it is not one that I have used.

Mr. Maguire: I see. So, Mr. Chairperson, just for clarity then, there are nine full positions or ten?

Ms. Friesen: There are nine full positions and a half position vacant.

Mr. Maguire: We will assume then that the Brandon positions are full time. I think that goes without saying. There are two there. They are both full time?

Ms. Friesen: The Brandon positions are two full-time positions.

Mr. Maguire: Can the minister indicate to me, then, in the other positions in Human Resource Management if they are all full time positions there? There is one vacancy out of the four she indicated to me earlier. I assume the manager and the departmental people there are full time.

Ms. Friesen: Yes, those are all full-time positions.

Mr. Maguire: Is that comparable to other years in those three departments?

Ms. Friesen: I am told that it is comparable.

Mr. Maguire: I wonder if the minister could indicate to me that these are all in government category positions that are filled under contract, or are they filled by tender.

Ms. Friesen: In human resources, I am informed that these are all what is called in-scope employees. I think both of them in the existing positions are people who were there with the previous government.

Mr. Maguire: There are obviously some part-time positions in Financial and Administrative Services. I wonder if I could get a clarification on the numbers and types of positions that are available in that department.

Ms. Friesen: In Financial and Administrative Services, there are eight full-time positions and there is a .10 position which is clerical, casual.

Mr. Maguire: Can the minister indicate to me who the two full-time managerial positions are?

Ms. Friesen: The names of the two managers in that section, Administrative and Financial Services are Denise Carlyle, who is with us today, and Brian Johnston.

Mr. Maguire: The positions in the Municipal Board, staffing in that area of the minister's responsibilities. Can she indicate if those are all full time or if there is a breakdown of part-time.

Ms. Friesen: The staff at the Municipal Board are all in positions which are classified as full-time.

Mr. Maguire: I notice in Municipal Board that the footnote says that it is an increase of one full-time equivalent due to the workload requirements. Can the minister indicate to me if that increase in value of \$50,200 is basically the salary of that one full-time employee?

* (20:20)

Ms. Friesen: As I understand it, that amount does not apply to one single position, but it applies to general salary increases, plus a portion of it is for an additional one position. We are just looking up some additional information on that.

Mr. Maguire: I know the executive committee is working tirelessly with no overtime pay. Can she give me an indication of whether the Municipal Board staff are doing the same or maybe if there is an indication of overtime in those areas?

Ms. Friesen: We do not believe that any overtime has been paid for the Municipal Board staff.

Mr. Maguire: I assume that perhaps when there were only eight of them there might have been a bit. The workload has increased, obviously, as the footnote indicates. I asked previously today for the names of the members of the Municipal Board from the minister, and she gave me those. I would ask the minister if the present number of Municipal Board members is equivalent to what

was there last year and then previous years, numbers-wise.

Ms. Friesen: Mr. Chair, the membership of the Municipal Board as opposed to the staff has certainly increased. There are more people on the Municipal Board list than there were I think when we came into Government. I do not have those exact numbers, but certainly it is more. One of the reasons for that, as the member knows, the Municipal Board does not ever, I should not say ever. Other than for training sessions, it does not meet as a group. It is not that we are bringing 40-odd members together for meetings on a regular basis. They are held in panels. Their work is done in panels. It is usually three people, sometimes two, I do not think they ever used four, who would sit on a particular hearing. So that practice continues. That is a practice that is unchanged from the previous government, although I think probably we are using three people more than two people on some panels.

What else can I add to that? Oh, I was going to say that one of the reasons for the increase in the number of people is this is an assessment year, and we did anticipate that there would be appeals, as there always are from assessment, and that we would need extra people to hear those additional numbers of panels in order that we can attempt to do it on a timely basis. There are a lot of appeals, I am sure, as the member is aware, both from the city of Winnipeg and from the rural community. Some of the appeals are for quite large amounts and are really significant for a municipality as well as for the business which is doing the appealing. Then there are all of the individual ones which carry equally the weight for the individual family. So it is something we were aware of and did plan for and tried to increase the numbers of the people who would be available for panels for the chair of the board to select, and so we could try and meet some of that anticipated demand.

Mr. Maguire: I thank the minister for indicating that they have perhaps increased a number of personnel that would be on the appeal boards, from two to using three on the odd time, on the panels, and that there has been an increase in the number of appeals, no doubt, here in the city, particularly. We have heard of a number of

them, some rather large appeals. So I am assured that the workload is there from these folks. I note, and of course, therefore, perhaps, obviously the need for the increased one member in staff that the minister has justified by those results.

I also note, however, though, with interest, that the frugality of the other expenses listed in the Estimates book that, if there are more people going to more meetings, there is \$12,000 less transportation costs, \$3,000 less in communications, \$10,000 less in supplies and services, \$10,000 less other operating. I just wondered how that is justified.

Ms. Friesen: Well, perhaps I should introduce you to the chair of the board. It is certainly something that is pointed out to me on a regular basis. It is careful management. I mean, one of the things that we have done is to, I am sure that every government tries to do this, appoint people from different parts of the province, but trying to use people locally. That is not always easy. I mean, it is obviously always desirable, but it is not always easy because there may be connections, there may be perceptions of conflict of interest, or people who do not want to deal with issues, and there are board members who may be uncomfortable with dealing with local issues where there might be a perceived interest.

So we tried to do that to keep the costs as low as possible. I would also say that the chair of the board and vice-chair have been working very hard to ensure that the reports are done in a timely manner. So there has been, I think, a fair bit of attention paid to board training, board orientation and to the writing of reports because that is one of the crucial things. It is not just having the hearings. Sometimes that is, I would not say, the smallest part of it. It is obviously what makes the big difference for individual families, and it is crucial to the hearings for the large amounts and the large appeals. But it is preparing the report. It is the writing of the report in a clear and concise manner that is essentially accessible to the general public and to do that in a timely manner. That, certainly, is something that the chair of the board has given a great deal of attention to. I do not think he would say that it was perfect yet, but it is something that we are working very hard on.

Mr. Maguire: I appreciate the frugality of the chair and the vice-chair of the board that you have appointed. I would certainly agree that frugality or I think your words were the efficiency of the board to get the work done and to get it delivered on time is a concern.

* (20:30)

I just note with interest the Minister of Finance (Mr. Selinger) sitting behind you. He was giving me the thumbs up on this kind of economic activity, and I guess I would encourage him to put it into greater force in the overall Budget of the Province of Manitoba. I notice that he also has selective hearing, so I will leave that with you, Madam Minister. You could perhaps have him have a chat with the chair of the Municipal Board in order to bring his Budget into balance as well.

Mr. Chair, the concerns, I think, on a lot of minds of Manitobans are the Department of Intergovernmental Affairs has perhaps spent a good deal of time dealing with a lot of important issues across the province, but that to be quite blunt about it, the rural areas of Manitoba feel that there has been some setback in regard to going ahead with a number of areas in this province.

The minister's budget, I note with interest that it is has been down a few million dollars each year over the last period of time. I note as well that the minister is trying to do what can be done with limited funds in certain areas of Manitoba and across Manitoba in her department. I know there is also, as with the discussion we had on highways earlier, no end of requirement for funds on infrastructure, as there is no end of amounts of dollars that can be spent on highways in our previous discussion.

But I want to just for a few moments talk on a broader base, I guess, be less specific about jobs in particular departments but to discuss with the minister for a short time the importance of some of those issues in building our rural communities, and I just mentioned the Minister of Education (Mr. Caldwell) before in regard to a particular focus around rural development and something that happened.

But I want to raise an issue of something that has happened in rural areas all across the

province, but I think it particularly hit rural areas more, that came from the Department of Education and Training, and that was the cancellation of the CareerStart program in the province of Manitoba. While it was passed off as not a large issue and not a large amount of money and not a large sector and that Manitoba is enjoying very low unemployment, and it certainly is, Madam Minister, a number of reasons for that I think as well, a number of young people leaving the province and a number of businesses leaving the province, hopefully continuing to attract some because of the frugality and responsible management of balanced books and management over five years of my predecessors in their last five years of government, the latter half of their term in power in Manitoba, I want to just go on the record as saying that, in a number of these areas that the minister has directly been related with and perhaps some of her cohorts as well in Cabinet have, perhaps they have not seen the significance of some of the programs that they have killed or reduced in rural Manitoba.

As rural development critic, I would be negligent in my responsibilities to our leader and our party and to the citizens of rural Manitoba if I did not point that out. I am not saying that there are not needs for large amounts of dollars and programs in the inner city of Winnipeg and in the city of Winnipeg, Brandon, Thompson, Dauphin, Swan River and all of the other areas of Manitoba that might feel that they are larger centres, but I want to point out that going with the status quo over three or four years or slight reductions is not going to continue to build opportunity in our rural areas. It is not just a matter of spending dollars, Madam Minister, it is about conviction and commitment to those particular rural areas of Manitoba. I would assume that the minister will read back to me a few areas that they have done some things in, but I think there is a lethargy as long as your arm as well about areas that need attention and need further development.

I want to particularly pay attention, to draw attention, of course, to the fact that one of these areas was the harness racing industry in Manitoba, that the Minister of Industry, Trade and Mines (Ms. Mihychuk) felt that there was only a handful of jobs. I know there were numbers bantered across the floor in the House in

Question Period and other times, but the significance of that was far more than a handful of jobs in Manitoba. I just wanted to challenge the minister in regard to her attentiveness.

Certainly, I was at all of the AMM meetings, the Manitoba municipal meetings that she was at, and I heard her wax eloquently about the areas that she has paid attention to in the rural areas, but I think it is incumbent to talk about what more could be done and where the priorities are. I realize there is always a tussle going on in Cabinet for valuable dollars as well, and programming, but I think certainly I would like to approach her with the idea that there could be more done in those areas. I think that if we could have a bit of a discussion for some time in regard to that area, perhaps rural Manitoba will end up being better off in the last year here before their party does call an election. If that is the case, perhaps in the next budget she could see that there is more commitment in some of these areas.

Mr. Chairperson, I guess I would just ask the minister what her thoughts are in regard to the two items that I have mentioned particularly around CareerStart, and, of course, the harness racing industry in Manitoba.

Ms. Friesen: Mr. Chair, well, the member certainly has heard me speak a number of times on our commitment to rural Manitoba. As he knows, I divide this into a number of areas whether it is what I call the fundamentals, and that is the increase in funding for education, particularly for community colleges including Assiniboine Community College but also for Brandon University, which are important to rural students who need to have access to post-secondary education, to a wide variety of courses and to ones which can be made available as close to home as possible.

In health care, the member is aware of the announcement of an Office of Rural and Northern Health. He is aware of the increase in nursing programs, which have particular applicability to the LPN and some of them were delivered in rural communities, particularly one I always make reference to which, I think, was most welcomed and that is in Ste. Anne, in a Francophone community, supplying a particular part of rural Manitoba.

In health, as well, not only have we reversed previous policies in nursing and are en route to providing the numbers of nurses that we are going to need not just in the city of Winnipeg but in rural Manitoba and in personal care homes, as well, but the Minister of Health has also made a number of announcements about rural hospitals, whether it is Gimli, or whether it is Steinbach, or whether it is Ste. Anne, and that is just in the last few months. If we went back a couple of years, we would find some additional announcements and support for rural hospitals.

Then, Mr. Chair, we could look at the rural ambulances and the emergency services and the provision of new ambulances and a plan for rural ambulances across rural Manitoba. We could look at the provisions for Brandon Hospital that we have made and the fulfillment of election promises in Brandon. I know that in some context Brandon is seen as urban. I know that for health care facilities, obviously, it is, I suppose, an urban centre in that sense, but it does also increasingly in its ability to deliver certain kinds of specialties serve western and rural Manitoba, as well.

* (20:40)

In taxation, and again, I am looking in the context of fundamentals, we have been able to reduce property taxes for people across Manitoba. We adjusted the farm portioning part downwards for rural Manitoba. We also continued the PMTS and the VLT funding for rural communities.

Ms. Bonnie Korzeniowski, Acting Chairperson, in the Chair

Madam Chairperson, in agriculture, in particular, there have been a number of changes in support for rural Manitoba, whether it is the recently announced Bridging Generations Initiative, the land transfer program to younger farmers, better crop insurance coverage and the inclusion of moisture conditions in crop insurance, a 14% increase in support of the Net Income Stabilization Account, an increased investment in veterinary services and the leaf-cutter bee inspection program, in a goat and sheep specialist and the organic agriculture section.

Members already talked about road infrastructure and the long-term plan for Manitoba

highways. Of course, they are important to all elements of the rural economy as well as the program that we have with the federal government, which I think has been well received, and that is the grain roads, the grain transportation program.

Drinking water, again I am in the context of fundamentals, that is the support for health, education, for taxation reduction and for farmers, but as well I think we would want to look at the support and the programs that we had developed for rural water. We have begun some modest increases in drainage. I must say that in the first year in this position I have heard more about drainage probably than I had anticipated, and we certainly took that to heart. We knew that we could not deal with the needs of drainage issues across the province in one fell swoop, but what we could do is say to people we have recognized this issue and we can begin to take the steps that will, in the long-term, make some improvements. We have made a number of changes as the member is aware.

Madam Chair, one of these is to devolve local authority to the conservation districts for licensing of drainage so that in an area where perhaps we would like to be spending more money, we are augmenting the steps that we are taking financially with administrative changes. The administrative changes are ones that allow local people to make local decisions relatively quickly. In the conservation district of White-mud that has proved to be a very successful pilot project, so much so that I think we moved ahead of the deadline for that, and expanded it to Cooks Creek. We do look for the results of that and the opportunities to expand that devolution of licensing authority to conservation districts.

Madam Chairperson, We have continued to expand conservation districts and again, these are the fundamentals. These are the building blocks of rural communities. They allow municipalities to co-operate across boundaries. They do lever additional private funds and additional funds from the federal government and from NGOs. They are very effective.

I had not had an opportunity to take one of the conservation district tours until this year and certainly something that my colleague the Member for Dauphin-Roblin (Mr. Struthers) had been urging me to do for a number of years, and I had

never been able to do it. We were usually in the House and there were usually some restrictions around what I was able to do and what I was not, but this time I was able to go, and I would say it was a very memorable day, one that I enjoyed thoroughly, well, for a number of reasons.

