

Second Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Social and Economic Development

Chairperson
Ms. Marilyn Brick
Constituency of St. Norbert

Vol. LV No. 2 - 10 a.m., Tuesday, May 18, 2004

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Eighth Legislature

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GERRARD, Jon, Hon.	River Heights	Lib.
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LEGISLATIVE ASSEMBLY OF MANITOBA

THE STANDING COMMITTEE ON SOCIAL AND ECONOMIC DEVELOPMENT

Tuesday, May 18, 2004

TIME – 10 a.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Ms. Marilyn Brick (St. Norbert)

VICE-CHAIRPERSON – Mr. Bidhu Jha (Radisson)

ATTENDANCE – 11 – QUORUM – 6

Members of the Committee present:

Hon. Ms. Allan, Hon. Ms. McGifford, Hon. Mr. Selinger

Ms. Brick, Messrs. Dewar, Goertzen, Jha, Loewen, Mrs. Rowat, Messrs. Schellenberg, Schuler

APPEARING:

Hon. Jon Gerrard, MLA for River Heights
Mr. Kevin Lamoureux, MLA for Inkster
Mr. David Faurschou, MLA for Portage la Prairie
Mr. Leonard Derkach, MLA for Russell

WITNESSES:

Bill 14–The Gas Tax Accountability Act (Financial Administration Act Amended)

Chris Lorenc, President, Manitoba Heavy Construction Association
Stuart Briese, Association of Manitoba Municipalities
Bob Dolyniuk, Manitoba Trucking Association

Bill 26–The Certified Management Accountants Act

Len Hampson, Certified General Accountants Association
Carleen Mackay, Society of Management Accountants of Manitoba

Bill 20–The University College of the North Act

Michael Anderson, Manitoba Keewatinowi Okimakanak

WRITTEN SUBMISSIONS:

Bill 20–The University College of the North Act
Assembly of Manitoba Chiefs

MATTERS UNDER CONSIDERATION:

Bill 9–The Manitoba Immigration Council Act

Bill 14–The Gas Tax Accountability Act (Financial Administration Act Amended)

Bill 20–The University College of the North Act

Bill 26–The Certified Management Accountants Act

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Madam Chairperson: Will the Committee on Social and Economic Development please come to order. Our first order of business is to fill a vacancy in the position of committee Vice-Chairperson. Are there any nominations for this position?

Mr. Harry Schellenberg (Rossmere): I would like to nominate Mr. Bidhu Jha, the Member for Radisson.

Madam Chairperson: Mr. Jha has been nominated. Are there any other nominations? Hearing no other nominations, Mr. Jha is elected Vice-Chairperson of this committee.

This meeting has been called to consider the following bills: Bill 9, The Manitoba Immigration Council Act; Bill 14, The Gas Tax Accountability Act; Bill 20, The University College of the North Act; and Bill 26, The Certified Management Accountants Act.

We have a total of five presenters registered to speak this morning, as follows:

Bill 14: Chris Lorenc, president, Manitoba Heavy Construction Association; Stuart Briese, Association of Manitoba Municipalities; Bob Dolyniuk, Manitoba Trucking Association; Bill 26: Len Hampson, Certified General Accountants Association; and Carleen Mackay, Society of Management Accountants of Manitoba.

If there is anyone else in the audience who would like to make a presentation this morning, please register with staff at the entrance of the room.

For the information of all presenters, 20 copies of any written versions of presentations are required. If you need help with photocopying, please speak with our staff.

As well, I would like to inform presenters that in accordance with our rules, a time limit of 10 minutes has been allotted for presentations with another 5 minutes allowed for questions from committee members.

Also, in accordance with our rules, if a presenter is not in attendance when their name is called, they will be dropped to the bottom of the list. If the presenter is not in attendance when their name is called a second time, they will be removed from the presenters' list.

On the topic of determining the order of public presentations, I will note that we do have one out-of-town presenter in attendance marked with an asterisk on the list.

I would also like to mention that we have a special request made by one of the presenters, Mr. Chris Lorenc of the Manitoba Heavy Construction Association who is first on the list for Bill 14. Mr. Lorenc is scheduled to participate at this hour in a Labour Board hearing and he has asked if he could make the first presentation this morning. What is the will of the committee regarding presentations?

Mr. Gregory Dewar (Selkirk): I suggest that we deal with the bills that have presenters, we will deal with those bills first, and that Mr. Lorenc be the first presenter.

Mr. Chairperson: Is that agreed by the committee? *[Agreed]*

Are there any suggestions from the committee as to how long we should sit this morning?

Mr. Dewar: Until the work of the committee is done.

Madam Chairperson: Is that agreed by the committee? *[Agreed]*

Bill 14—The Gas Tax Accountability Act (Financial Administration Act Amended)

Madam Chairperson: I will now call on Bill 14, The Gas Tax Accountability Act. The Standing

Committee on Social and Economic Development will now hear from Chris Lorenc, president of the Manitoba Heavy Construction Association.

Mr. Chris Lorenc (President, Manitoba Heavy Construction Association): Good morning, Madam Chairperson, Madam Ministers, Mr. Minister, members of the committee. Thank you very much for the accommodation. I am grateful to you for that.

I am very pleased this morning to present remarks addressing The Gas Tax Accountability Act on behalf of the Manitoba Heavy Construction Association, the MHCA. Our association represents the heavy civil construction industry in Manitoba, and, during peak construction periods, we employ directly and indirectly roughly 10 000 Manitobans.

Very significantly, on November 20, the Throne Speech made this statement, and I quote: "A law will be passed requiring that all provincial revenues raised through gas and diesel taxes are spent on highways, roads and infrastructure. The new law will ensure that your Government is accountable, on an annual basis, for the revenues raised and invested. It will also guarantee that any new share in federal gas taxes will be invested in municipal infrastructure."

* (10:10)

The principles indicated in the Throne Speech and addressed in Bill 14 have been the subject matter of much work by our association and many other stakeholders for many years. The general principles of dedicating fuel taxes back to highways and road infrastructure appear to have found support with all three provincial political parties, for which we and the vast majority of Manitobans are grateful.

Madam Chairperson, the provincial government tabled The Gas Tax Accountability Act on or about March 1 and the new legislation seeks, as we understand it, to accomplish the following:

To dedicate provincial road use and gasoline taxes to Manitoba roads, highways and transportation systems.

To provide that any new share of federal fuel taxes will be applied to municipal roads, highways and infrastructure.

It requires the government, if there is a surplus in fuel tax revenues determined on a cumulative basis, to submit estimates of expenditures in which the surplus is carried forward as additional expenditures of that type within the next four fiscal years.

It requires the Minister of Finance to release a report to the Legislative Assembly within six months of the fiscal year end, which details the annual spending of fuel taxes.

This is the first legislation of its kind in Canada. In addition to the benefits associated with dedication, transparency and annual accountability, it establishes a "political moral high ground" and positions Manitoba to:

Receive federal fuel taxes as publicly discussed by Prime Minister Martin,

Lead the national political debate on federal fuel tax allocation and government accountability for fuel taxes raised, and

By example, through pressure exert other jurisdictions to follow suit.

We have a number of friendly observations to make about this legislation. It is offered in a spirit in which we believe is consistent with the descriptive offered both in the Throne Speech and in the stated objectives surrounding Bill 12.