One, it is beautiful country. We were in the region of the Little Saskatchewan, and it was glorious country. We had guides who talked to us about the area, whose families went back three and four generations. That is not an opportunity that is given to everyone, to be able to see communities through the eyes of people who have farmed the land for a number of generations. I know in rural Manitoba that may be something that the member perhaps takes for granted, and it is not something that I always get the opportunity to do and something that interests me as a historian, but also as a way of perceiving particular experiences of Manitoba.

It was also interesting to listen to local people talk about the land, about the changes in the land. It can go back at least two generations, just in their visual interpretation of the land and to hear them talk about the kind of stewardship which they exerted over the land. In addition, some of the things that I found quite interesting, that is an Anglicism, is it not, I meant very interesting, which I found very interesting was the small-scale practical application of innovative ideas, whether it was in a small type of hoe that was adapted from a telephone system cable digging process in which somebody had observed, thought about how it could be applied to cattle and to the watering of cattle, and then had found somebody in a rural community, in Killamey, for example, and they made the machine. They made the machine, digging the pipe, bringing the water to the cattle so that the cattle are away from the river. Very simple, I am sure it is not something that is new to the member and it is certainly one that is not yet there throughout rural Manitoba, but it is a small-scale innovation, relatively cheap and very locally based.

That experience was repeated throughout the conservation district tour, whether we were looking at ways of keeping beavers away from culverts, or whether in two or three experiments that they were doing in that area and the kind of

results that they were getting, or the use of very, very small dams to both conserve and to distribute water and to the use of solar panels which I know are much more common than they were 10, 15 years ago on many parts of rural Manitoba. I suppose this is an aside and a diversion, but I found it very, very instructive and most interesting.

I am kicking myself now for not having gone and forced the issue with my colleagues and enabled me to go on the previous ones. It certainly will be very much a part of the calendar from now on, and if I can publicly thank the Conservation Districts Association as well as the Little Saskatchewan district who put that together. A lot of planning went into it. It was a good turnout from all across the conservation districts as well as an interesting group of people who were actually not associated with conservation districts.

One the member might be interested in, since he, I know, is concerned about departures from the province, there was a farm couple there from Alberta who have just moved to the province because of land and because of water. They were raising horses and were obviously looking at other kinds of diversification. I had an opportunity to speak to them and to talk to them about why they had chosen Manitoba and how they were finding it so far. It was a very interesting, first-hand experience.

So, Madam Chairperson, we have expanded. I value the Conservation Districts Program immensely and we have, as the member knows, expanded conservation districts on average at the rate of two a year. One year we had three, and I think in the first year we had one additional one but, generally speaking, we are expanding them at the rate of two a year. Not all of them have the same history of working together yet, so we are obviously at different levels of experience, but what the district association is able to do is to transfer that experience across districts.

Madam Chairperson, I think the tour is only one of those ways in which they do it but they do it through a conference and they do it through seminars as well. So a very concerted locally based, practically based transfer of skills and knowledge that is going on right across the province. It is very much Manitoba.

It is one that Saskatchewan is looking at and I have mentioned before that the minister from Saskatchewan is working, I am sure the member is aware, in the southwest. Mr. Manson Moir has been involved through his conservation district with a comparable one in Saskatchewan and the minister in Saskatchewan has also been connected to that.

So, if you are looking at building blocks, you are going to get taxation. If you are looking at the fundamentals of health and education and the assistance to farmers, I think we have a very strong commitment to rural Manitoba. So that conviction and commitment, the member suggested at the beginning that it was not just spending, and I will come to the spending in a minute, but he wanted to frame this discussion in the context of conviction and commitment.

* (20:50)

I would like to say, and I do not know that I can put it any more simply, but the conviction of the importance of sustaining rural Manitoban communities is very, very strong on this side of the House and the commitment to doing so is evidenced in the kinds of fundamental and building block programs that I have just outlined.

Often I know that rural development is seen or economic development generally is often seen in terms of megaprojects. I just wanted to draw the member's attention to the projects that we have been supporting. I know that there was some concern, not with this particular member, but with some of his colleagues, that the Simplot plant would never be built. The member takes that route, I know, past the Simplot plant regularly, and it is moving ahead. Every time I pass it I think it seems to have gone through another generational change. So that is certainly moving ahead. We are very pleased to see that because that is an implication, not just for Portage la Prairie and for the expansion of that community and of the labour needs in that community, but also for the communities surrounding Portage la Prairie, particularly for the vegetable industry in the Red River Valley and to the west.

Madam Chair, we have also, as the member is aware, committed a considerable amount of

money in agricultural research, whether it is in the Food Development Centre, \$11 million, or whether it is in nutraceuticals at the University of Manitoba at the Faculty of Agriculture. In the SMARTpark, we have made considerable investments there. Again, those are not ones that are going to show immediate returns in the next year. They are long-term investments and they are an indication of the kind of ambitions and hopes that we have for Manitoba's place in the new market-based rural economy.

As the member is aware, Madam Chairperson, agriculture has been forced to move very rapidly from a position in the national economy and the national dream with the subsidies to the railways to equalize the position of the Prairies. That has changed. We can get into the debate over that. I am sure we are on quite different sides of that. That is a political issue, but, nevertheless, rural Manitobans have had to face that change very abruptly. Some have been able to make the transition more easily than others. Both communities and families are struggling with that.

The Government, through taxation, through the provision of education, through the provision of assistance to farmers and the encouragement of diversification, through the long-term investment in both Simplot and nutraceuticals, I think is giving an indication of a very strong commitment to an economic future both for farming, for agriculture and for rural Manitoba.

In addition, of course, there is the support that the Government has offered for the livestock industry. By that I do mean all of the livestock industry, not just the expansion of the hog industry, which has been considerable and which the Government is very supportive of in a sustainable manner. We have always made that point. This is an important, expanding industry for Manitoba and one that we want to see expand in a sustainable manner. The recent announcements we have made about the future changes in livestock programs and regulations I think have been generally well received by people involved in the industry as well as the municipalities. It is one that I think we are very hopeful for.

Again, this is sort of the building blocks. It is not the glamour pieces. It is planning, and it is

about creating the kinds of conditions in rural communities which enable them to say to any industry, whether it is cattle or whether it is livestock or whether it is the incoming farmer from Alberta, this is how this community sees itself as developing. This is our plan. This is how we are open for business in this area. This is where we want to see agriculture develop.

We have, as the member knows, increased the planning in the province considerably in the last few years. We did put some money on the table for that. It has been a tremendous amount of work and no overtime for the planning section of the department, but it has paid dividends. It is one that I think will stand us in good stead in the long run. Of course, we will now be into another phase of it, but that groundwork that we did over the last few years in moving the majority of Manitoba communities into either planning districts or into development plans, I think, will stand us in good stead, not just in livestock, but in other areas as well.

Madam Chair, we still have a few who do not have plans. We have a number of communities who were, if I can put it this way, caught without development plans. They were faced with some very controversial proposals at a time when they did not have their plans and their discussions done ahead of time. So those zoning by-laws and the preparation and availability of written plans to any investor or to any community member would have been something which I think would have served them in good stead.

So we have had, in rural Manitoba, some very divisive debates, and we are still having them in some areas. I always say to the municipal councils, I know how difficult this is for them. Planning would help. It is not the only answer. It is not going to mean that there are not going to be disputes, but it does help to lay out the groundwork in advance and through public discussion at a time when an imminent change is not necessarily there.

Madam Chairperson, the member talked about CareerStart. I am sure he knows that this is under the direction of the Minister of Education (Mr. Caldwell). CareerStart is something that was discontinued this year. I certainly recognize

that, but it was done at a time, I would say, when unemployment was extremely low in rural Manitoba. Students are in high demand. This was, of course, a form of salary subsidy which also gave some work experience. It is a program that goes back about 20 years, I think, to a previous NDP administration and was continued by other governments in between.

Unemployment rates are very low. Demand for student assistance is high. It is something I think where we are all trying to balance our budgets and be frugal. We continued the Urban Green Program. We had expanded the Opportunities for Community Works Loan Program. We had added additional funds there to the Community Development Corporations so that at the regional level or at the local level, there were in some areas, but not all, additional funds available for young entrepreneurs. We had also expanded the age range of the definition of youth.

So, yes, we did cancel that program. I know the member has said that it was important in rural communities, but I think we also recognized that there were additional things being done through the Community Works Loan Program, through the Green Team program and at a time of very low unemployment and also expanding education. You do not always get those together. That is where Manitoba was in the past few years.

Madam Chair, the other piece he mentioned was harness racing. The member is aware that, yes, we did propose to cut the \$476,000 annual grant to harness racing. As a result of discussions with the harness racing industry, half of that was restored. I am not sure what the prospect is for next year. I do not know what discussions are being undertaken to look at the long-term viability of this industry and to look at its economic impact and at its future in rural Manitoba. But that is certainly something which would obviously be in the future and something that I assume will be undertaken in discussions with the industry.

* (21:00)

I understand that other solutions are being looked at, whether they are different kinds of

corporate sponsorship, whether there is community sponsorship. I do not know what portion in the past the spectators have participated in or how more broadly the horse industry, which was certainly part of the context and concern on this issue a few months ago.

So it is I think premature to judge what the outcome of that will be. Nevertheless, half of the grant was restored. Although I have not had the recent reports on the season—in fact, maybe the member could give me some feedback on that. I am not aware of what changes have been made into the season or into the circuit as a result of that 50% reduction.

Mr. Maguire: The minister, I think, has tried to put a good light on some of the activities that have not been taking place in rural Manitoba, and I think the citizens in those communities are certainly watching the activities. They know what has been impacted and what has not. We hear from them. We hear from them on a regular basis in our rural constituencies.

As I said earlier, I do not want to demean the problems of any of our jurisdictions in this province but suffice to say, as had been said by our member from River East earlier today, our side of the House believes strongly that we need an urban department, a rural department and a northern department in the province of Manitoba and that these are areas of jurisdiction that perhaps have some, well not perhaps, there are a lot of overlaps. There are a lot of similarities, but at the same time there are a lot of differences, and I think the minister, I mean it is a big job. I do not blame her. I think our Premier (Mr. Doer) has put her in a pretty tough spot in regard to trying to cover all of those regions in the province and try to be all things to all people in those areas. It is a tough position to be in.

I note, with great enthusiasm for the minister's response, that I, too, feel the aesthetics of Manitoba cannot be beaten, 365 days of the year in Manitoba, some just warmer than others; and as we travel all of our regions of Manitoba, whether it is on conservation district tours or on our day-to-day business, as we travel around the province, members of this fine Legislature are representing those people. I could say that there is probably no more beautiful place in the world

in the summertime, at least, if you are a hiker or a camper, or a more wonderful place in the winter if you like, snowmobiling, hiking and sledding and those sorts of activities as well.

But I would say that herein lies the opportunities in ecotourism that the minister has talked about earlier, that we have talked about at some of the international forums as a result of IFMI that she has been at and that the Minister of Tourism (Mr. Lemieux) has been at and done a considerable amount of work in that department to try to bring those forward. I could not agree more with the minister on some of those issues that need to be further developed, and she may be right.

Having lived on the farm for some 50 years in the rural community of Manitoba and having harvested 33 crops in that area of my own, not counting the ones that I did not get any overtime for working for my father either, it is a very beautiful place. It is an area of Manitoba that perhaps goes outside of the communities that Winnipeg, the major centres of Manitoba, somewhat do take for granted. I think the reality check is, that it is aesthetics that we see as we drive out into those areas, if we are not as involved in the day-to-day life as the people that live there. It is a rural reality check for those who live on the land. It is from day to day they not only have to get the opportunity to enjoy the aesthetics, but they have to make a living doing it as well.

As I had the opportunity to do at a conservation district meeting this spring, I indicated that Manitoba is a very young province. Canada is a very young country, and western Canada, particularly. In relation to the settlement of this region, the western side of the province is probably only 120 years old in relation to settlement as we know it today. Certainly there were centuries before that. But we do have other wonderful things out there, such as the archaeological opportunities that are there in places like Belmont and Lauder today that are happening in our rural development. Universities from across Canada are bringing students to this part of the world.

You know, the member is very much more a historian than I am in training, although I read

about it and enjoy it. I like to say that those who have lived on the land and heard stories from three or four generations since that part of the country was settled know where their roots came from, live it on a daily basis. They are very familiar with the changes in demographics and changes in culture that have taken place on those farms and over those rural areas and how towns evolved and devolved and populated and depopulated in regard to the particular decisions that have been made over time. Some of those have been political that forced those; some of them have been technological, mostly I think technological and research.

The minister has indicated very clearly that you could not do better than to have research in our region of the world. I guess I would say that we have been held back greatly because of some political decisions, policy decisions probably more at the national level than provincial level that she pointed out. I know she was referring to the Crow benefit, and I think she is right. We may have different views on how those funds should have been best used, but I do not think there is any difference in our opinion that Manitoba should evolve better because of it. We would have all been better off if we would have had more processing of our raw agricultural products here in Manitoba 30 or 40 or 50 years ago than what we are faced with after a sudden change in 1995, August 1, from the federal government eliminating the Crow benefit completely. So, instead of paying those funds out, which would not have been just to the farmers of Manitoba because it would have been across the Prairies, but it would have been to the communities in our small communities in Manitoba.

Madam Chair, I know only too well what an infusion of \$5 billion to \$7 billion would have been to western Canada at that particular time in the mid-nineties, given the fact that in the late eighties, the federal government came to the rescue with \$2-billion special grains programs in those days, targeted just at western Canada, not a billion dollars 10 years later across all of the country, as has been come out with the CFIP programs and AIDA that the federal government has looked at now. Very, very much Band-Aid programs.