First, with respect to fuel tax application. The use of fuel tax should be applied strictly, in our view, towards the actual construction and maintenance and related costs, including associated salary and administrative costs, associated with capital construction and maintenance, but not the cost of running the entire department. In our view, departmental costs unrelated to the actual construction and maintenance programs should be more properly funded under general provincial revenues. This would put pressure to find efficiencies in department expenditures elsewhere without taking the easier way out of either raising fuel taxes or reducing the portion of fuel tax revenues applied to construction and maintenance programs.

Secondly, as the act currently reads, it suggests that fuel tax revenues received from the federal government are, quote, "to be applied to support

municipal infrastructure unless the Government of Canada requires otherwise."

We would ask for these two clarifications:

Federal fuel taxes should be able to be applied to fund a national highways program or provincial highways if the funds are allocated for these purposes. Now, as an aside, the existing text would appear to provide for this but out of an abundance of caution and clarification, we would ask that that be made a little more clear.

In the context of "municipal infrastructure," the proposed section 67.2 should be tightened to make it clear that "municipal infrastructure" means streets, lanes, bridges and not other related infrastructure.

Other fees: While the above legislation, in our judgement, is a very important first step, we would ask that you, as well, consider for inclusion into the account established by the act, all other related fees, licences, charges and permit fees so that all road-use-generated revenues go back to the system which generated them in the first place.

As to the deposit of the funds: Fuel tax revenues as defined in the act should be deposited in a separate, interest-bearing account in the Consolidated Fund, in trust for the intended purposes. This is the approach already applied for the aggregate extraction levy, which is dedicated to the rehabilitation of spent quarries under The Mines and Minerals Act.

In the instant case, separate accounts in the fund could then be established for the permitted expenditures. This approach, which we support, is also contemplated in section 34, in Bill 12, The Highways and Transportation Amendment Act, and I have attached a copy of Bill 12 which has not yet received committee consideration.

The above, we submit, support the underlying principles of accountability and transparency.

With respect to the Annual Audit, it is our view that the Minister of Finance should be specifically required to file an audited report to the Legislative Assembly. The accounts and transactions of the "road funds" raised through dedication of fuel taxes must, in our view, be audited annually by the

Provincial Auditor even if the cost of the audit is charged against the account.

This approach, which we support, is also proposed in Bill 12, amending The Highways and Transportation Act to create the Productivity Improvement Fund and I refer you specifically to section 34.1(6) of Bill 12 which I have attached.

With respect to Financial Accountability, it is important to establish principles which will be consistently applied to the creation, dedication and accountability for dedicated funds. The approach suggested in Bill 12 provides the better and more comprehensive approach and it is the one we recommend be applied to The Gas Tax Accountability Act.

In conclusion, Madam Chair and members, we applaud the three provincial parties for subscribing to the notion of fuel tax dedication. The provincial government is to be applauded for The Gas Tax Accountability Act. It introduces a considerably more transparent accountability for fuel taxes raised and expended and, therefore, marks a very important step forward.

The act is consistent in most respects with what many stakeholders have been pushing for. It introduces a very important carry-forward principle for unexpended funds. It would appear to signal acceptance at the most senior provincial government levels of the user-pay and dedicated taxation principles. And it potentially heralds the opportunity for other changes, including the introduction of an arm's-length transportation authority and a minister of transportation and infrastructure. Moreover, there would at least appear to be on the surface some reason for optimism that the provincial government is moving toward a more comprehensive transportation and infrastructure investment strategy.

Those are our comments with respect to this act, Madam Chair, and if there are any questions I would be happy to try to address them.

Madam Chairperson: Thank you very much for your presentation. Do members of the committee have questions for the presenter?

Hon. Jon Gerrard (River Heights): You discussed briefly the issue of federal gas tax revenues, and you make a comment with regard to the dedication of

those to municipal purposes, but clearly there may be federal gas tax revenues, which could be used for more general construction, that would be dedicated for other purposes than just moving through to municipal governments, for example. I just would like some clarification in terms of monies coming in one way or another through the federal gas tax, and what your recommendation would be.

Mr. Lorenc: Thank you for the question. Fuel taxes, whether they be federal or provincial in nature, are regarded by the public and accepted by the public in many parts of our province as being raised for the purposes of reinvestment in transportation.

It is our view that fuel taxes, whether they are collected by the federal or provincial governments, should be reinvested back into transportation, but not into other infrastructure assets. There is a huge investment deficit that we face in this province, some 3.4 billion in a system which has risen from a level of about 1.8 billion over the last six years.

At the national level, the national highway system requires an injection of just under 20 billion, and that is climbing literally by the billions on an annual basis, the national highway system being the Trans-Canada and the key connectors from the Trans-Canada south to the U.S. border. It is our view that fuel taxes should be applied toward those transportation assets and not spilled over into other areas of infrastructure, which admittedly require investment. But there should be a clean principle. Fuel taxes, licences' fees go back into the transportation system and there need to be other areas of revenue identified to fund the remaining infrastructure assets of this country and province.

Mr. John Loewen (Fort Whyte): Thank you, I appreciate that. Just one further question. Do you have any concern about the exemption given to aircraft gasoline and railway locomotive motor fuels?

Mr. Lorenc: We do not really have a position on that, to be frank. Our focus has been on revenues generated by licences' fees and fuel taxes from road users. We acknowledge that there is a requirement for a transportation policy. We are awaiting, I think, as everyone is, the results of the 2020 Manitoba Transport Vision review.

We are hopeful that the preliminary report with its recommendations comes out sooner rather than

later. Clearly, whether it is the provincial or federal government, there needs to be a transportation investment strategy which addresses all modes of transportation.

Mr. Gerrard: One more question. This relates to the ethanol. The provincial government has passed legislation which would provide for some part of what would have been a provincial fuel tax going to ethanol production, and I would like your view on that.

Mr. Lorenc: Well, with respect to ethanol production, that is a matter, at least as I see it, as somewhat unrelated to The Gas Tax Accountability Act. What I am prepared today to speak to are the principles related to the principles of that act, and we support those principles. We think that there are areas in which the act ought to be enhanced.

Ethanol is a slightly different issue, although clearly there is an impact in terms of reported revenues, and those are policy decisions of government.

Madam Chairperson: Seeing no other questions, thank you very much for your presentation, Mr. Lorenc.

Mr. Lorenc: Madam Chair and members, good morning.

* (10:20)

Madam Chairperson: Our next presenter is Mr. Stuart Briese from the Association of Manitoba Municipalities.

Do you have written copies for distribution to the committee?

Please proceed with your presentation.

Mr. Stuart Briese (Association of Manitoba Municipalities): Good morning, Madam Chair and committee members. The Association of Manitoba Municipalities is pleased to appear before the Standing Committee today and would like to take this opportunity to present our views on Bill 14, The Gas Tax Accountability Act. The AMM represents all 199 incorporated municipalities in Manitoba and we feel it is important that a municipal perspective be considered and we appreciate the opportunity to do so.

Bill 14 requires the provincial government to report on the revenue coming from fuel tax in

Manitoba, but also to report on how these revenues are spent. The AMM agrees that this measure will bring greater accountability to the collection and disbursement of gas tax revenues in the province. Bill 14 proposes to require the provincial government to report tax revenue coming from fuel under The Gasoline Tax Act and The Motive Fuel Tax Act. In addition, Bill 14 requires the provincial government to report on the total fuel tax expenditures for construction, operation and maintenance of transportation infrastructure. Finally, Bill 14 requires federal fuel tax revenue to be applied to support municipal infrastructure. As the AMM represents all municipal governments in Manitoba, we feel it is important to have this mechanism of accountability for fuel tax revenue and expenditures, as adequate transportation infrastructure is a priority issue of AMM members.

The AMM is aware that year the Province allocates approximately \$120 million for highways in Manitoba, yet receives approximately \$2 billion in requests. It is clear from these estimates that there is a need for greater funding of transportation infrastructure in Manitoba and a more concerted effort to address the transportation infrastructure deficit.

The AMM is pleased that the provincial government is taking this step to reduce the infrastructure deficit in Manitoba by introducing this act. However, a policy to devote gas tax to municipal infrastructure is not enough to address the approximately \$3.4 billion needed for Manitoba's highway system. Manitoba's prosperity and quality of life are determined largely by the health of its municipalities. Vibrant, sustainable communities are crucial to attracting the skilled and creative people who are

However, many municipalities across Manitoba are struggling. Their resources have not kept pace with their growing responsibilities for physical and social infrastructure. For example, in many municipalities, local education levies have increased significantly, yet ratepayers demand a reduction in their total tax bill. This forces municipal governments to absorb much of the special levy increase in its own budget, to respond to ratepayers' demands.

Education tax is not the only example of this. Over the past number of years, municipalities have assumed growing responsibilities without a proportionate increase in revenue. Although provincial

and federal government revenues have increased significantly over the past 10 years, municipal revenues have increased by only 4 percent. It is clear that there is a key role to be played by both the federal and provincial governments to work with municipalities to address the infrastructure deficit, and the AMM is pleased that any federal fuel tax dollars allocated to Manitoba as part of a new deal will be used to support municipal infrastructure.

The AMM would like to make it clear that the fuel tax revenue and any new monies coming as part of the new deal for municipalities must be distributed fairly across the province. All areas of Manitoba require greater funding to undertake infrastructure improvements. It is important, too, that a transportation blueprint be developed for all of Manitoba to ensure that money spent on transportation infrastructure is used toward the most pressing infrastructure priorities and in the most efficient way possible. As part of this, it is important that dollars allocated to highways projects remain allocated to highways projects, even if not spent in the initial year of construction.

The AMM believes that Bill 14, The Gas Tax Accountability Act, will help to address a portion of the municipal infrastructure backlog. The AMM therefore commends the provincial government for its commitment to this issue and encourages further measures aimed at addressing the infrastructure deficit. The AMM urges the Legislature to pass Bill 14. We believe the bill is a good start for the province, municipalities and Manitoba residents, and the AMM strongly supports the implementation of the legislation.

Madam Chairperson: Thank you for your presentation, Mr. Briese. Do the committee members have questions for the presenter?

Mr. Gerrard: In the presentation from Chris Lorenc, he commented that there needs to be a clarification, that "municipal infrastructure" refers specifically to streets, lanes and bridges and not to other infrastructure, and I would like your comment on that matter. Perhaps you could also comment on the reporting mechanism. There is a report six months after the end of the fiscal year but what kind of details do you believe need to be in that report if it is going to be useful?

Mr. Briese: The first part of the question, I am on the board of directors of the Federation of Canadian Municipalities. That has long been a lobby of ours on federal fuel tax. The position from the Federation of Canadian Municipalities has been that it goes toward transportation infrastructure, which means streets, roads, bridges, highways, possibly even some forms of rapid transportation in some of the larger cities, some of those types of things.

Mr. Gerrard: This bill, if it is going to function well, needs to have a very strong reporting component, and there are some concerns that this report will be six months after the end of the fiscal year. It may not be available with the Budget, for example, and second, that the details, as Chris Lorenc has talked to, that there should perhaps be a provincial auditor assessment of what is in the details, or what level of detail is critical in the annual report in order for it to be successful in achieving the goal of making sure that we have better spending on roads and infrastructure in Manitoba.

Mr. Briese: The timing, I do not think I can comment on, but from what I have seen over a period of time, we are able to, fairly well, get the figures out of the Department of Transportation and highways that indicate where their budget has gone. I do not know whether I can say very much more on that. We do receive the figures, we can look at them.

Mr. Loewen: Madam Chair, just a similar question. Do you have any concern, specifically with regard to the exemption for motive fuel use for railway locomotives? I am looking particularly at railway crossings and where you would like to see those funds go to.

Mr. Briese: Once again, it is something that we really have not looked at too closely, is both the air fuel and locomotive.

Madam Chairperson: Thank you very much for your presentation.

Mr. Bob Dolyniuk from the Manitoba Trucking Association, do you have written copies for distribution to the committee?

Mr. Bob Dolyniuk (Manitoba Trucking Association): Yes, I do.

Madam Chairperson: Thank you, Mr. Dolyniuk, you may proceed.

Mr. Dolyniuk: Good morning, Madam Chair, ministers, members of the committee. The Manitoba Trucking Association is an industry association representing truck transportation companies in Manitoba. We are pleased to present our comments on Bill 14, The Gas Tax Accountability Act.

The truck transportation industry generates approximately \$1.18 billion of Manitoba's GDP annually. It directly and indirectly employs 33 000 Manitobans, expending about \$654 million in wages and benefits annually. Manitoba is home to approximately 12 of Canada's largest trucking companies, of which two are amongst the largest ten in Canada. From 1993 to 2003, Manitoba's trade with the U.S. has increased from 6.1 billion to 16.1 billion. Approximately 80 percent of the merchandise trade with the United States is shipped by truck. That translates to over 350 000 trucks crossing the Manitoba-U.S. border each year.

* (10:30)

While Manitoba has enjoyed a prominent place in the Canadian trucking industry, it should be noted that in 1994, Manitoba was home to 5.1 percent of the Canadian commercial driver population while in 2002, Manitoba represented only 4.1 percent which indicates a 20% reduction. The trucking industry plays a vital and vibrant role in the economies of Manitoba and Canada. Our industry is not only the dominant mode of freight transportation in Manitoba, Canada and North America, but is also a major generator of economic activity within Manitoba. To put this in better perspective, 90 percent of all consumer products and foodstuffs in Canada are shipped by truck, and 95 percent of the goods moved within Manitoba depend on trucks.

Trucking is a demand-derived industry. The level of economic activity in truck transportation is directly related to the economic well-being of the businesses it serves in every region of Manitoba and throughout North America. Conversely, the well-being of the businesses our industry serves is dependent in part on a well-built, well-maintained, efficient and reliable transportation system which includes our roads and highways. We must be cognizant that there are numerous communities within our province that are solely dependent on

truck transportation for their transportation needs. To be able to serve these and other communities, our industry needs a well-built and well-maintained road network.

In Manitoba, our road network has been deteriorating for many, many years. Successive governments have not invested adequately in our highway infrastructure. Today, we are faced with a decaying and deteriorating highway system that is quickly reaching the end of its life cycle. The Government of Manitoba has introduced Bill 14, The Gas Tax Accountability Act, which will dedicate Manitoba fuel tax revenues to our highway and road infrastructure.