Those early programs, I would indicate to the minister, saved a lot of those Manitoba

communities, maybe for only 10 years, maybe it was a short-term fix, but it certainly was an infusion and one that was greatly needed at that time given the drought conditions of the late eighties in certain areas of western Manitoba and all of Manitoba, and even in the mid-eighties in provinces like Saskatchewan, such as they are undergoing right now. While western Manitoba is not as hard hit as central northern Saskatchewan and central northern Alberta, there are areas of my constituency and western Manitoba that do not have any water right now in their dugouts, that virtually have half a crop of forages and no sign of any opportunity for a second cut of hay in those areas, who are moving cattle off pastures to relieve the pressure of grazing from those pastures at the present time and moving heifers and steers back into feedlots, leaving the cows and calves out there as long as they can, but taking the animals to be fed out back in the feedlots of Manitoba. That has an impact, of course, on all of these issues and pricing on these particular individual farms.

* (21:10)

I want to say that Simplot, yes, it is a fine opportunity. I do drive by it, as the minister has indicated, on a regular basis. It is a wonderful opportunity for Manitoba. Schneider's is an example that comes to mind of an industry that was let go in Manitoba that perhaps we are not quite as proud of, that we lost that one. Perhaps, it was thought that with Maple Leaf growing and expanding there would not be room for two of them at that particular point, and I think given the way that the livestock industry has been handled in Manitoba, perhaps not by this minister, but certainly she has just come out with some changes that I know will be received by AMM. They have indicated they have received them very well, the Association of Manitoba Municipalities, leaving them with land-use opportunities, decisions, and the province taking back, maybe never having relinquished, but an announcement of caring more for the environmental side.

Madam Chair, the question that I will have of the minister is: How does that change really the technical review process that intensive livestock operations particularly have to go through, other than they will have to meet the smaller animal unit requirement? But really does it change the development of some of these

industries in Manitoba anymore than what it would have before?

I just want to add as well, and I will be asking some questions on conservation districts, because the minister alluded to a number of points in her discussion to my last question and her answer, and I certainly want to encourage the minister to look very carefully at the decision that was made in her Cabinet, not just herself because there are other ministers that may have more impact on some of the rural development opportunities that could take place in Manitoba, that we are seeing take place in Manitoba. A prime example is I read the Queen's visit coming this fall, and there is raspberry, I believe it is raspberry wine, that will be served on the menu, from Mr. MacAuley doing the protocol for this trip. That comes from Mr. Rigby out of Killarney. These are fine examples of how we can begin to do new things.

We are not going to be wheat producers and historically perhaps there will always be some wheat produced in Manitoba, do not get me wrong. But I refer to being in Kansas a number of years ago, speaking to the U.S. wheat growers in the state of Kansas when they indicated to me that, as much as we think, Kansas produces more wheat than all of Canada. It actually is about the same size of Saskatchewan's volume. They indicated to me, wheat producers, that they would never, they doubted they would ever see a record volume of wheat ever grown in the state of Kansas again because of changes to things like sunflowers that they were growing, and more corn being grown. Of course, the U.S. farm bill has greatly impacted all of those decisions since then.

But our policy changes here have left farmers to fend for themselves in Canada and nationally. Basically I would encourage the minister to encourage her own Agriculture Minister to be more forthright with the federal counterparts in Ottawa, in continuing to extract the most she can out of them at the same time making sure that in the end farmers are not left high and dry as many of the farmers in '99 in my region, southwest Manitoba, wish they had not been. They were flooded out and subsequently, other than the \$50 put out by my colleagues, my former member for that region at the time, your

counterpart as the Deputy Premier, Mr. Downey, was able to help that region, as well as the Filmon government and its colleagues. Very little other support has ever come to that region.

So I could ask the minister as well, given recent events of support in other regions of Manitoba, if there is ever a reconsideration of any support for those who were hard hit in '99 in the western part of Manitoba. I know it got down to about \$20 million. I just talked about the infusion of capital and that may not seem like a lot to the minister but it certainly would go a long way in that region if there is ever any indication that there might be some revisitation of that to help those folks in that particular region.

But I want to just say as we get on to conservation districts, the minister referred to what is known as the Three Creeks project in western Manitoba, the creeks and rivers that come out of the Moose Mountain region of Saskatchewan and crossing into Manitoba to get to the Souris River and how the co-operation between the ministers is going on there, cooperation between municipal officials. I would also encourage her that, as we move toward the kinds of agriculture changes that are going to take place, are taking place, have taken place since '95, I think we are seeing only the tip of the iceberg and what could take place over the next 10 years, given the fact that it has only been 7 since that change, and things were fairly good in pricing for the first 2 years of it, that we need to encourage much, much greater attention to not only conservation districts and watershed management and the planning districts, but also the infrastructure that is going to be required to maintain what the minister has referred to as a Simplot plant herself.

That kind of a plant is going to need a great deal of infrastructure support to maximize the opportunities here in Manitoba. They are going to allow us the income to do the other things that are needed to be done in Manitoba that perhaps private industry could help us with, rather than government trying to bear the burden of doing it all. I am going to leave it at that before my next question gets as long as the minister's last answer and leave it to her just to give us an update, I guess, or answer my questions in regard to the infrastructure around some of those areas and around how she sees the future

development of our agricultural industries and other industries that could be attracted to Manitoba developing.

Ms. Friesen: The member raised a number of issues. Obviously, I think we are on opposite sides of the fence on a number of these. But I think one of them where we would agree is the abrupt change that came to Prairie farmers as a result of the abandonment of the Crow. It was not only the abandonment of it, but it was the speed with which that change was required to occur. As I said in my remarks, some families were able to cope with it better than others. The member says it is only seven years. We are obviously still dealing with some of those.

Madam Chair, he asked me to encourage my colleague the Minister of Agriculture (Ms. Wowchuk) to be forthright. I frankly have never seen her be otherwise. She is a very feisty campaigner. She is very strong in her commitment to Manitoba and to farmers. I will certainly pass his words of encouragement to her, but I know that he has been with her on all-party committees and, I think, probably has certainly observed that commitment.

The member raised a number of issues about technical review committees, conservation districts, infrastructure around Simplot. I am just wondering if he could give me a sense of which one he wants to take first. When he has done that, would he mind if we took a 10-minute break and then we start it again.

Mr. Maguire: Madam Chair, that would be fine. Does the minister wish to take that break now and then we can answer the questions later? That is fine with me.

Ms. Friesen: What I would suggest, if the member is agreeable, if he gave me a sense of which question he wanted to move to next. Then I will leave it with staff while we all take a break.

Mr. Maguire: Certainly, I would like the minister to address I guess some of the issues around the future development of agricultural opportunities and infrastructure that would be required in those areas. That would be I think the issue we should address first.

Ms. Friesen: Could I suggest then that we take a break until 9:30? Is that possible?

* (21:20)

The Acting Chairperson (Ms. Bonnie Korzeniowski): Is it agreed to take a break until 9:30? *[Agreed]*

The committee recessed at 9:20 p.m.

The committee resumed at 9:33 p.m.

Mr. Chairperson in the Chair

Mr. Chairperson: Committee will resume consideration of Estimates.

Mr. Maguire: Mr. Chair, just as we left, I was asking the minister some questions in regard to the infrastructure requirements for the province of Manitoba, had elaborated, I think, on the impacts of the policy changes in the Canadian jurisdiction with regard to rural development and how the Crow benefit, while it helped settle western Canada, had actually been to the detriment of providing more processing here in western Canada at that time.

Certainly, in the last seven years, everybody has been playing catch-up in regard to trying to attain the further processing that would have had time to evolve if those policies had been changed on a more—let me say on a parallel to the U.S. farm bill which has come in over a five- or a seven-year period. Most of the farm bills are not enacted for one year. They are done for a five- or seven-year period, and they have been ongoing since 1985.

Mr. Chairperson, over half of my farming career has been under the jurisdiction, as all of western Canadian farmers now, of 17 years of the U.S. farm bill, some would say lunacy in places. But, nevertheless, whether we agree with it or not, it has certainly had an impact. It has allowed their farmers to be more isolated, I think, from the market than other countries that do not have that kind of financial backing in their farm communities, Canada being one of those and Manitoba being the most impacted by

that sudden change in '99, given that the highest freight rate ran right through the middle of western Manitoba, some might say my kitchen in relation to the distance between Montreal and Vancouver, because western Manitoba, where I am, between Virden and Souris, is the highest freight zone in western Canada between not only Montreal and Vancouver but New Orleans as well.

So that is why we have seen such a tremendous change in the development of Manitoba, not just in the livestock industry, but the fact that since 1995 we have become the edible bean capital of Canada, in two years. I mean, it is no secret that Maple Leaf moved here because of that opportunity. They see it as an opportunity to process product that should be raised here in Manitoba because of low feed grain prices.

Let me say that Simplot sees the same opportunity because there is an infrastructure here, openness and land available to do more than grow wheat on it, if you will, not to put down wheat growers, having been president of the wheat growers organization in the Prairies, but farmers today are looking at higher value crops.

Mr. Chairperson, in the long run, if we handle that properly in the province of Manitoba, we will all be better off because of the increased gross domestic return from agriculture and those higher valued crops, and potatoes is certainly one of them.

So, Mr. Chair, I just would like to ask the minister what are her Government's plans for the infrastructure development that is going to be required to maintain not only the people and the industries that have already indicated they want to be here and prosper in Manitoba but for future developments, because as I said earlier, I think this is only the tip of the iceberg of our opportunities.

Ms. Friesen: Well, one of the ways, of course, and I go back to the beginnings and the fundamentals, and that is planning. One of the things I am sure the member is aware of is that the two Portages, if we are going to just look at Simplot, although I actually want to expand beyond that, that the two communities have formed a taxation agreement, a tax-sharing agreement, which I

think is one of the things that is very attractive not just to the municipalities but to other businesses which may want to locate in the area. They also have now formed a planning district, which, again, gives us that sense of some regional growth in the Portage area.

So those two pieces, I think, are in process. They have not had a long experience with the tax-sharing agreement yet, but it is one I think that has been worked out very well and certainly stood people in good stead when they were looking at the Simplot plant.

As the member knows, we have had an Assiniboine River study which we put \$50,000 towards. That is a longer term study and it is something that obviously is not going to be a one-time deal but will give us the basis for long-term assessment of the capabilities, the capacities of the Assiniboine River. That is something that is done in the Conservation Department. As we look at the expansion of opportunities from Simplot, whether they are in the town or in the R.M., obviously the Assiniboine River capacity is going to be crucial.

Mr. Chair, we have also, as the member is aware, contributed a considerable amount of support, I think it is \$1.8 million, to the waste water capacity of Portage la Prairie, and it is probably almost completed now. I forget when it was I went there to look at the beginnings of that but obviously for the kinds of developments in vegetable production that Simplot will be looking at as well as the increased capacity needed for a growing community, the money that we have put in with the city and the rural municipality to a number of water projects, I think is again, part of laying that foundation.

* (21:40)

On a broader basis, Mr. Chairperson, I am sure that the member is aware of the importance of irrigation for the kind of market that the Simplot plant offers to local and regional farmers. The Minister of Agriculture (Ms. Wowchuk) has been negotiating some final elements with the federal government for water irrigation support. I believe, those were looked at in the Agriculture Estimates, although I was not there for them. I believe the minister made her counterparts aware of the province's commitment to that

and its share as being sort of up front and on the table but the federal government is not yet there.

So, Mr. Chairperson, as we look at Portage la Prairie, and it is a growing community, whether we are looking at the tax-sharing agreement, the planning district, the waste water provisions, the assistance to the Simplot plant itself, or indeed—and I should add the road infrastructure—the Simplot highway access as again something that the province was a partner in, but we have in all of these areas—well, most of them, not all of them, a partnership between the rural municipality, the City of Portage la Prairie and the provincial government. We are very hopeful that the federal government will be a strong partner in the expanded irrigation projects that will be necessary, that will enable a much wider range of farmers and a wider region to benefit from the investments that have already been made in the Portage area. So I hope that we are close to that, and I would refer the member to the Agriculture Estimates for perhaps greater detail on that.

As we look at other agricultural related infrastructure projects around the province, obviously natural gas is one area that comes to mind. We have, Mr. Chairperson, over the course of government, expanded natural gas into two areas. One of those was already underway under the previous government but we were able to complete the agreement. I am speaking of the one in the Swan Valley natural gas project which there had already been some discussions and negotiations I think at the local level with Saskatchewan. That project we have obviously been able to complete with funds. Similarly, the Interlake natural gas project, the co-op that was formed in that area. The organization had some difficulties with membership but those were resolved over I think our first year in office and that project is proceeding.

There are other areas of Manitoba which are very keen to have natural gas and there are a couple of organizations which are working very hard on this, but over the long term what we are looking at is a partnership with the federal government. We are now dealing in areas that are not as immediately profitable or pay the kinds of returns that were possible for the expansion of natural gas in its early phases when Centra Gas

was involved. These are more difficult. People are aware of that, but it is something that we obviously are cognizant of. Staff certainly keep in regular touch with the groups that are working on this. Obviously, it is something we have emphasized to the federal government, that we do require a partnership there.

We have also been looking, of course, at hydro. It is perhaps something that I should not have overlooked in my earlier discussion, but, as we look at infrastructure and the province and agriculture-related infrastructure, one of the important things that, I think, will stand rural Manitoba in good stead in the long run is the reduction of hydro rates or, I should say, the equalization of hydro rates across the province. It is something which does mean a reduction for rural Manitoba. I know that it has already had an immediate impact in the member's own area. There has been a movement of industry, small-scale industry into that area. One element, not the only element, was the availability of long-term, predictable, low-cost, lowest cost in North America, hydro supplies. Again, over the long term, that is something that which will be very important to all of rural Manitoba.

The equalization of rates does, over the long term, have a significant economic impact. It is symbolic in the sense that Manitoba Hydro is very much the leading edge of Manitoba's economic future as we look, not only at the possibilities of Kyoto, but also at our price positioning in North America, as well as the greater security of supply that any hydro-producing area can muster. Long term, that is important, but I think it is also an indication of how Manitoba Hydro is a very important way in which the wealth of Manitoba can be distributed and where it can help to equalize opportunities and to open opportunities for rural communities. I think that has been well received in rural Manitoba. I do not have the numbers with me, but we could look at what the impact of that has been on domestic budgets. Again, year over year, the change is small, but cumulatively it is significant, and industrially it is significant. In terms of provincial positioning, economically, I think it is quite significant.

We have also looked at expansion of agriculture-related infrastructure in the Souris area. The Landmark Feeds, I think the member is

aware of that one, and the road infrastructure that we were able to assist with in that area. Again, important, just as the Simplot highway access is, so is the highway access for the Souris Landmark project.

Mr. Chair, those are a number of initiatives. Obviously, they do not cover all of the province, but, if you add into that the Canada-Manitoba Infrastructure Program and the provision of safe and clean drinking water supplies, if you add into that the Office of Drinking Water and the way in which we restored the subsidy for drinking water testing, I think, giving people confidence of the safety of Manitoba water, again, long term and provincial positioning, this is something which is significant. Taken as a whole, I think the whole approach to infrastructure in rural Manitoba is one that positions us well. It is not overnight. It is not immediate megaprojects, perhaps, with the exception of Simplot, but it is long-term strategy, long-term planning, enabling municipalities and communities to plan for the future.

Mr. Chair, the Water Services Board would be an important part of that. That is part of this department. Approximately \$12 million a year is set aside for the planned expansion of safe sewage and water systems for rural Manitoba. Not every community is able to have what it desires immediately but they are able to plan for it. That is exactly what we are hearing through the Canada-Manitoba Infrastructure Program as well. It is that ability to know what is coming down the line, the assurance that there will be some money in this year and that the municipalities can begin to pool their own funds. Whether it is on a regional basis for the Canada-Manitoba Infrastructure Program, we have tried to encourage with the federal government regional infrastructure programs that will serve communities. A very good example of that, of course, is in Portage la Prairie.

The Water Services Board continues to be part of meeting the demand for infrastructure adaptation and expansion in rural Manitoba. It is one that we are committed to and have certainly maintained the budget in that area.

I should add in this context, of course, the Ethanol Panel that the Premier (Mr. Doer) has

announced, which will be reporting in the late fall. I think that is one that has certainly been urged by a number of communities in Manitoba, some in the general region that the member represents, others in perhaps the Parkland area, and indeed there are places in other parts of Manitoba who have interest in ethanol.

Mr. Chair, there are a number of ways of approaching this. We have a commission or committee which is looking at it and which is holding some public hearings and will be looking at the different ways that different communities have approached this looking at examples of different ways of encouraging ethanol use that are used in a number of American jurisdictions and will be giving us some advice on how best to use this to expand economic opportunities for Manitoba farmers as well as to assist us in dealing with some of the longer-term environmental issues.

* (21:50)

Mr. Maguire: Mr. Chairperson, I thank the minister for that update on some of the issues and areas. I guess I go back to my earlier comment about this is where there is a shortfall in activity in developing rural Manitoba. I have tried to emphasize tonight that there is a greater urgent need for this kind of development than there has ever been in rural Manitoba's history, not because of what she did or what I did, but because of some of the federal policies, particularly the impact of the Crow benefit, one of the biggest changes that has ever taken place in Manitoba's agricultural history.

The Manitoba government, either yours or the previous one, was not able to impact the federal government enough. I take some responsibility as a farm leader who was not able to convince Mr. Goodale to pay it out in any other form either that would have benefited us in western Canada, particularly Manitoba, because of our greater distance. If that was how it had been paid out we would have had the benefit of having those dollars for farmers to develop this industry themselves in Manitoba. Small business would have ultimately been able to, through initiatives of their own, attract some of those dollars for expansion in Manitoba, and we would have even been in a better place than we are for those opportunities.

Mr. Chair, as is, we have to do it without those dollars for the most part. Yes, there have been some MRAC dollars, Rural Adaptation Council dollars. We have made a commitment. My predecessor, the member from Lakeside, the former Minister of Agriculture, put the Agriculture Research and Development diversification Initiative in place, ARDI. Your Government has kept it going with some funding.

Mr. Chair, I noted with interest that the minister talked about agriculture research. I espoused its importance as well in regard to the nutraceuticals that I have not talked about. There is a growing need in developing industry in that area. I was quite proud as a member of ARDI to be able to second the motion that would actually develop the research institute over at St. Boniface to be able to combine agriculture with health and get that connotation in place that would be able to try to expand the nutraceutical industry in Manitoba so that we could get it to somewhat of a commercial scale, bring a couple of world-class research chairs in who would be able to develop that industry and expand Manitoba in a different area; instead of trying to go into biotechnology, as those compete with the University of Saskatchewan in a number of those areas, develop our own research niche in those areas, and I think we have in Manitoba.

So, Mr. Chair, I am proud of the fact that Manitoba has taken some of those initiatives and has been able to go ahead and do them, but I revert to saying that the minister has indicated to me that they will do this and that there will be some commitments there, that we have an Assiniboine River study going on, and, yes we have, but that has been done. We have studied the Assiniboine River over the last 20 years.

I mean, if there are no dollars available, then I think we need to say so. It is not to say that we should not have ongoing developments, but, if we are going to go ahead with the kinds of infrastructure that Simplot is going to need in a first phase of 20 000 acres of potatoes at least in their first year and hoping to expand that to 40 000 in the second phase, that is going to take nearly 160 000 acres of irrigation—not 40, not 20, basically in a four-year rotation.

So, Mr. Chair, where is the commitment from the Government to put the infrastructure in place, particularly in the Assiniboine area or

those aquifers, not for the sake of corporate bodies the size of Simplot but for the sake of individual farm operations that are going to change their family farming history from particularly dry-land farming mechanisms that maybe had land that at one time was only worth a few hundred dollars an acre to the point today where it is worth over a thousand dollars an acre, plus the infrastructure on top of that land to irrigate, to give them the confidence that they should go ahead and invest in Manitoba in that direction?

I mean, I know the Minister of Conservation (Mr. Lathlin) announced in his early days of Government a four-year study of the Assiniboine River basin, but there have been a number of those. You had to scrap one that was virtually just finished that had recommendations in it. Those recommendations were scrapped, and we have started a new study. I noted with interest at the time that it was four years down the road before we would see any results of it.

I do not think groups like Simplot and those farmers are going to make those kinds of further investments, and I know that there has been some acknowledgment that will guarantee them that, but how are we going to guarantee that infrastructure, and what will the infrastructure be, and what will the relationships between governments be from your department to make sure that that occurs?

Ms. Friesen: I did indicate to the member that, I will not necessarily say the answers, but the discussion of this question was in the Agriculture Estimates, and the minister there talked about the Government's 10-year proposal, the 10-year program for the development of irrigation in the Portage area.

I know that land values have risen considerably there. The member suggested \$1,000 an acre, and I am not sure that that is not already there. Some of those land values have moved very quickly. There is a great deal of confidence in the area, and, yes, he is right, obviously there is a need for expanded irrigation as well as great opportunities that can be opened by that.

The minister is dealing with the federal government to see what its share will be in this,

but the provincial government has indicated its support for a 10-year program for irrigation as well as—it is perhaps not research but it is the applied research. It is the extension level of activity from the Department of Agriculture and from the universities to new and expanding farms.

So both sides of that, I think, are being addressed within the Department of Agriculture and Food. I did not know of the member's participation in the nutraceutical centre debate. I just wanted to pick up from one of the things he said, which is the St. Boniface part, which is the health part, the testing part, the bringing to the medical market one portion.

I think it is an interesting way in which the Manitoba proposals and the Manitoba approach to this is very unusual, and I think we are anticipating that it will have good results. We have the food centre. We have put money into the food centre, \$11 million, to redo the laboratories there and to provide greater assistance to people to bring nutraceutical foods to the commercial market. You have the medical testing piece, a considerably long-range testing piece that is at St. Boniface, and then, of course, you have what used to be called, it is a terrible phrase, most researchers hate it so I probably should not even use it, but curiosity-based research. The federal government used to use that terrible term, but basically academic research that is long term, that is experimental. I think those three components together, that Manitoba has a very interesting approach.

Yes, Mr. Chairperson, I think it is a niche opportunity for Manitoba. Saskatchewan moved very quickly with the university and the expansion of facilities at the Saskatoon campus in another field, and they did it in a pretty systematic way. They instituted an undergraduate program and a graduate program. They had quite extensive facilities right there on the campus, creating all of the synergies that are supposed to be created by those kinds of research parks. It was done relatively quickly. We could get into a political discussion here on support for universities because I do remember, when I was the Advanced Education critic, dealing with proposals from the university for a bachelor's degree in—what is it called? The University of Manitoba

wanted, in the nineties, to introduce a bachelor's program in, it is not biodiagnostic, it is bio—*[interjection]* No, it was not even that. What is the niche area at the University of Saskatchewan in bio?

* (22:00)

Mr. Chairman, the word will probably come to me at three in the morning, and I will be sure to phone the member with that. I have forgotten the word. I have not got it right, but it was at a time when Saskatchewan had moved ahead of us and had done it in a wholehearted way, and the university did face difficulties, did not get the support and the funding for that undergraduate program. That is, obviously, political decisions that were made then.

Manitoba has moved to a nutraceutical approach, which involves three areas. I think it is a very good way of proceeding, and it is one that, I believe, is quite different from Québec. Québec, obviously, is the other main area of nutraceutical research in Canada. I am not familiar enough with this to know how the actual areas of research are, can be compared, but certainly I am very glad to see that the federal government has been very supportive of the SMARTpark and the nutraceutical centre at the U of M, as well as the assistance with the \$11-million expansion at Portage la Prairie in the food centre.

I also wanted to mention the member had some concerns about the length of time that the Assiniboine River basin studies would take, but I think, in response, I would say that it is the long-term data which is of importance in research on river studies. Again, I do not have experience in that area, but we have seen some quite dramatic fluctuations in the last few years.

In order to determine predictability, in order to determine averages or to have some confidence over a level of predictability, I do think you do need those longer term ones. So it is not the kind of long-term research that is often undertaken by local people or by private consortiums. It is at that level at which the federal and provincial governments usually become involved. I do not think they are mutually exclusive. Obviously, what data is available that is

reliable from whatever study we would want to see, but I think long-term research and predictability is really what both citizens and farmers would be looking for from those studies.

I have not really talked much about poultry or dairy. I did want to draw the member's attention to the support to Granny's Poultry in Blumenort in southern Manitoba that we have been able to address. It was something, certainly, that the previous government also looked at. I wanted to let the member know that there has been a commitment of over a million dollars to Granny's Poultry in Blumenort, an important industry, not only for the small community of Blumenort but obviously for the labour force in that area and for a number of producers in the southeast.

Mr. Maguire: I would just like to say that, unless we are still here at three in the morning, the minister could leave that on my voice mail, please.

That curious research, a better word might be inquisitive research in regard to some of the activities that have taken place in those areas. I certainly know that the land values are well over \$1,000, some of them are closer to \$3,000, in that area of particular special crop opportunities that are there today. That is why I think it is even more important that we look at a long-term water strategy for the province of Manitoba, and that you cannot just look at a region like the Assiniboine Valley in isolation.

Studies have been done of farther upstream areas. I think if you want to carry it to the extreme, if the minister is talking about, as I have heard her say earlier, greater use of our conservation districts, greater use of watershed management areas, that some of the role to be played in all of this for some of those areas is, particularly in the area of upstream use along the Assiniboine and to guarantee the kind of flows that she is talking about, obviously, a first stage would be to develop the plan for extending the Shellmouth Dam in that area for extension of water control. That will guarantee some of the flow of the water past Portage la Prairie that is needed for the irrigation of those 160 000 acres, future irrigation that will be needed.

Madam Minister, I think it is incumbent that we also look at joint operations with Saskatch-

ewan because, while we are not looking at the North Saskatchewan River diverting water down into this area, we certainly have to look at the Qu'Appelle coming into the Assiniboine, to the Souris River and the Three Creeks projects that I talked to you earlier about, in cooperation with everything coming off the east end of the Moose Mountain for the—excuse me for a minute.

Thank you, Mr. Chair, Madam Minister, for allowing me that interruption. The studies that could be done in other creeks as well, like the Plum Creek, Pipestone Creek, Antler. There are a number of smaller areas, tributaries, that are not massive projects but could have great impacts in times like 1999 when western Manitoba was completely flooded out and in times of other high water levels such as '76, I believe it was, back in those days when the Souris River flooded.

These could have a major, major impact on a time when water is being diverted out of the Assiniboine River. We hustle the water through the Assiniboine Diversion west of Portage la Prairie so it does not hit Winnipeg in times of the Red River flooding. A lot of this, I guess if we are talking a one-in-a-thousand year flood, nothing is going to help a great deal, but to alleviate a lot of the concerns in anything up to that level these infrastructures will help in times of flooding.

They will also help in times of sustaining the kinds of increased agricultural productivity we are going to need. If we want industries to make the confidence to take the leap into our economy, they are not going to do it on a leap of faith, I submit to the minister.

Throughout the foresight that is needed, as an example of southern Alberta, I will not get into how they financed it, but if somebody had not had the foresight to put the canals and the channels in southern Alberta 50 years ago to divert water out into those areas today that are dry-land farming in southern Alberta, it would still be a wasteland. There would not be cattle there. There would not be irrigation of barley and corn in that area. You would not have a thriving livestock industry necessarily, as is today the case around the city of Lethbridge, the potato industry in Tabor and a number of others in those areas.

* (22:10)

I am saying to the minister there needs to be a commitment. The people of Manitoba hear the minister. They hear the Minister of Agriculture (Ms. Wowchuk), they hear this minister and others of this Government saying we know this needs to be done. We are working toward getting this sort of thing done, but where is the trust and where is the confidence that it will get done when they come out with smaller programs like canceling CareerStart that will help rural areas? The minister asked me what the impact of only having half of the harness industry was in Manitoba. Well, they did away with the whole thing at one point and brought half a loaf back. It has had a big impact on that industry this year.

Where are they at when this is the Government that absolutely refuted the idea of Filmon Fridays some few years ago and today announced the opportunity of government employees having 15 volunteer days off a year, trying to put a positive spin on it by saying, Well, it is voluntary. You are just not going to get any pay out of it, and we will not make you do it on Friday. You can do it any time, which really disturbs things, in my estimation. Talk about lack of planning. This was detested and refuted completely by this Government before.