The Manitoba Trucking Association considers the introduction of this bill a very significant, major step forward for infrastructure funding in Manitoba and Canada. Through the proclamation of this act, Manitoba will become the first jurisdiction in Canada to actually dedicate its fuel tax to highway and road infrastructure. Manitoba will set the standard for the rest of Canada. We applaud Manitoba for its commitment, for its boldness and for raising the benchmark for other jurisdictions.

While this act will provide a certain level of sustainability to our highway infrastructure funding, it will not solve our significant problem of infrastructure deterioration and rot. We recognize that the appropriate incremental financial investment into our highway infrastructure has not been maintained. Today, approximately \$120 million per year is expended in highway capital programs while there is a need for at least \$350 million per year. While the shortfall has been allowed to continue, our highway infrastructure continues to crumble. One only has to travel our highways and streets to see the low levels they have deteriorated to. We continue to hear and read comments from our own citizens, road users, businesses and visitors to our province, to a point where our infrastructure condition has become an embarrassment to our organization and, we would anticipate, the Government of Manitoba.

As we indicated previously, we applaud Manitoba for this step forward. However, we believe that this is the first of a number of steps that Manitoba must take to resolve our highway infrastructure woes. Today, governments in their quest for highway infrastructure funding must broaden their scope beyond the trucking industry.

The demise of the Crow rate, the replacement of local grain elevators with widely dispersed high-throughput elevators and rail line abandonment has forced more products to move further by truck. The elimination of this agricultural subsidy, along with reductions in the railway network and restructuring of the grain collection system, has placed significant pressures on our highway infrastructure. In their efforts to direct further funds to the highway infrastructure, governments have been focussing on the industry that has been forced to increase its activities, rather than those industries whose actions have caused this increased activity. Governments should give consideration to impacts of these actions rather than just focussing on the end users who have had these problems foisted on them.

While the Manitoba Trucking Association supports this government's intent to dedicate provincial gas and diesel tax to highways, roads and infrastructure, we strongly advocate that all revenues generated by road users, including all fuel taxes, should be specifically committed to highways, roads, bridges and related structures. Fuel tax, in whole or part, should not be used to subsidize other programs or initiatives.

Currently, Manitoba collects approximately \$100 million annually in driver and vehicle registrations. This revenue is not dedicated to our infrastructure, while the reality is this revenue should, in fact, be dedicated to that infrastructure. Manitoba does not apply fuel tax on an equitable basis. While it maintains a differential in fuel tax rates depending on the truck registration category, while all trucks purchase fuel for the same purpose, to haul goods and products on our roadways, some have a lower fuel tax than others, yet all categories have the same impact on our roadways. Farm trucks today are travelling five to six times further to move their products to an elevator. While farm-plated trucks are hauling more products further by road and in many instances acting in the capacity of for-hire carriers, they operate exempt from fuel tax. In this day and age, there is no rationale for a differential in fuel tax rates and therefore Manitoba should eliminate this differential.

As Manitoba addresses the challenges of its infrastructure deficit and hopefully directs more funds to highway capital and maintenance, it should also be addressing the existent inequities relative to registration costs for trucks. While a significant

inequity exists between registration categories, as an example, for-hire truck at \$4,000 a plate per year versus a farm truck at \$600 a plate per year, the primary use of these vehicles is the same and there exists no rationale to maintain these cost differentials. It is also well known that there are many farm-plated vehicles that operate illegally and in direct competition with for-hire carriers while maintaining the competitive cost advantage. At the same time, these operators are subject to little, if any, enforcement. Truck registration costs should be rationalized and these revenues should be dedicated to highway infrastructure capital and maintenance.

In closing, we applaud and support the Government of Manitoba for its introduction of Bill 14 and trust that it will be proclaimed. We also strongly recommend and encourage the Government of Manitoba to turn this first step into a leap and to address the issues of truck registration rationalization and truck fuel tax in Manitoba on an equitable basis. We also strongly encourage Manitoba to make a significant commitment to its highway and roadway infrastructure by dedicating all road user fees, levies, fines and taxes to our highways, roads, bridges and related structures.

Lastly, Manitoba should give serious consideration to and review those industries and those changes that have inflicted a significant negative impact on our infrastructure while providing a financial benefit to themselves. Thank you.

*(10:40)

Madam Chairperson: Thank you very much, Mr. Dolyniuk. Does the committee have questions?

Mr. Gerrard: In recommending that all the road user fees, the levies, fines and taxes on the highways and the licensing fees and the permit fees and so on go toward construction of roads, bridges and related structures, there are clearly administrative costs associated and perhaps other costs associated with licensing, permitting, and so on.

One of the problems, I suspect, would be that you would have to include those in terms of what would be the mandate of the use of those dollars, would you not, if you are going to have them as effectively user fees. That would dilute the concept of dedicating all the funds to roads, bridges and related structures.

Mr. Dolyniuk: We would have to concur that part of those costs would have to go to the administration of the department, but beyond the administration cost to the department, the balance should go back into infrastructure.

As an example, Driver and Vehicle Licencing generates approximately \$100 million or will generate approximately \$100 million in revenue on an annual basis. The cost of administering that branch of the department is approximately \$25 million. Why can that difference of \$75 million not go into infrastructure?

Mr. Loewen: With regard to your presentation, on the bottom of page 2 in your last paragraph you indicate, including all fuel taxes. Are there specific fuel taxes that you feel are not addressed by this bill that you would like to see included?

Mr. Dolyniuk: Well, No. 1, there is The Biofuels Act, I believe it is, which will dedicate a subsidy to ethanol production through the fuel tax system. We would not support that. We would support if the province wants to move forward with ethanol, then we as a community should support that initiative and not just focus it on road users.

If you are talking about other modes, as an example, the airline, there was a question at an earlier presentation about the airline industry; their fuel tax should go into their infrastructure because they do have an infrastructure to maintain.

As far as the rail fuel tax, although it is lower than the truck fuel tax, their fuel tax should be committed to highway and roadway crossings. Right now, correct me if I am wrong, but I believe municipalities and possibly the provinces contribute to railroad crossings, along with the railways. Although they say that it is their infrastructure, government is subsidizing the funding through general revenues.

Mr. Gerrard: I would ask you to expand upon this, the ethanol, The Biofuels Act. I mean, your view is essentially that the government is going to take money which should have gone to the building of roads and highways and bridges and put it to other purposes and that the act should specify that governments cannot do that. Is that what you are saying?

Mr. Dolyniuk: Our position is in principle all fuel tax collected from road users should go back into the road. As I said earlier, we do not support taking fuel tax and putting it into ethanol, the development of ethanol production. If we as a community believe in ethanol production and that using ethanol on our roadways in our cars is good, then we as a community should support that through a general levy or tax.

Madam Chairperson: Thank you very much for your presentation.

That concludes the list of presenters I have before me for Bill 14. Are there any other presenters for Bill 14? No.

For the information of committee members, a written submission has been received regarding Bill 20 from the Assembly of Manitoba Chiefs. Copies of this submission have been provided to members at the start of this meeting, or part way through. Does the committee agree to have this document appear in Hansard transcript? *[Agreed]*

Bill 26—The Certified Management Accountants Act

Madam Chairperson: The presenters I have listed are Len Hampson, Certified General Accountants Association; and Carleen Mackay, Society of Management Accountants of Manitoba. Is Len Hampson present?