Then, of course, the minister has come out and talked about how they have made the effort to equalize hydro rates across the province of Manitoba, then, spin of all spins, taking \$288 million out of the profits of hydro and effectively raising the ratepayers' bill \$715. That is why the people in rural Manitoba and all of Manitoba today do not look at this Government with the credibility it needs and the trust it needs for them to go ahead and make the investment that is required in our opportunities today. Never mind the fact there was \$40 million put into the floodway around Winnipeg that was utilized because we ran out of money last year, another \$40 million that was put in again this year. Will it be there at the end of the year again or not? I doubt it.

Further to that, Mr. Chairperson, this is the Government that says, well, we need, as guiding principles for the regional capital program, we are very concerned about sustainable development and enhanced opportunities. At the same

time, the first thing the Minister of Conservation (Mr. Lathlin) did was cancel and eliminate the Round Table on Sustainable Development. Where is the trust? Where is the track record that is going to allow people to invest in this province and have the opportunities to develop an industry and develop many industries and the opportunities I have referred to earlier that could be developed in this province?

Ms. Friesen: Well, Mr. Chairperson, I recognize the member is speaking on behalf of the government which systematically cut education grants across the province, which systematically reduced the opportunities for young people in community colleges and universities by reducing the grants, cutting staff. In the small universities, for example, like Brandon and the University of Winnipeg, we saw some very, very serious drops in enrolment, in some cases where departments were not even considering themselves to be viable; speaking on behalf of a government which eliminated the subsidies for the testing of water, one of the fundamental issues that now has come to the fore of peoples' concern and safety for their own communities, as well as an area obviously of economic opportunity. We are looking at a government previously which had a number of press announcements, shall we say, around the Brandon General Hospital, commitments which were never fulfilled. I must say the level of trust in Brandon for the health promises of the previous government, let alone the elimination of the Misericordia as an active hospital, which was done by this government—now, I know I am speaking for my own community—the level of trust there was perhaps something the member might want to consider.

I recognize we are heading into a partisan discussion here. It was one the member chose to raise. I do want to remind him, even though he was not a member of that government, he is speaking on behalf of 10 years of a government which did make strong ideological decisions about the future of Manitoba. They made them quite clearly.

One of them, for example, was the Filmon Fridays to which the member referred. I am at a loss to understand what it is the other side of the House does not recognize as the difference between voluntary and compulsory. Compulsory

Filmon days off meant that every member of the civil service, I listened to them in committee and I know the member was not there, but we had people appearing before the committee on that legislation and those proposals, people who were supporting a family on less than \$20,000 and who were being forced to take a cut of so many days, hence a forced cut in salary, no choice, no question about when they would take it, no question about whether they would take it, but people at the very lowest end of the salary scale who were being required, who were being forced, who were being, not urged, forced, required to take a salary cut. There was no differentiation between levels of salary. There was no differentiation between regions of the province. There was no differentiation between people who might be at the beginning of their career with a young family and those who were at the end of their career and might want to take the opportunity for a long weekend, perhaps one or two additional ones a year. I simply do not understand the mindset of a perspective which says there is no difference between voluntary and compulsory. There is absolutely every difference in the world.

What the present Government is proposing is certainly something which is voluntary. We will see if there is uptake. We will look at what its impact is. It is something that may work well for some families and not for others but they will have the choice. They will have the preference. They will be able to look at their own family income. They will have the opportunity to discuss it with their family. They will have the opportunity to look at it this year perhaps but not next year. They will be able to decide, to have a choice, to have a certain level of power and responsibility for their own future.

What the previous government did and what the member opposite is now supporting is that required cut to salary across the board, no indication that people have different requirements, no sense that there are different family conditions, no sense that there are different costs of living in the North compared to the city of Winnipeg.

This is not something I would have raised. I am surprised the member has. I am surprised he is defending it. I am very surprised that he sees

no difference to a family's quality of life, no difference to the autonomy and the responsibility of an individual that is presented in that difference between a required cut in salary and one which is a voluntary offering that is made to civil servants. If the member is able to explain to me why it is he sees no difference between compulsory and voluntary I would be willing to listen. I am curious, actually, about the mindset which does suggest there is no difference.

The member also, of course, is looking at a government which had a number of years to develop water strategies, to develop plans for the Assiniboine River. None of these issues are new. It is looking at a government which had the opportunity to deal with planning issues across rural Manitoba, which had the opportunity also to look at Hydro as an economic asset for all of the province, which had the opportunity to adjust the portioning, for example, on farm properties. They actually chose to adjust that portioning upwards. This Government chose to adjust that portioning downwards in a time of high land values and relatively low prices.

So, Mr. Chairman, again, I am puzzled at the direction that the member has taken at this particular point, because, again, it seems to me that, whether we are looking at health care, ambulance services, whether we are looking at the provision of 15 places, I mean, I listened to the Member for Russell (Mr. Derkach) the other day in the Health Estimates, and he was talking about his concerns about the admission of rural students into the medical school in Manitoba. He certainly has some concerns, and I have heard him actually on that issue before.

* (22:20)

Why is it that, over 10 years, the previous government was not able to negotiate the expansion of rural students into the medical program at the University of Manitoba? Why was it that they chose to cut the RN program? Why was it that they chose to cut the LPN programs? *[interjection]* Well, I cannot comment on the Member for Portage's (Mr. Faurchou) presence. The Member for Portage did not raise this question, but he is the fortunate beneficiary of my response to this, my fulsome, full and continuing response to the opportunities that the

previous government had over the last 10 years for expansion of opportunities in rural Manitoba, in which they, for whatever reason—and my view is that they were very strong ideologues, that they had certain ideological reasons for many of the programs that they undertook, and that is fair enough. I mean, there is an ideological division. There are different points of view, and I have no difficulty expressing those different points of view and accepting that there are different points of view. I would not shy away from that.

So some of the other areas that we might look at over the last 10 years is the absence of a water strategy. Clearly, after the 1997 flood, at least one would have anticipated that there would have been a greater attention to the longer-term water strategies in the province. That did not happen. It has begun to happen, and those water strategies take a long time. Of course, you can say, for many programs, of course, it would have been better to have started 10 years ago, and, yes, I accept that. But, nevertheless, there were some areas for Manitoba, whether it was in agricultural research—and I think we saw diminishing support to the Faculty of Agriculture. We saw an outright refusal for the expansion of a bachelor's program in the bio—I still cannot remember the word—in a particular undergraduate program that I know the dean of agriculture was very committed to, put us at a disadvantage with Saskatchewan, and the nutraceuticals. Really, I think the plan and the bringing together of the three elements of the nutraceutical projects is something which has happened under this Government, not under the previous government.

Mr. Chairperson, I do see that I am sitting opposite the Member for Portage la Prairie (Mr. Faurchou), and, as the member knows, I have been frequently in Portage la Prairie. As the former Member for Beausejour advised me, I have often gone with a cheque in my hand, and this has been for issues which are very dear to the heart of both the member opposite and to the mayor of Portage la Prairie and to the reeve of the rural municipality.

Mr. Stan Struthers, Acting Chairperson, in the Chair

There are water issues. There are industrial issues. There are growth issues. There are

expansion issues, and it is a community which I have been going there certainly during the period of opposition, too. I noticed considerable changes. It is not just the Festival of Lights. It is not just that fabulous water park that I promote every opportunity I get, which there is no provincial money in. I am well aware of that. It is certainly a decision that the municipality took. It was a very strong decision, and I think it is one that does bode well for the kind of community that Portage la Prairie can be.

I think we have seen a lot of changes just in the externals of Portage la Prairie, Main Street in the last number of years. Again, I will not attribute that entirely to this Government. I think there were some changes which were happening in the previous couple of years, but the Festival of Lights I think has been very helpful in winter.

We have seen—*[interjection]* The Food and Development Centre, I had actually already talked about, you want me to do a rerun on food—no, okay.

Mr. Chair, Southport has been maintained. Obviously, it has gone through a number of changes, but nevertheless I think the jobs have been maintained in that area. There have been a couple of losses, do not want to shy away from that either, but overall I think what we have been able to do in Portage la Prairie—*[interjection]*

Oh, the Minister of Agriculture (Ms. Wowchuk) would like to have a rerun of the Food and Development Centre. So it is \$11 million, and I am delighted to be able to talk. Rosann, do not leave now. It is an \$11-million project and it is one, obviously, we were pleased to share with the federal government. As the member is aware, I did take a recent tour of the Food and Development Centre. They were very hospitable and took us through their very large laboratory, well both large and small laboratories, actually. We saw a number of interesting projects.

It is a building that, and I actually was quite surprised that it is original construction. It looks as though it is an older building than it is. It is surprising that it was added onto of course, sort of like my house, but bits and pieces, but nevertheless some interesting work that is going on there and a team that is very dedicated with

research scientists and with people who are able to advise on marketing and all of the other pieces. One piece of that tripartite approach to nutraceuticals and an important part obviously of the Portage la Prairie community.

Mr. Chairperson, I do not know if the Member for Portage (Mr. Faurshou) is here to ask questions. I was actually responding to a previous discussion from the Member for Arthur-Virden (Mr. Maguire), who was indicating some concerns about this Government's commitment and conviction to rural Manitoba. In fact, he did use an interesting phrase. He suggested that this Government, and this was actually about an hour or so ago, that there was a lethargy as long as your arm. It had a lovely alliteration to it, a lethargy as long as your arm, to this Government's approach to rural Manitoba.

I did indicate to him again, the many ways of which this Government, far from lethargic, in fact has not only taken and expanded, improved some of the good programs that the previous government had, and there were some, and we have maintained them, but it has also added to them in terms of Simplot. It has added to them in terms of clean water, in the expansion of lower hydro rates to rural Manitoba, the addition of infrastructure dollars, not just at the Water Services Board or for the water strategy but also for roads for Landmark Feeds as well, as the member will be aware of the access roads for Simplot, as well as the water and waste water issues that we have been dealing with in Portage la Prairie, the approach to ethanol that we are taking, as well as the maintenance of some long-term provincial programs in municipal tax sharing, as well as in the economic development portfolios, the REDI programs and the VLT sharing with municipal communities.

So, Mr. Chair, I actually had not been able to get back to the member on his alliterative comment, but should he want to raise it again, I would certainly be interested in taking that up with him. Within that, obviously I do not know if the Member for Portage was there, we have also talked about other areas of support for rural hospitals, just in the most recent months, whether it is in Ste. Anne, Steinbach, Brandon or in Gimli where we have been expanding rural

hospital services and in fact expanding surgical services in the Ste. Anne and Steinbach case.

Mr. Chair, whether it is in health, education, long-term research, the fundamentals of support for the infrastructure of rural Manitoba, or whether it is in our Minister of Agriculture's (Ms. Wowchuk) commitment and persistence with the federal government, her adaptation of programs, for example, the expansion of crop insurance programs to deal with moisture issues, something again that the previous government could have done but did not, it seems to me that in so many areas there is such a strong evidence of conviction and commitment and dollars.

I mean, we could talk crassly dollars, and that was actually something that the previous member also raised. He had two ways of framing the debate. One was money, and he did argue the Department of Intergovernmental Affairs had been reduced. I think what he said was, and I did not write it down, that there had been a couple of million dollars, and he seemed to imply that it was each year that the budget had been reduced by that. I did want to put on the record that that is not the case, that there is a \$1.8 million overall reduction in this department's budget this year, but I think if we had been doing line by line, we can certainly point to the specific areas.

What the members will be aware of is that that reduction is due to the ending of federal-provincial agreements and that the fluctuations that have been there, not at such a large level in previous departmental budgets or bottom lines, is because of the requirements of cash flow for federal-provincial agreements of which we have a number.

* (22:30)

So I wanted to reassure the member that the dollars are there, the staff numbers are there. I know that members opposite have tried to claim in various ways that rural development has disappeared. Well, to the 300-and-odd staff people we have in rural development in the same offices, in the same place and in the same numbers with some of the same programs, this would be a great surprise. So it does not surprise me that that argument is perhaps not as well accepted as the members opposite might anticipate, because in fact rural development is

there, Rural Economic Development offices are there.

In fact, if the Member for Arthur-Virden perhaps had intended to raise this, and that was the economic developmental issue in the south-west of Manitoba, I had wanted to discuss with him the assistance that we were putting into and are putting into southwestern Manitoba, first of all to farmers and, as the member knows, that was one of the main conclusions of the Rose report. The best way to approach this was to put money into the hands of farmers, and the expansion of our agricultural aid programs. As well as the changes in requirements and regulations around moisture, for example, did increase. I do not have the dollar figure with me but we could certainly provide that to farmers in the area.

On top of that, Mr. Chairman, what we have done, the Premier (Mr. Doer) has been there to meet with people in that area. I have certainly been there at AMM district meetings and talked with mayors and Reeves of those communities, Killarney, for example, and the mayor of Melita I have spoken to. The minister of disaster assistance (Mr. Ashton) has been there, the Minister of Agriculture (Ms. Wowchuk) has been there and, as I said, the Premier has been there.

What we were able to do in our department is to work through our Rural Economic Development offices, a few of the 300 staff in rural development who are there, and to work with the communities in western Manitoba. What we are doing at the moment is encouraging the communities to work together on a regional basis.

Mr. Chair, I am not sure if the Member for Portage is aware of the difficulties that were being encountered by the Westman Regional Development Corporation, colloquially known as WEDA. What we had done is reviewed that, worked with the communities, looking at ways to assist them and to put in place the kinds of resources for community economic development that they are talking to us about.

So we have worked with them to do round tables. Mr. Chair, I think my light is flashing and I only have a couple of minutes left to talk about the work that we have done in the Killarney area and in the Westman area with our support not

only for the Landmark Feeds mill but for tours of initiatives and some of the other initiatives that are being talked about in that area.

We are not there yet, but we are certainly in continuing discussion and supportive of the work that is being done at the local level in regional economic development.

Mr. David Faurshou (Portage la Prairie): I was just waiting for the continuation of some very interesting information over the course of the last half hour. I learned a great deal, and I appreciate the minister's remarks for the most part. I will say there were a number of occasions there when I put down some notes here to probably bring a little bit more clarity to the items that she had brought forward.