Mr. Len Hampson (Certified General Accountants Association): Yes, thank you

Madam Chairperson: Thank you very much, Mr. Hampson.

Mr. Hampson: I am here in support of Bill 26.

Madam Chairperson: Do you have a written presentation?

Mr. Hampson: I will not have a presentation.

Madam Chairperson: Thank you. Mr. Hampson. Did you want to come back for one moment? Mr. Hampson, could you repeat one more time what you said just so we can get it in Hansard.

Mr. Hampson: Okay. I am here, actually, to support Bill 26. I have reviewed and am in agreement with it. I will not be making a presentation on that basis.

Madam Chairperson: Thank you very much. There may be questions from committee members so if you could stay at the mike and we will give the opportunity to committee members to ask questions.

Mr. Ron Schuler (Springfield): Thank you very much for appearing in front of this committee. Unfortunately, you have to go through the gauntlet of the grilling, and then you can take your seat again. But thank you very much for coming out. As someone who uses accountants on a regular basis, we appreciate what you do for Manitoba and appreciate your work very much, certainly I, as a businessman.

I take it that you and your association were consulted with the review of this bill?

Mr. Hampson: We were not consulted prior to the bill being introduced, no, but I have, as I said, received a copy of the bill and I have reviewed it and I have no objections to it.

Mr. Schuler: So you have had a chance to go through the bill and you have a chance to look at it and you are fine with the components in the bill?

Mr. Hampson: Yes, thank you.

Madam Chairperson: Thank you. Any other questions from the committee members?

Thank you very much for appearing, Mr. Hampson.

Carleen Mackay from the Society of Management Accountants of Manitoba. Ms. Mackay, do you have a written submission for committee?

Ms. Carleen Mackay (Society of Management Accountants of Manitoba): Madam Chair, no, I do not.

Madam Chairperson: Thank you. You may proceed.

Ms. Mackay: Madam Chair, Honourable Minister of Finance, honourable members, on behalf of the Society of Management Accountants, I would like to thank the Honourable Minister Selinger and his aides and the drafters at Legislative Counsel for bringing this bill forward. The Certified Management Accountants are in full support of this bill and we are excited that it is nearing passage.

The passage of Bill 26 will provide the Certified Management Accountants with a public act that will simplify the process of future amendments especially those amendments that affect more than one professional organization. It is a modern act that reflects best practices, that is consistent with other governing legislations for professional associations. It will bring professional conduct and a discipline process that is consistent with self-regulation and public interest. The act stipulates that at least 20 percent of the members of the board for the first five years must be non-CAs and after that at least 30 percent. Again, this is consistent with legislation for professional organizations. Similar to legislation that governs other professional bodies, this act will provide the opportunity for our members to practise in professional corporations and to form and practise in limited liability partnerships.

These are just some of the provisions that make us excited about this act. You may be aware of an announcement made a week ago about the Institute of Chartered Accountants of Canada and CMA Canada announcing merger discussions. While this is a statement of our intention, there is no certainty as to when and even if these mergers will take place. Therefore, it is of utmost importance to the Certified Management Accountants that this act becomes legislation, as it will govern us until such an event as the merger takes place.

*(10:50)

I have provided just a brief overview of some of the provisions of the act. I would like to add that these provisions, the ability to simplify the amendment process, having non-CMAs on the board, the professional conduct and discipline process, the ability to incorporate and form limited liability partnerships, all of these are within the governing legislation for the CAs and the CGAs in Manitoba.

I would like to conclude by thanking the committee for giving me this opportunity to speak on behalf of the bill and to indicate the CMA's full support of the act and its provisions.

Madam Chairperson: Thank you very much, Ms. Mackay. Are there questions from the committee?

Mr. John Loewen (Fort Whyte): Congratulations. It is a day I know your organization has been working hard toward for the last two or three years in

your consultations with government. Just for clarification, and the announcement was made a week or so ago, this bill is a step forward for CMAs and that announcement, I believe, is a step forward as well.

Just for clarification, the bill does indicate that the act will come into force on a day fixed by proclamation and your recommendation would be that would be better sooner than later.

Ms. Mackay: Yes, although I do not have a specific date. Just with the finalizing of by-laws, we would want the bill proclaimed.

Mr. Schuler: Thank you very much for appearing in front of this committee. I have two questions for you. Number 1, is this something that you approached government on? Is this something that you have been asking for? Secondly, I take it you have been consulted extensively throughout the process.

Ms. Mackay: Yes, this is something that certified management accountants have requested and the request was made a number of years ago. So I believe that this has been in the process for almost five years. My predecessor and our legal counsel have had a great deal of input and have been consulted on the process, yes.

Madam Chairperson: Thank you very much for your presentation. That concludes the list of presenters I have before me. Are there any other persons in attendance who wish to make a presentation to any of the bills?

Seeing none, is it the will of the committee to proceed with clause-by-clause consideration of these bills? *[Agreed]* In what order do you wish to proceed? As outlined?

During the consideration of a bill, the table of contents, the preamble, the enacting clause and the title are postponed until all other clauses have been considered in their proper order. Also, if there is agreement from the committee for longer bills, I will call clauses in blocks that conform to pages with the understanding that we will stop at any particular clause or clauses where members may have comments, questions, or amendments to propose. Is that agreed? *[Agreed]* Thank you.

Bill 9—The Manitoba Immigration Council Act

Mr. Ron Schuler (Springfield): At this time, the committee would appreciate perhaps if the offer

would be extended to the minister to make an opening statement on the bill.

Madam Chairperson: Thank you. Does the minister responsible for Bill 9 have an opening statement?

Hon. Nancy Allan (Minister of Labour and Immigration): Yes. Bill 9, The Manitoba Immigration Council Act, establishes the Manitoba Immigration Council to provide information and advice to government about immigration to Manitoba.

November 2002, the Premier's (Mr. Doer) Economic Advisory Council recommended the development of an external advisory council. The council will bring together employers, immigration communities and organizations, service providers, educational institutions and stakeholders to work together to provide advice to enhance our already successful immigration programs and policies. The council will strengthen community relationships and help develop new partnerships to help ensure Manitoba's immigration programs support newcomers' full participation in our province's future.

The 12-member council will include members from the business community, labour community, service providers and community organizations. It was designed to provide the minister with information and advice on ways to attract and retain new immigrants, settlement services and initiatives which can be developed to promote Manitoba.

The Manitoba Immigration Council will help Manitoba maintain its reputation for excellence as an innovator among provinces and immigration initiatives like the very successful Manitoba Provincial Nominee Program.

I would like to thank the Business Council of Manitoba for endorsing the concept of a Manitoba Immigration Council in February 2004, endorsed by ethnocultural organizations through the Manitoba Ethnocultural Advisory and Advocacy Council as well.

Madam Chairperson: I am sorry. We are having a little bit of trouble, sort of, being able to hear, so I am asking if we could just give the minister an opportunity to continue with her opening remarks. I thank you.

Ms. Allan: The Manitoba Immigration Council is only one element of a broader immigration strategy

to increase the level of immigration to 10 000 newcomers.

Meeting space and logistical support will be provided by the immigration and multicultural division and the minister will receive an annual report once a year on the council's activities.

Madam Chairperson: We thank the minister. Does the critic from the official opposition have an opening statement?

Mr. Schuler: Yes. Thank you very much. Having been involved in the multicultural community extensively, and, as I have mentioned before, having been chair of the MIC, the old MIC, Manitoba Intercultural Council not the Immigration Council, I take great interest in what the minister has proposed.

As I mentioned in debate, we sent out hundreds of letters and solicited responses from various communities and, I would have to say, universally, we got back that the premise of the bill was supported. As a former Minister of Education said, "The devil, however, is in the detail." I was hoping the minister in her opening statement would have taken a little bit more time and fleshed out some of the concerns that individuals had raised.

Questions about how the appointments were actually going to be made. Is this directly a ministerial appointment? How are various communities going to be consulted? How broad-based is it going to be?

One of the communities wrote in and indicated that if the government is looking for a particular message and they appoint individuals that are going to give them that message, then they are guaranteed of getting that message, and basically had to do with composition and with how the request was going to come from the minister for input and what kind of qualifications these individuals would bring to the council. The premise is not the problem. It is the detail that has a lot of individuals in Manitoba, in the various communities, concerned with how this is going to operate.

So with that, from the official opposition side of the House, I think we have put those issues on the record often and we have articulated it substantially that there are problems with the details. Again, it is important at committee if the minister would have

addressed some of these issues, because later on when there are questions it is easy to go back into Hansard and find out what the intent of the minister was.

So I would leave it at that. The premise of the bill is clearly something that we support. Immigration is important for Manitoba, as it is for Canada. As a province that sees a declining population, the real star in Manitoba is the fact that we have individuals coming from various countries around the world and keeping Manitoba's workforce strong and adding a lot to this province and our various communities.

With those few comments, I would like to see the bill move forward.

Madam Chairperson: We thank the member.

Shall clauses 1 to 3 pass?

* (11:00)

Mr. Kevin Lamoureux (Inkster): Madam Chairperson, I do have a couple of questions that I wanted to ask the minister.

I do have a great deal of concern with regard to this particular bill. As the member from Springfield has talked about, the manner in which individuals are appointed is probably the biggest concern that I have. I have absolutely no faith in this government being able to appoint individuals based on qualifications. I think that they will politically manipulate this board, Madam Chairperson. I am very disappointed that his legislation does not allow for an appointment process that would be more positive, reflected in legislation.

My first question would be to the minister: Is she familiar with the Manitoba Intercultural Council?

Ms. Allan: Yes, the Manitoba Intercultural Council was established in legislation in 1983 to provide advice to the minister on multiculturalism. The council was provided with an operating budget and the ability to hire staff within the approved budget.

Mr. Lamoureux: Can the minister indicate to the committee how that council was put together?

Ms. Allan: The council was formed through the election of 40 members representing ethnocultural

communities and an additional 6 members representing regions.

Mr. Lamoureux: How many of those individuals were appointed by the minister versus how many were actually elected from the communities?

Ms. Allan: You are asking me about legislation from 1983? Is that correct? I just want to make sure I am correct. You are asking me about legislation from 21 years ago?

Mr. Lamoureux: That is correct.

Ms. Allan: They were all elected.

Mr. Lamoureux: Can the minister indicate how those individuals were selected to that particular council?

Madam Chairperson: I ask your indulgence here of the committee just so that we can make sure we have this information in Hansard, because sometimes the interaction is quite quick. Could you repeat the question please, Mr. Lamoureux?

Mr. Lamoureux: Could the minister indicate how those individuals were actually elected?

Ms. Allan: If our memory serves us correctly, the elections were held in the communities by the ethnocultural communities, and they were elected in the community.

Mr. Lamoureux: Now, this council was created and it was created in order to provide advice to the government. Is that not correct?

Ms. Allan: Which council are you talking about now?

Mr. Lamoureux: Manitoba Intercultural Council. Was it not created in order to give advice to the government?

Ms. Allan: The council was given the mandate to administer a grants program which included a total budget of approximately \$2 million.

Mr. Lamoureux: Madam Chairperson, I am wondering if the minister would reflect, maybe. The MIC has provided reports from the past, including one on cross-cultural awareness, fighting racism in

the province. That was something that was done in the nineties, I believe. I will reinforce the question. Is the minister not aware that MIC did more than just hand out money? It also gave advice to the government.

Ms. Allan: The establishment of the Manitoba Immigration Council has a much broader mandate with broader stakeholders. It was actually a recommendation from the Premier's Economic Advisory Council. It has business and labour and educational institutions on it to provide advice to the government on our immigration strategy. So it is quite different.

Mr. Lamoureux: I am asking in regard to the Manitoba Intercultural Council. There is a huge amount of relevancy to this whole issue once we start going into the definition and how this council that the minister is talking about is being established. So I think it is very important that the minister be straightforward with committee members. The question was: Did the Manitoba Intercultural Council not provide advice to the government?

Ms. Allan: Yes.

Mr. Lamoureux: Would the minister then explain to committee members why it is that we had an immigration council, or an intercultural council, in the 1980s that was determined that the best way to have that board reflect the wishes and help develop the government of the day's policy relating to immigration issues amongst other issues, why it was good at that time to have these people being elected as opposed to appointed, whereas today this particular bill is saying we do not have the faith in our communities, whether it is business communities, labour communities, immigration communities, ethnic cultural communities, for them to elect individuals of a similar nature that the government of the day back in 1983 saw fit to do?

What has changed that this government has no respect for those types of people?

* (11:10)

Ms. Allan: Well, I would like to thank the member for the concern that he is raising because I think it is a very important one and I would like to clarify for him exactly our strategy. I am sure the member is aware of MEAAC, the Manitoba Ethnocultural

Advisory and Advocacy Council, that is a broad range of ethnocultural communities that have been nominated by their ethnic communities.

They have an immigration committee and have made recommendations to us and, in fact, our latest redesign of the provincial nominee program, many of the recommendations that were made to us by MEAAC were incorporated into the redesign of the provincial nominee program.

This particular council, the Manitoba Immigration Council, was recommended out of the Premier's (Mr. Doer) Economic Advisory Council in the year 2002 and is supported by the Manitoba Business Council as well.

So it is a much different council and there is no question that we have complete and total confidence in establishing this council and working with the members on the council to strengthen our immigration program.

Mr. Lamoureux: Still, Madam Chair, I do not dispute that there is a need for the council. I think it is a wonderful idea in terms of putting together a council. What I dispute is the mechanism that this government has chosen in order to fill the positions on that council. That is what I am disputing, and the question I had posed was, what has changed? Why was it okay to have people elected in one situation and not elected in this situation? That is the essence of the question.

Ms. Allan: They are two committees with different mandates and we have every confidence that the people that we have chosen are a broad range of accomplished and skilled individuals who will bring us a lot of strength in regard to developing our immigration strategy.

Mr. Lamoureux: Madam Chairperson, the minister said that we have chosen. Does that mean do you already know who is going to be on this council?

Ms. Allan: We have a pretty good idea. That is correct.

An Honourable Member: I am sorry, I did not hear.

Ms. Allan: Yes, we have a pretty good idea.