I appreciate the opportunity to be here this evening and to ask a couple of questions of the honourable minister, and I want to give recognition at this time to the staff members here this evening. I feel a little bit intimidated by some very accomplished ladies across the way prepared to answer any and all of my questions. So I hope I get it right.

I want to thank the minister for attending numerous functions in Portage la Prairie over the course of the last couple of years. I do not know whether she has found her bathing suit just yet that she forgot. She could not find it in order to participate fully in the opening of the new water park.

An Honourable Member: Neither did you.

Mr. Faurshou: No, I did not either, no.

In any event, Mr. Chair, her department has been for the most part extraordinarily supportive of undertakings in Portage la Prairie over the last number of years. I do want to recognize that, although my hope is that the department could potentially purchase one more spade, so that I could participate in the next sod turning when she comes to Portage la Prairie. There always seems to be one spade short so the honourable member does not get to participate.

Anyway, I want to be specific as to some of the concerns that we still have in and about Portage la Prairie as we progress towards value

added processing in and about the area. The honourable Member for Arthur-Virden (Mr. Maguire) started into asking the question about water strategy in the province of Manitoba. The previous administration had gone a long way to evaluating, through the department of natural resources, the potential that existed in this province with the water resources that we do have and how to address in the most environmentally friendly manner not only flood mitigation but the drought-proofing of our province, as well as water retention for domestic, residential, industrial and recreational uses.

So I want to ask the minister at this time: Has she had the opportunity to dialogue with her colleague the Minister of Conservation (Mr. Lathlin), and I will be very specific, in light of the Minister of Agriculture's (Ms. Wowchuk) announcement that she has applied for federal support to engage a minimum of 50 000 additional acres annually for irrigation here in the province?

We had a great deal of dialogue. I feel that that program is woefully inadequate. We have to understand the potential of our province in high-value crops and additional value-added processing. Eyes are on Manitoba as we speak, because other corporations are looking to the Simplot experience with the province as to how the environmental issues were handled, how the construction is taking place with the current labour laws, as well as moving into the actual processing and production phases which, the minister surely is appreciative of, is going to require significant acres to be placed under irrigation.

If we are using the Department of Agriculture's recommendation of a four-year rotation, we are looking at 40 000 acres annually times four; that is 160 000 acres under irrigation, an immense investment by individuals that are landowners, potential producers. As well, the Province needs to evaluate how it can participate in the supply, constant supply of water.

Mr. Chair, I do want to go back and forth here on some fairly quick snappers if I can. Is the minister familiar with the Assiniboine South Hespeler report tabled by former Minister Plohman that was a very, very extensive study,

the last extensive study done, to my knowledge, of the water resources in southern Manitoba and how best those resources could be distributed and capitalized on?

Ms. Friesen: Mr. Chair, no, I am not familiar with that particular report, although it sounds interesting. I am interested by the member's, not exactly endorsement of it, but certainly recommendation that that is an important piece to read. So I certainly will look at that.

* (22:40)

Mr. Chairperson, he had earlier asked whether I had the opportunity to talk to the Minister of Conservation (Mr. Lathlin) and the Minister of Agriculture (Ms. Wowchuk). It is, and I am going to ask staff here for any inter-departmental committees, obviously, something that I am aware of that was discussed in the Agriculture Estimates. That program has been very much led by the Minister of Agriculture, and I note that the member is using the same numbers, the same prospects of 160 000 acres as his colleague was, the Member for Arthur-Virden (Mr. Maguire). So I am certainly taking note of that.

Mr. Chairperson in the Chair

I mean, we are aware, obviously, not just of the opportunities, the potential that is there for the growth of agriculture in that part of Manitoba, but also even the immediate necessities, and I think the minister is trying to deal with both of those issues. She has, as she has indicated, been engaged with the federal government in proposals around that, that the Province has indicated its support. I understand what the members opposite are saying, that they think this is too small a step, and that is, I am sure, certainly something which was conveyed in the Agriculture Estimates, as well. But, essentially, the Minister of Agriculture (Ms. Wowchuk) is the lead person on that, as the Minister of Conservation (Mr. Lathlin) is the lead person on the water strategy that is having formal discussion now in Manitoba.

Mr. Faurschou: I have taken the opportunity, Madam Minister, to bring this report to the attention of, not only herself, but almost all of

her colleagues, including the Minister responsible for Tourism (Mr. Lemieux), because there is a significant benefit that can be derived in that area, as well, from construction of a project which is contained within this report as the most major, but also the most beneficial, and that being the construction of the Holland No. 3 Dam, which is just upstream of the Highway 34 crossing of the Assiniboine River. This particular dam construction was highlighted in the 1988 report that was received into the House here under the signature of Minister Plohman. I believe Minister Kostyra was the Minister of Finance that would also receive the report, being that it concerned that department as well, but it has hydro generation capabilities, it has tourism capabilities, it has flood mitigation capabilities, consistency of flow, which I did make presentation to the environmental commission hearing here in Winnipeg after former Mayor Norrie's presentation on concern for The Forks development.

You see, right now the only control structure we have on the Assiniboine is at the mouth of the Shell River, and that is about 16 days of water travel down the Assiniboine. As you can appreciate, there are a lot of weather patterns that can take place in over two weeks. Also, too, the two major tributaries, the South Saskatchewan, as well as the Souris River, enter into the Assiniboine below the Shellmouth Dam. So quantities of water from large watersheds can enter into the Assiniboine and again have a significant fluctuation.

I will say, though, that the dam structures at Portage la Prairie on the Assiniboine to divert water have a minimum control or minor control capabilities. I will come back to that because I think it needs the minister's attention, but this particular structure would allow very much control of the Assiniboine. Here in Winnipeg, we can say that we will be the ultimate benefactors of that control because we will have sustained flow of water down the Assiniboine from the reservoir capacity of that structure.

We have seen elements of importance of the river by the river walk that has been established. We are going to have an extension of that further into the city, a river walk as well as the activity of our boating community, not only the water taxi. I do not know if the minister is familiar that

the gentleman who started that expected only to supplement his income on a part-time basis and now is not only himself but his wife and others. I believe they have four employees full time dedicated to that undertaking because of its popularity. People are naturally drawn to water, and we have a waterway here in a very picturesque setting downtown that so much more could be done, but we are seeing within the city here inundation of established infrastructure like the walk outside the Legislature here that has been inundated because of inability for us to control the water levels in the river.

Now, admittedly there is some backup from the Red River, but I am speaking, let us take one step at a time. With the Assiniboine, too, we see a great deal of silt coming down the river muddying the walkway when it gets inundated, but also we are seeing significant erosion here in the city of the banks of our rivers because of the wetting and drying process. As I mentioned to the commission, I am not way out in the back 40 on this. This is some of my training from university. You have a natural adhesion between the soil particles caused by the wetting, the water, and that is lost when it dries out. Then, once the soil is dry, it becomes much more porous and there is a lot of oxygen between the soil particles, and then along comes the water when it rises once again in the river and very easily washes away these dry soil particles and we see significant erosion.

So it is fundamental to the preservation of our existing riverbanks and floodproofing measure to have, for the most part of the year, a constant flow of water, not to mention other need for constant flow, whether it be water for sewage disposition, but other things that I have already mentioned.

Mr. Chair, I could go on, on this project and the importance of this project, but I believe the minister, if the department wanted to look into it, it is the Assiniboine South Hespeler report tabled in the House here in the March of 1988. I believe it has significant merit.

* (22:50)

Now, getting back to the important topic at hand here. Just this past week, I was in attendance, along with the member from Assiniboia, at the McCain recognition barbecue for growers of potatoes here in the province of

Manitoba. They award recognition to the top 10 growers across Manitoba for performance of quality and of product delivered. Time and time again, he heard it, I heard it, the growers right now are trying to irrigate, and there is not enough water in this Assiniboine. They have had damage to pumps because of silt going through the pumps. They have had pumps that have pulled in air, and you can sometimes see air bubbles come through your own faucet. There is a bang and a shock. On a large scale, 14-inch pipe, the dynamics that happen with an air bubble cause significant damage to irrigation infrastructure. Also, too, the diversion of water into other tributaries such as the La Salle and Elm River, which satisfy additional areas that are irrigated, they are not putting adequate flows out of the Assiniboine because there is not adequate flow in the Assiniboine to service these tributaries. So those pumps are shutting down. If we cannot service already our requirements without J.R. Simplot, heaven help us when J.R. Simplot comes on stream and is requiring another 20 000 acres at the outset, come 2003, which is next year.

Mr. Chair, I really want to emphasize to the minister we have to be very proactive, and the timeframe is very short. If we can look at the leaf gates, perhaps, on the Shellmouth Dam, if we can look at dredging or improvements at the Assiniboine River Diversion in Portage la Prairie, that originally had the capability of over 14 000 acre-feet of irrigation, water retention. I should not say irrigation, but just water retention capabilities for whatever purpose. But that was the figure that was referred to, 14 000 acre-feet which is an irrigation terminology.

Does the minister have a couple of comments to this effect, because I did want to continue a little further.

Ms. Friesen: Mr. Chairman, I do not have a great deal to add. I just wanted to clarify on the study that the member was raising, the Assiniboine South Hespeler study, is this the one that makes the proposal for the Holland Dam? I understand that it is, and I should say that was actually one of the first things, so I did not recognize it under that title. I have not read it, I must say, but it was certainly one of the issues that the previous deputy minister raised with me

very early on. So that was certainly a part of the awareness, I should say, at that point. He did discuss it with me at some length, and the Holland Dam, obviously, is there in conservation districts, conservation departments research as well. I certainly have seen it mentioned in a number of those presentations as we look at the history of water issues in the recent past.

I concur with a number of things the member has said about the Assiniboine. We share the Assiniboine. The Assiniboine runs through my constituency as well. The fluctuation in water levels is something that has been of concern, most particularly at levels of high water level, I should add, less so, as in rural areas, for the period of low water. The predictability and the ability to regulate the flow is obviously an important issue for tourism in Manitoba. The member has raised it in the context of The Forks, the growing attraction and growing commercial interest in serving tourism opportunity along the rivers in the city. As the member knows, the Government has this year worked with the federal government to at least be able to open the floodway gates during the summer so that some regulation can occur there. I expect we will be looking for some improvements in that area.

Mr. Chairperson, I recognize what the member is saying in terms of the irrigation needs, both immediate and long-term. I am given to understand one of the reasons, however, that Simplot did locate in Manitoba was the greater precipitation and the greater predictability of precipitation in Manitoba, as opposed to Alberta or wherever else they might have looked. Now that is not irrigation necessarily, but it certainly is a constant water supply of which Manitoba has a more consistent history than other parts of the Prairies. Irrigation obviously required for particular kinds of markets, very specific mass commercial markets where irrigation is required, those are part of the Simplot needs.

So I have taken note of the issues the member has raised around irrigation. I certainly will convey them to the Minister of Agriculture (Ms. Wowchuk), although my anticipation is these will have already been raised with her.

The points he makes about erosion of banks as the rivers are rising and falling, obviously it is

something which is of concern to the City of Winnipeg. It would be a concern to other smaller communities along not just the Assiniboine but the tributaries off it which are important small scale ravines, recreation areas within the city for a large number of people. I think that is really the sum of the comments I can make at this point.

Mr. Chairperson, the Assiniboine River study, I did want to add something that staff had drawn to my attention. It is not yet complete. This may be perhaps referring back again to the Member for Arthur-Virden's (Mr. Maguire) questions. One of the reasons it is not yet complete is that they believe they need a low-flow year to do a full review to get the full cycle of evidence and so far have not had it because we have had those, at least in that area of Manitoba, higher than normal rainfalls. As I said earlier, those studies continue. I guess we are grateful for the rainfall where we have it. The member is raising additional issues around the expansion of irrigation.

Mr. Faurchou: Mr. Chairperson, I appreciate the minister's remarks. I know it is vital to any decision-making process that we try and garner as much information before the decisions are made as we possibly can.

Mr. Chairperson, I was extraordinarily impressed by the amount of information collected through the Department of Conservation that was revealed to the public about the Assiniboine through the Clean Environment Commission hearings held earlier this year in Portage la Prairie. Anything you want to know about the river, river course, including sand bars and how they are formed and vegetation, fish habitat, the list went on and on.

Mr. Chairperson, as we garner greater amounts of data we can make more intelligent decisions that are in everyone's best interests. I do believe the Holland Dam was not something that was readily considered because it does flood a significant amount of area. Persons were very apprehensive, not knowing what this would result in.

But I think now we have more than a couple of decades experience with the Lake of the

Prairies and how that body of water has changed the area and for the most part on the positive side. We have trophy fishing, recreational boating, a whole cottage industry now with that body of water. It was in the news this past winter, as the Conservation Minister was asked repeatedly about the net fishing going on out there. Well, if we did not have that body of water, if we had not gone ahead with that particular project, we would never be discussing about how many thousands of pounds of fish were being withdrawn, but those are the benefits now that we know can be derived from this type of construction of a dam.

Mr. Chairperson, I believe that the body of water would back up into the Spruce Woods Provincial Park. Yes, we will lose some park area which is going to be of concern; however, I believe personally that, even though we will lose certain parts of the now undeveloped area of the park, it will significantly enhance the park in so many ways that persons will travel from near and far to attend that park because of the boating opportunities, the cottage opportunities, the fishing and swimming. The list goes on and on.

* (23:00)

Mr. Chairperson, I think I impressed upon some of my other colleagues and, as I have repeated myself on numerous occasions through the last three months, I truly believe it is something that should be given a great deal of study and thought. After evaluation I think this particular project will be head, shoulders and torso over any other project, as far as cost to benefits, for the province of Manitoba.

I do not say lightly that our experiences today are being monitored by other food processing industries. I know with some degree of certainty there is another potato processing firm of this size, or even larger than J. R. Simplot, that is extremely interested in locating in Manitoba. We will find the space in Portage la Prairie for another plant, rest assured of that. But we just need to be guaranteed to have a ready supply of water.