Mr. Lamoureux: Madam Chairperson, is the minister prepared to share her pretty good idea with us?

Ms. Allan: Once the bill is passed, we will be more than pleased to advise you who the 12 members are on the council.

Mr. Lamoureux: Madam Chair, so whether the bill is passed or not, the individuals, we already know who the 12 people are going to be. Can the minister indicate, in terms of what is their background, of the individuals she does not want to provide the names? How many would be from the business groups? To what degree would the business councils have been made?

You know, I guess I am somewhat offended that the minister would have already filled the positions, which means that even if there was an amendment that other councils should have the ability to fill some of these positions that that cannot happen because maybe she has already made the commitment to the individuals. Maybe that should be the question. Have you made commitments to these individuals that they are going to be sitting on the council?

Ms. Allan: Not at this time.

Mr. Lamoureux: All 12 positions have been filled?

Ms. Allan: No positions have been filled.

Mr. Lamoureux: I talked to the Law Society and I had asked the question, you know, would the Law Society entertain the possibility of having that agency, as a group, appoint internally. They responded quite favourably to it. I will suggest to you, Madam Minister, that there are other organizations that would have done likewise.

Has the minister ever entertained the idea of having outside, independent organizations, such as the Law Society, such as the Manitoba Business Council, such as the Manitoba Federation of Labour, has she ever given any thought to these organizations being able to appoint directly onto this committee?

Ms. Allan: Those are exactly the groups that will be represented on the Manitoba Immigration Council.

Mr. Lamoureux: So, for appointments, we will ensure in the future that the Manitoba Federation of

Labour, the ones that I have just listed off, will in fact be the ones that will provide the names then to the minister. That would go a long way in terms of being able to support the bill.

Ms. Allan: Well, those are the very kinds of organizations that will have representation on the Manitoba Immigration Council, and they will be appointed by the minister by Order-in-Council.

Mr. Lamoureux: Madam Chairperson, there is a difference if you say, "Well, we are going to consult with the Manitoba Federation of Labour, but we will pick and choose the individual that we want." Would she not acknowledge that maybe, if you want it truly to be a little bit more independent of government, there is benefit if it is the Manitoba Federation of Labour or it is the Manitoba Business Council or if it is the Law Society that provides the name as opposed to the minister of the day.

Would you not agree that one is a little bit more independent, or the groups are a little bit more independent than the minister of the day?

Ms. Allan: Well, I thank the member for his comments, but we have a broad range of very accomplished and skilled individuals who will be approached to be on this council, and we have every confidence that the opposition will be pleased with these appointments.

Mr. Lamoureux: You know what, Madam Chairperson? This minister and the past record, we have an individual that has been accepted into the civil service from a political assistant's position in the field of multiculturalism. We have other issues with this government in terms of how I believe ultimately it is trying to manipulate a situation.

Why should we believe that this government is going to be apolitical when it comes to filling a board that is so critically important to the province of Manitoba? She talks about the 10 000 in terms of immigrants coming to the province, and the government wants to try to come across as if it is doing wonders on immigration. In some areas it is doing a fairly decent job, but in other areas like this, I just do not see how Manitoba is going to benefit by this minister not allowing for others, independent organizations, to be filling these positions. Why does it have to be you, Madam Minister, that fills these positions?

Ms. Allan: The immigration program in Manitoba is one of the most successful programs in Canada, as the MLA for Inkster knows. This program stands on its own. The Manitoba Immigration Council, the appointments, these individuals are very skilled. There is a lot of talent in this province. This council will stand on its own, too.

Mr. Lamoureux: Madam Chairperson, I know members of the committee have been very patient as I have wanted to express a bit of frustration with the minister, and I do not want to hold up the committee on the legislation.

Having said that, I do truly believe that the government is wrong, that she should have more faith in the independent organizations, that the direction that she is taking this council out of the gate would appear to be misguided. I find it unfortunate. Given the importance to immigration, to our province, I believe that the minister is taking this issue far too lightly, that there are other things that she could be doing with regard to making sure that this council is truly more independent.

It is an issue which I am not going to let up on. It is an issue whether ultimately this bill passes or not. I plan and my intentions are to make sure that as many Manitobans are aware of the political manipulation that is going on with this particular piece of legislation, whether it is today or it is three years from now. I just believe that the government is dead wrong, and they do not have the trust that they should have in truly the independent organizations. There would have been absolutely nothing wrong. She could have maintained the majority. If she wants to say, "We are going to appoint seven of the members," but at least allow other outside organizations to be able to contribute directly, not indirectly through the minister.

With those few words, Madam Chairperson, and I would like to assure the minister that if it was not for me wanting to be courteous to other members of this committee, I would be more inclined to keep this going at least for a few more hours. But she will hear from me again, likely in concurrence and she will likely hear on the third reading, because I just think she is doing a disservice to the province by not being more open-minded on this issue. Thank you.

Madam Chairperson: Thank you very much. Were there any other questions from anybody?

Ms. Allan: Thank you. I would just like to remind the Liberal MLA from Inkster that the federal Liberal government makes all of its appointments to the Immigration Appeal Board directly by the minister. That is the discretion that the federal Liberal government has, so I would just like to remind the member of that.

Madam Chairperson: Clauses 1 to 3—pass; clauses 4 to 7—pass; clauses 8 and 9—pass; enacting clause—pass; title—pass. Bill as amended be reported.

Thank you very much. We thank the minister.

* (11:20)

**Bill 14—The Gas Tax Accountability Act
(Financial Administration Act Amended)**

Madam Chairperson: Does the minister responsible for Bill 14 have an opening statement?

Hon. Greg Selinger (Minister of Finance): No.

Madam Chairperson: Thank you.

Does the critic from the official opposition have an opening statement?

Mr. John Loewen (Fort Whyte): I will be brief with this. I have indicated to the minister that I do have a couple of amendments to bring forward to this bill similar to what we heard requested during presentations. While I believe the intent of the bill we certainly agree with, the bill definitely needs some tightening up to ensure that the actual outcome is what meets what has been described as the intent of the bill.

Madam Chairperson: We thank the member.

Clause 1—pass.

Mr. Loewen: Just a couple of questions for the minister on this clause and then I also have an amendment at the end of this clause: Regarding 67.1(1) which indicates that the minister will prepare a report, and I have not got legislation from Legislative Counsel that that, in combination with clause 67.1(2) requiring the tabling of the report, will in fact force the minister to table this report in the

Legislature within six months, or 15 days of the House commencing to sit.

I would just like confirmation that is his understanding and that is his intention.

Mr. Selinger: Yes.

Mr. Loewen: I thank the minister for that. I do have, then, an amendment which I would move:

THAT the proposed section 67.1, as set out in Clause 2 of the Bill, be amended by adding the following after subsection (1):

Report to be audited

67.1(1.1) The report must be audited by an auditor, who may be the Auditor General, appointed by the Lieutenant Governor in Council.

Just by way of explanation, this amendment, which, I believe, is a friendly amendment, would—

Madam Chairperson: Mr. Loewen, just a moment.

It has been moved by Mr. Loewen—

An Honourable Member: Dispense.

Madam Chairperson: Dispense. The motion is in order. Questions?