Anyway, I belabour the point. I believe the minister appreciates where I am coming from and the importance of it, and I would like to

move on to the Whitemud Watershed Conservation District, unless the minister has a short remark.

Mr. Chairman, the minister remarked on the Whitemud Watershed Conservation District as being a leader. I want to say I appreciate those comments she made in Ste. Agathe, because my father and family have been strong supporters of the Whitemud Conservation District because we actually farm in that area.

I want to ask the minister if she now sees that experience working with the conservation district for the allocation of drainage permits as a positive experience.

Ms. Friesen: Mr. Chair, everything I hear from the conservation districts generally, as well as specifically, with the Whitemud Conservation District. I was up there in the spring and toured not all of the district, it is a very large one, but toured the drainage issues in the Westbourne area. Amongst other things, I did meet with some of the councillors and some of the people from the conservation district after that. Also, a later meeting that I had in Brandon with the executive of the Conservation Districts association gave me to believe that this has been very successful.

What they told me was that they had been able to reduce the waiting time for licences for drainage, new licences, I should say, new applications, from a matter of almost a year to a matter of weeks. I think they were down to about six weeks at the time I talked to them, and they were hoping to reduce that even more. Now, as they said, they were getting to the backlog of applications more slowly, and it did not deal with all of the backlog issues, but at least if they are moving on the immediate ones, it did give them a bit more time and flexibility to deal with the others. I would say that the reports that I get from people at the working level is that it is a good program. It has been effective in dealing with new applications, and it is giving them a bit more flexibility to look at the others.

I think the speed with which it happened took me by surprise. I thought something like that where you are, you know, you are dealing in difficult issues with neighbours, and it might

take a little more time, might encounter a few hurdles, but it does seem to have worked. We moved actually before the end of the pilot project period to expand it to the Cooks Creek Conservation District. Now, again, we are looking at a conservation district that is a large-scale one, just as the Whitemud one is, and also one that has a relatively long experience of working together.

Now, Mr. Chair, I do not know if those are the two criteria that lead to success, but they are comparable. I suppose if we were doing a proper experiment, we would have chosen something different, but we were looking for ways of smoothing the administrative success in an area where we were able to add some extra dollars but not a great deal of extra dollars.

Mr. Faurichou: I thank the minister for her response. I am glad to see that she is appreciating what can be accomplished by a group of farmers who are dedicated to that responsibility.

Mr. Chair, I want to ask the minister. Is she considering, seeing the experience with drainage permits, to potentially look at the converse, that being the water retention and potentially using the waterways as irrigation ditches and the conveyance of water to farmland that can make use of the water?

I will say that our farm was the first in the province that worked with the department that secured permission to use Whitemud Watershed drains to convey a diversion of water from the Assiniboine River floodway over to Rat Creek. That was our farm that did that, and it has been working extraordinarily well.

Mr. Chairperson, I might just inform the minister, because it is flowing as we speak, that there was one individual who was in great opposition to this happening because he was afraid it would contaminate his well, which was on the bank of Rat Creek. The ditch was mowed or the dikes were used for haying, but the main channel was left in natural vegetation, and the water traveled through the natural vegetation for more than about five miles. What started out as very murky water that was sometimes showing sudsing, which obviously indicates contaminants as well, when now it enters the Rat Creek it is

something that looks exactly as my water glass here because it travels through the natural vegetation and takes a number of days to do that, and it is naturally filtered.

Now, I would like to get an analysis done there to see whether or not the nutrients perhaps that are in the water have been removed, but I would even encourage perhaps her department personnel to view this, because it is the first time—we did not use it last year—since the permit was issued. So we are really getting experience for the very first time of what this permit provided for.

So I just wanted to pass it on to the minister, but my fundamental question is, being that we now have this one experience, whether it would be considered of her department to trial or pilot the responsibilities to the Whitemud Conservation District for water retention permits and potentially water diversion programming.

Ms. Friesen: Mr. Chairperson, that is very interesting and it is something I would like to see. I am just canvassing staff to see if it has been raised at the conservation district meetings or by Whitemud itself. I do not think anything is specific, although some indication that a similar type of low-tech equipment, if we can call it that, is used in other parts of Canada. Nova Scotia, I think, is one area that has been suggested and possibly even Neepawa. In the hog plant in Neepawa there is a version of this.

* (23:10)

It makes sense. It makes natural sense. Yet so much of what I hear from municipalities is: Clean out those ditches, cut those ditches, get those weeds out. Clean it out, get the water flowing quickly. It is interesting. It sort of turns things on its head. I would like to see it.

The member says it has been in operation for how many seasons?

Mr. Faurschou: They have had the permit now for three years but this is the first year we have really had the opportunity or need to operate it. The pumps have now been running for about two weeks, taking water from the Assiniboine River diversion. In fact the minister, if she is driving the Trans-Canada Highway, travelling

over the bridge of the Assiniboine River floodway, just look down in the channel and that is where the pump is located. It goes underground to the Whitemud Watershed drain right opposite Simplot. That is where the water is pumped to. Then the drain works its way north and west until it enters Rat Creek about four miles north of the Trans-Canada Highway.

Ms. Friesen: I just wanted to ask: How long is this channel? How long is the diversion, and is that a factor?

Mr. Faurschou: You got me there. I would have to add up how many miles it goes north and back and forth, but I would say in excess of five miles that the water would go through the drainage ditches that dump into Rat Creek.

In any event, it is functioning well. However, we did have a glitch on the weekend. We flooded the neighbour's field because we were pumping more water into the drainage ditch than was being irrigated out of the drainage ditch. So subsequently there was an escape of water from the drainage ditch onto a neighbour's field but I think he will eventually thank us because his Canola crop will benefit from that water.

I do want to ask specifically: Will the minister consider piloting a program that would allow for the decision-making process to be made at the conservation district level for water retention and possible use of further drains as water courses for irrigation purposes? Will she consider that? I am not sure whether it is within her area of responsibility, even though she may have the conservation districts in her department, she may not be able to permit that to happen. It may be a responsibility of the Conservation Department, but I would like to ask the minister.

Ms. Friesen: Mr. Chairperson, I wanted to advise the member, and I am sure he is aware of it, of the Deerwood Soil and Conservation Association, a number of members of the Legislature I know have taken the tour. They are a very interesting group who are very strongly concerned with both the retention and distribution of water. We are in discussions with them. I know they are concerned to retain an individual identity and approach. We are having discussions with them about how we can incorporate

both them and the kinds of programs, very interesting research programs that they have been running, into the Conservation Districts Program. Those discussions are continuing, I believe.

So, Mr. Chair, that approach, I think, is an interesting one and that particular relatively long-term research program that they have been running is an interesting one. It may not be adaptable in the end to the Conservation Districts Program but that is certainly something we are open to discussion.

On the actual issue of a pilot project, it is something I will raise with the Conservation Districts Association. I do not believe they have raised it with us. There are a number of conservation districts which do have small scale, just as the member is talking, well, perhaps smaller scale than the member is talking about, dams. For example, on the tour in the Little Saskatchewan, there was two small dams. I think we looked at both with different purposes. I believe there are others in other conservation districts. So some are looking at that on their own. I understand, the deputy minister, in reality is also the chair of the Conservation Districts Commission. She is advising me that the Pembina Valley Conservation District, the Whitemud and the Little Saskatchewan River all have small dam water retention programs.

As the member has suggested, I will raise it with the Conservation Districts Association and perhaps the member, obviously he is familiar with Whitemud. If he is not familiar with Pembina Valley and the Little Saskatchewan, we would be able to provide some information on their projects, and see if those are the kinds of pilot demonstration projects the member is thinking of. I do not know how long each of those has been running or what the level of evidence is from each of them, but I expect those are the kinds of things that the member is interested in.

I should say, Mr. Chair, that conservation districts generally are an ideal tool for these kinds of small scale projects because they are local people working at a local level with local problems and prioritizing them. As I was earlier talking about, the very practical low-tech, low-

cost solutions that people were finding, and I was talking about my recent tour with the Conservation Districts Association of the Little Saskatchewan Conservation District, and how impressive it was. For very small amounts of money, great deal of ingenuity, and a lot of co-operation and practical thinking, how impressive the projects they showed us were.

So the conservation districts in themselves, I think, are very important tools for the kinds of things the member is interested in and is drawing to our attention. I know it is not just a personal interest, although it is that. But it is a perspective on the development of rural Manitoba. It is one that I share and it is why I am so supportive of the Conservation Districts Program and have made that commitment to expand it two by two each year as we can. So far that seems to be holding and look forward to continued growth of the movement.

Mr. Faurichou: As the minister made her response, I did the calculations. Six and a half miles of Whitemud Watershed drainage ditching that is being used in the diversion of waters from the Assiniboine River to Rat Creek.

I do want to impress upon the minister the need to expedite water retention and irrigation licensing. It is an extraordinary length of time. I have spoken to individuals who are in excess of two years. That is not the current information but I do not believe it has changed very much.

* (23:20)

If you can comprehend that, we are going to want 20 000 irrigated acres available to J.R. Simplot in a year and a half's time. How is the department ever going to accomplish that when we already have a backlog on existing requests? I am looking for the minister's consideration of another vehicle in which to expedite water retention projects and irrigation licensing as it pertains to those projects and for her department to consider that.

Mr. Chairman, my colleague from Arthur-Virden has returned. I would like to thank the minister for the opportunity to raise these issues with her. I do hope her department, because I do see a line here, Capital Assistance, Red River

Floodway Control Structure, not for her to forget about the Assiniboine River control structure in Portage la Prairie. Although it is over 30 years old now and has been inspected and it is in working order, I know the basin, the reservoir has experienced some silting, some debris that has accumulated in that reservoir area that could for, I believe, fairly low cost to the Province be made totally functional again, that could contain that original design of 14 000 acre-feet of water storage. That would go a long way to providing for the waters there.

Mr. Chair, I thank the minister for her time and her continued support of projects in Portage la Prairie. I will not say those will be the last. I am looking forward to bringing even more to her attention in the future.

Mr. Maguire: I just have to say as I was leaving previously and the Member for Portage la Prairie (Mr. Fauschou) had the opportunity, he wanted to have the opportunity to ask some of the questions around irrigation and those concerns on water conservation, because it is not only so important to all of Manitoba but specifically to a particular pet project the minister has even referred to as the Simplot plant and their production of potatoes in the province of Manitoba, how important that is to our economy.

She was waxing eloquently or lecturing me about the differences between voluntary and compulsory, perhaps in relation to a particular piece of directive they may have given as a government today. All I can say is that we certainly do know the difference. Perhaps if she really wants to know the difference she could talk to her Minister of Education (Mr. Caldwell) as well as her Minister of Health (Mr. Chomiak) and she could help them with the differences between voluntary and compulsory.

Mr. Chair, while we are on the topic of conservation districts, I think this is another example. I only raise that to show why, as I said earlier, there is not the confidence that some of these things will come about in time to capture the opportunities in development in Manitoba. I say to the minister that another prime example of how she has shortchanged rural development and rural opportunities is in the area of conservation districts.

First of all, Mr. Chairperson, I would say I certainly acknowledge there has been growth in a number of conservation districts in the province of Manitoba by her Government and by the Department of Conservation, particularly in those areas, but I know that the Water Services Board is through funding the delivery of the conservation districts programs and had the opportunity of expanding the number of conservation districts we have in the province of Manitoba. That is to be applauded. I certainly concur with the idea of conservation districts in the province of Manitoba. The minister has referred to watershed managements as well. She has had some discussion I believe with the Member for Portage la Prairie (Mr. Fauschou) on this.

While I concur with the fact that she has announced quite openly at the AMM meetings and other public occasions that her Government is doing great wonders in developing more conservation districts, which I have indicated I concur with, there is no new money for these conservation districts as well. By the lines in the Estimates books, unless they are wrong, which I doubt, the minister has provided the same amount of dollars across more conservation districts, therefore offloading the funding of those onto the municipalities that are involved. I wonder if she can provide me with some reasonings as to why that is happening.

Ms. Friesen: As the member knows, he is not wrong in looking at the Estimates book in that way, but what the Estimates do not show as directly is the use of 450,000 additional dollars which is being made available from the bridges and crossings trust fund, which puts the total at \$3.547 million. So there is, in fact, an increase. It is not something which is being loaded upon the existing conservation districts. There has been additional money. It does not show precisely in that line.

Now the bridges and crossings trust fund is something the member, I do not know whether he is aware of it or not, but it is a sum of money which is set aside for those conservation districts which do have responsibility for that and it is a recognition of the additional responsibilities they have. It has been in existence for, I do not have the precise number, but certainly with the

previous administration. It may be that there should be a more direct way of showing it but we do follow sort of traditional patterns in Estimates. That is the response there.

Mr. Maguire: I acknowledge that. As the minister has indicated it is an ongoing program as well. The discussions I had, I am sure she has had some, they have not just talked to me. We are both in attendance at a lot of the AMM meetings and she is in regular contact as well with them. Different municipalities in Manitoba have indicated to me that the dollars they were putting forth as a municipal organization to get into conservation districts was in their minds a very reasonable, I do not want to use the term small amount, but a very reasonable amount in regard to the tight budgets in R.M.s as well. There is some feeling obviously that in the last three years this has expanded greatly.

Ms. Bonnie Korzeniowski, Acting Chairperson, in the Chair

Now, I know in some cases conservation districts have undertaken a number of other projects. They might have had it at the initial stages but to attract those municipalities that are not yet in a conservation district or who can one-off with another group of four or five to form a larger district or expand into a larger area would be of benefit to all of us in Manitoba, I believe.

Madam Chair, I would ask the minister to more fully explain some of the funding that is taking place there in the offloading they are telling me about, because their indication is it is costing them in some cases triple or quadruple what it was just three years ago when they got into these conservation districts.

* (23:30)

Ms. Friesen: I may need some more explanation of this because I am unfamiliar with the argument of offloading in this particular area. The funding principles have remained the same, three-to-one provincial-municipal funding. The conservation districts determine what projects they can undertake and at what rate they undertake them. I am not sure in what sense this is offloading, or is there a particular conservation district here the member would like us to look at.

Madam Chair, it is their own capital plan. Conservation districts have grown, obviously. Their own capital plans may well have grown. In fact I expect in most areas they have. So maybe I can just turn it back to the member for perhaps some more explanation. I may not be understanding the question appropriately.

Mr. Maguire: The discussions I am speaking of are the indicated reduction in provincial dollars to that conservation district, more than one have talked to me about it. Therefore, that shortfall has been made up by the municipal groups. I wonder if I could get some clarification from the minister on that.

Ms. Friesen: Staff advise me there has been no reduction to any conservation district. Again, we might need to be more specific. The information I have, the funding principles have remained the same. There has been an increase in the total pot with the addition of money from the bridges and crossings fund and there has been no reduction to any conservation district.

There may be some specific issues that people have approached the member with that have been framed in that way. Maybe we need to sort of get to the bottom of that, but, in general, that is the information I have.

Mr. Maguire: Madam Chairperson, I appreciate the minister's concern on this issue and I will try to get more details on the parameters that have been put forward to me, at least in these areas.

Can the minister indicate to me how many—I think she has indicated publicly there have been two new conservation districts per year. Can she indicate to me if in fact that is the case over the last three years and what the total would be in Manitoba now?

Ms. Friesen: Madam Chair, we are just looking up the specifics and the dates. I know that there were three added last year and there are sixteen now, so we will have to look at what the original—

The member might be interested in this. Well, maybe I am the only one who is interested in the history of this. The first district was formed in 1972. Turtle Mountain was formed in

1973; Turtle River in '75; Alonsa, in '78; Cooks Creek, in '79; Pembina Valley. It is interesting, there is a big gap there from '79 to '89. Pembina Valley comes on in '89, and then—[interjection]

Yes, I am sure there are all kinds of correlations one could run along this line, but West Souris, in '95, there is another gap there, and then the Upper Assiniboine, in '96; Intermountain, '97; Little Saskatchewan, '99; Kelsey, '99, Lake of the Prairies, 2000; Tiger Hills, 2000; La Salle Redboine, 2002; mid-Assiniboine, 2002; and the Seine Rat River, 2002. What we are looking at the immediate future is the watersheds in Northeast Agassiz, Seine, Interlake and Plum.

Madam Chair, I should not indicate any priorities amongst those, because I do not. It is just those are the areas where there is some discussion going on, and these things moves at different rates.

Mr. Maguire: Madam Chair, I would just like to ask the minister regarding funding then, if the bridges and crossings fund has picked up the whole shortfall on an even basis with spending in those other conservation districts. I have no doubt the Government pays the same amount to each conservation district, depending on its size and criteria. I wonder if the minister could indicate what criteria they used to determine the amount of payment per conservation district.

Ms. Friesen: The basic principle of the funding of conservation districts is a 75-25 basis between the province and the district. So my understanding is that that is based upon the program that each district comes forward with. Some years it may be more ambitious than others. Obviously, there are newer districts which may come forward with some quite ambitious programs.

Madam Chair, what I can give the member is, I do not know if he wants it in writing; I have got the list here of the conservation districts and the amount of funding in 2001-02, and the amount of funding in '02-03. Would the member like to have that in writing tomorrow, or should I read it into the record and you could get it later?

An Honourable Member: That will be fine.

Ms. Friesen: Okay. Alonsa Conservation District is 230,000 in '01-02, and 240,000 in '02-03;

Cooks Creek, 205, and this year, 230; Kelsey, 100 and 105; Intermountain 160 and 180. The first figure I am giving is '01-02, the second figure is '02-03 for each of these. Lake of the Prairies, 75 and 77; La Salle Redboine, 30 last year and 200,000 this year. That is one of those areas where this is obviously a new conservation district with some ambitious programs.

The Little Saskatchewan, 117 last year and 120,000 this year; Mid-Assiniboine, 20,000 last year and 90,000 this year; Pembina Valley, 250,000 last year and 270,000 this year; Seine River, 30,000 last year and 85,000 this year; Tiger Hills, 90,000 last year and 90,000 this year; Turtle Mountain, 300,000 last year and 300,000 this year; Turtle River watershed, 400,000 last year and 400,000 this year; Upper Assiniboine River, 220,000 last year and 240,000 this year; West Souris River, 200,000 and 200,000; Whitemud watershed, 670,000 last year and 670,000 this year.

* (23:40)

The process that is followed is that the funding for the districts is based on recommendations of the Conservation Districts Commission. The Conservation Districts Commission is comprised of Marie Elliott, Deputy Minister of Intergovernmental Affairs; Norm Brandson, Deputy Minister of Conservation; Andrew Horosko, the Deputy Minister of Transportation; and Don Zasada, the Deputy Minister of Agriculture and Food. The Manitoba conservation districts appoint a person, and this year that person is Gary Brown from Cooks Creek. The AMM has an appointee, Albert Nabe, and there is a citizen appointee, Albert Dohan.

Mr. Maguire: Thank you for the detail on that, Madam Minister, in regard to the increases in funding in the different areas in Manitoba. Can she indicate to me what the increase in the bridges and crossing trust fund has been over the last two years? Is it determined in those numbers which have been indicated to me just now, or are they distributed to the 16 conservation districts over and above the numbers that the minister has indicated to me?

Ms. Friesen: There was an increase to the bridges and crossings fund at the end of the last fiscal year. An additional \$450,000 was put into

the bridges and crossings trust fund. We would have to go back for material that we do not have with us at the moment for previous years, but, if the member could give me an idea of how many years he wants to go back, we could look at that.

Mr. Maguire: I just indicated the last couple of years, '99, 2000, 2001, 2002, if you could in regard to that.

Ms. Friesen: Yes, we will provide that.

Mr. Maguire: Madam Chairperson, the whole theme of conservation districts is quite important to the development of Manitoba and to the water strategy, I think, that we will have in this province. I know that there are other areas which are looking at this, and perhaps the minister could indicate which regions are looking at it for the coming year, of developing conservation districts.

Ms. Friesen: What we are looking at, probably, in the next year is expansions of existing districts. I think the member was mentioning that earlier. The Little Saskatchewan River at the Pembina Valley, the Upper Assiniboine and the West Souris River may well have additions to their district, rather than forming new districts. So that is the most likely occurrence in the immediate future.

Mr. Maguire: So they are not looking at an expansion of the number of districts, just an expansion of the existing districts, to be clear.

Ms. Friesen: Yes, Madam Chair. That is the likely prospect. It is additional municipalities, but they will be coming in to existing districts. Obviously, we do not have a specific plan on that yet, but that is the indication that the conservation districts have given us.

Mr. Maguire: My question, Madam Chair, is that would be then for the 2002-2003 year, the present estimate year, that we would be looking at expanding the size of the existing districts.

Ms. Friesen: Yes, Madam Chair.

Mr. Maguire: The minister has indicated, I think, strong support for the conservation district movement in the past at public events and

certainly, I think, has encouraged the Association of Manitoba Municipalities to become involved in a number of those areas.

My colleague from Portage has just asked, I believe, questions around giving those conservation districts more opportunity to become involved in local decision making. The minister has indicated that they will be doing that or are presently doing that in the area of drainage. I think he was asking for assurances that might be done in the future in water retention and a number of those areas.

Mr. Chairperson in the Chair

I wonder if the minister could just bring me up to date on how those discussions went and what her thoughts are on that.

Ms. Friesen: Yes, Mr. Chairman, we had an interesting discussion and some interesting examples from the Member for Portage's own family work in this area.

What I indicated to him was that the Whitemud Conservation District's pilot project in the devolution of responsibility for drainage licensing had been very successful. I indicated that it had been more successful more quickly than, I think, anyone had anticipated.

I have met with members of the Whitemud Conservation District, as well as the conservation district executive, who have given me very strong recommendations on that program. They were able to reduce the timing on drainage licensing for new applications, they are careful to say the new applications, from a matter of many months, almost a year, in some cases, to a matter of a weeks. At the time that I talked to the executive of the Conservation Districts Association, they were down, I think, to a matter of six weeks, and they were still hoping to get it to an even briefer number.

We did move before the allotted period of the pilot project had been completed. We did move, on the basis of that, to expand it to Cooks Creek. I was suggesting to the member opposite that both Cooks Creek and Whitemud are both large districts, and they both have an experience of working together over a long period of time.

So it is maybe not a controlled experiment in that sense, in terms of pilot projects, but we are looking for similar success in Cooks Creek.

Maybe those are two of the criteria that will lead to success, is that a long experience of working together, as well as a relatively large district, and co-operation, at least in the case of Whitemud, of a number of municipalities.

In terms of the future, the Member for Portage (Mr. Faurshou) had asked about retention and the possibility of similar pilot projects in retention. I did indicate to him that there were already projects in the Pembina Valley, in Little Saskatchewan and in Whitemud—of course, his was, I guess, one of the main ones in the Whitemud Conservation District—that there were already retention projects that were under way. Indeed, the Little Saskatchewan tour that we had last week, that was one of the projects which was demonstrated.

* (23:50)

So some of it is going on as conservation districts indicate their particular priorities. It is not something which had been raised with me by the Conservation Districts Association as a pilot project that they would like to see, but on behalf of the member I did undertake to raise it with the executive to see what their general thinking is on this.

Mr. Maguire: I thank Madam Minister for that answer. I want to just pick the minister's mind for a moment, if I could, in regard to the expansion of the Conservation Districts Program that she has indicated as having 16 conservation districts in Manitoba. I heard her just articulating the soundness of watershed management regions to the Member for Portage as I came in, at the end of his questions of her.

I am just wondering what the Government's plans are in the area of watershed management and how she sees those differing from the Conservation Districts Program.

Ms. Friesen: This has been an issue in the eastern part of the province. I think I am interpreting the question correctly. I am not sure at ten minutes to twelve whether there is much left

between my ears to pick here, but I will do my best.

The watershed management areas east of the Red have certainly been a topic of discussion, and I have met with a number of them at AMM meetings. We have also had staff over the last year talking to and with those watershed management districts more intensively. The watershed management districts, their main concern—and, of course, they were formed at a time when there was a great deal of flooding and heavy precipitation—has been, in the past, drainage issues, and if you look at the areas that they represent, you can understand why.

What the department would like to do, what we would like to do, just as we have been discussing here, is look at the long term and try to ensure that the long-term issues that Manitoba faces in watershed management, that is the retention of water, the distribution of water, the ability to use water for purposes of economic growth as well as sustainability, we feel that those can be best addressed through the Conservation Districts Program. So what we have been doing is talking to the water management associations and seeing how we can address the purposes for which they were formed, the needs that they see themselves as having within the Conservation Districts Program.

Mr. Chair, one of the concerns that they had raised with me was that some of them felt that the administrative costs of a conservation district program, the way in which the Conservation Districts Program had emerged, where there is often a separate office and a separate administrator, they felt that they could do things more efficiently, more effectively using municipal administrators and municipal personnel.

So, Mr. Chairperson, I know there was a considerable resistance to going in what they saw as a more expensive route through conservation districts. What I said to them was, look, it does not have to be that way. You do not have to do that. That is the way it has evolved. Eventually, most conservation districts do come to those conclusions, that the kinds of projects they become involved in are ones where they want to see some dedicated personnel. It is not a written assumption of conservation districts programs.

We are trying to adapt, to be flexible and to look at the needs of the water districts. Overall, of course, we probably do not have time right now, but the proposals that are in the water strategy of the Conservation Department are based upon a watershed basis. Those are, again, the principles of the conservation district. They are the principles that were recommended under the COSDI committee of the previous government. I think these are the obvious common-sense basic planning decisions around water that most jurisdictions are coming to.

The existing conservation districts, they are not entirely around complete watersheds, but as they look at adding municipalities, as they look at the kinds of planning that the Conservation Department and the local municipalities and districts are producing, that is emerging, I think what we are beginning to see is a growing sense on the ground, not just in theoretical principles but the actual practical application is emerging at the ground level. It will take some time.

The water strategy is having a good discussion and a good reception. Overall, I think people in Manitoba generally are moving not just to an acceptance and an understanding of planning around watersheds but to actually doing that. The conservation districts are doing it. Some of them are not entirely there, but I think the general principle and the general goal is there. I think it is a good vehicle for some of those principles that are being expressed in the watershed, in the water strategy plans of the Conservation Department.

Mr. Maguire: Obviously, we are not going to get to the bottom of all the questions that we have around Estimates this evening. We have not had enough time. There seem to be a few questions left for tomorrow, by the looks of it, given the clock for this evening, but I just appreciate the minister's input into the ideas of watersheds and conservation districts and how the development will take place around those, in her mind.

I know municipal organizations are certainly taking a larger look at their involvements. They are the basis on the ground of the third level of government in the province of Manitoba, maybe

the first level of government, depending on which end you are looking at it from. They feel very strongly, I think, that there is a movement across the province to come together somewhat more in that area.

Mr. Chair, I wonder if the minister, I know she has talked about conservation districts. She has talked about watershed management regions. Planning districts are being formed in different areas as well. I wonder if she has just a few quick thoughts on what might evolve in that whole area and the role of CDs, conservation districts, with watersheds and how planning districts fit into that.

Ms. Friesen: That is a big question. It is not something I have particular proposals that I can suggest to the member. I suppose in general my assumptions are that collaborative planning, co-operative planning across boundaries is something I support and try and encourage and that we have put some money on the table for, in the case of both conservation districts and planning districts.

Mr. Chairperson, in parts of rural Manitoba those principles are very well supported. They are very actively supported. There are parts, I would say it is diminishing considerably, but there are parts where there has been competition, divisions between neighbouring communities and the ability to work together is sometimes disrupted, not entirely. It depends on certain issues. In general what I have done is to look upon all of these areas of co-operation as a good thing.

Yes, we are getting a map that—

Mr. Chairperson: The hour being 12 midnight, as previously agreed, committee rise. Call in the Speaker.

IN SESSION

Mr. Deputy Speaker: The hour being 12 midnight, this House is adjourned and stands adjourned until 8:30 a.m. tomorrow, August 8. (Thursday)

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, August 7, 2002

CONTENTS

ORDERS OF THE DAY

GOVERNMENT BUSINESS

Committee of Supply

Intergovernmental Affairs 4681