Mr. Loewen: Thank you, Madam Chair. The intent of this amendment, this clause, would amend the bill to ensure that the report that is produced is an audited report. I think that is very important, as we heard from the Heavy Construction Association. As we know from going through Estimates, there are a lot of different sources and applications of these funds, and this amendment would simply ensure that what is placed before the House and what is put on the public record is, in fact, a true and honest audited statement; and that there are no real discrepancies involved.

Mr. Selinger: Yes, The Auditor General Act of Manitoba has in it provision 9.1 for audit of government accounts and I will just read it into the record: "The Auditor General is the auditor of the accounts of the government including those related to the consolidated fund and must make any examinations and inquiries that he or she considers

necessary to enable the Auditor General to report as required by this act."

So what I am saying is that I think the amendment proposed by the Member for Fort Whyte is redundant and it is already covered under The Auditor General Act of Manitoba and therefore not necessary.

Mr. Loewen: Can I ask the minister to indicate in what form this report will be audited? How can we as legislators be assured that the report is going to be audited? Is there going to be an Auditor statement attached to it?

Mr. Selinger: Well, I read 9(1) of the Auditor General's legislation into the record. It is up to the Auditor how they wish to proceed on that; they can choose any method they wish. They have complete access to all the records and accounts of government and can investigate them at any time.

Mr. Loewen: I believe what the minister is saying is that there is no real onus, as a bill is read un-amended, there is no onus on the Auditor to audit this report. It is simply at his discretion. Is that what he is indicating?

Mr. Selinger: The Auditor General is responsible for auditing the accounts of government. This report is one of the accounts of government. It is part of what the Auditor has to look at to ensure that there is accuracy and transparency in how the expenditures and revenues are reported. So they will have the ability to look at it in any way they wish.

Mr. Loewen: Well, in any way they wish, I guess what I am looking for and I believe the Heavy Construction Association is looking for is something more definitive. The whole reason for this amendment is if that the minister believes that the report is going to be audited, I do not think he should have any problem with this simple amendment because it certainly does clarify it. We have heard from the presenter that they have a concern that it will not be audited.

Is the minister saying that there is something in this bill that forces this report to form a part of the published accounts?

Mr. Selinger: No. I was saying that the Auditor General's legislation gives the Auditor General the

right and responsibility to audit the accounts of Manitoba, and that includes this information covered in The Gas Tax Accountability Act.

Mr. Loewen: Well, I thank the minister for that. I have not gotten any assurance from his comments that, in fact, the report that he puts before the Legislature will be audited. If it is his intent to do it, then I appreciate that. I believe that it should be defined in the legislation.

On that basis, I would ask for a vote on the amendment.

Madam Chairperson: Is the committee ready for the question?

An Honourable Member: Question.

Madam Chairperson: The question before the committee is as follows:

THAT the proposed section 67—

An Honourable Member: Dispense.

Madam Chairperson: Dispense.

Is it the pleasure of the committee to adopt the amendment?

Some Honourable Members: No.

Some Honourable Members: Agreed.

Voice Vote

Madam Chairperson: All those in favour of adopting the amendment, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Nays have it.

* (11:30)

Formal Vote

Mr. Loewen: Madam Chair, I request a recorded vote.

Madam Chairperson: A count-out vote has been requested.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 4, Nays 6.

Madam Chairperson: The amendment is accordingly defeated.

* * *

Madam Chairperson: Shall clause 2 pass?

Mr. Loewen: Sorry, as I indicated I had a few questions and two amendments on clause 2.

I would just like to move on to clause 67.1(3) Excess Revenue. I would ask the minister if he could explain in detail just exactly how the process would work in terms of any over or under expenditure during a given year. If he could just clarify for the committee exactly how that—the wording of the clauses can tend to be a little confusing.

Mr. Selinger: The clause in question, 67.1(3), simply provides that, if the revenue exceeds the expenditure in any given year, over the remaining four years it has to balance out. The expenditure and revenue have to match over a four-year horizon.

Mr. Loewen: I can appreciate that. My concern is that the way the wording of the bill is that the funds would have to be put in the government's Estimates of Expenditure as opposed to actually being designated as being spent. Which would, of course, give the government the ability to simply adjust its budget going forward, and then say that, we have included this amount in our Estimates. Can the minister clarify that?

Mr. Selinger: This clause is carefully crafted to protect the final say or final right at the Legislature to approve Estimates in any given year, but provides a benchmark against which those Estimates of revenue and expenditure can be balanced over four years. So there is sort of a fine distinction there, if you understand the point I am making. So each year's Estimates or budget would have to be put in front of the Legislature for debate and discussion and approval. But this accounting, through this Gas Tax Accountability Act, would then in one place bring

together the revenue and expenditures over that four-year horizon to ensure that they equalled each other.

Mr. Loewen: Well, what I hear the minister saying is then that there really are no teeth in this bill. It is simply what appears to be a public relations manoeuvre because the minister can simply, at the will of the government, at the whim of the government, adjust the Estimates going forward in terms of how much they will budget for roads. So there is really nothing that comes out of this bill that will oblige the government over the course of the long run to do as the bill is described to do.

Mr. Selinger: That is not accurate. What it would require is that if a scenario emerged where the revenue exceeded expenditure in say, two years, the difference between the revenue and expenditure would grow accordingly. Then over the remaining two years this legislation would obligate the government of the day to make up that difference in increased expenditure as approved in the Estimates presented to the Legislature in those remaining two years.

So it is an accountability measure that says that the amount you collect should be spent on the purposes as described in this bill. But you do it over a four-year horizon without precluding the right of the Legislature to approve the budget in any specific year. Now that is a distinction that is intended to preserve the sovereignty of the Legislature to make a decision in any given year on the budget. At the same time over that four-year horizon they have to show how those expenditures and revenues match up with each other for the purposes as stated in this bill.

Mr. Loewen: Well, I appreciate the minister's response. My concern arises out of the fact that this government has a history of lapsing significant dollars in the highways department. From my understanding of this bill it would allow for a situation to continue where basically the government could continue to lapse its budget ad infinitum. That is where I think the teeth are missing in this legislation and perhaps the minister could clarify that for me.

Mr. Selinger: It is really the point I just made. If there was a lapse of expenditure in the budget that was less than the revenues collected, then this bill obligates the government of the day in subsequent years to propose expenditures which would bring the

revenues and expenditures back into balance over that four-year period. So the transparency and accountability would be increased by this bill because any member would be able to look at the accounts on any given year and see whether they balanced out, and if there was a surplus of revenue in excess of expenditure for the purposes intended here they would be able to make the government accountable for that in subsequent budget years. So it does increase transparency and accountability without overriding the right of the Legislature to approve a budget in any given year.

Mr. Loewen: Well, the proof will be in the pudding, I guess, but certainly it would be more desirable if any funds that were not spent in a given year were, in my view, put into a designated fund as the government has done in other situations. It would be designated to be spent over and above next year's anticipated revenue, as described by this bill.

Having said that, I will accept the minister's explanation and look forward to (a) ensuring that the legislature receives an audited report as the minister has promised and (b) ensuring that funds are not lapsed ad infinitum.

On the basis of that, with respect to clause 67.2, I would like to move a second amendment, which, again, I believe is a friendly amendment, we have heard again from the Heavy Construction Association, an amendment that they would favour that will put a little more description around the spending of the funds from the federal government. Again, it is—

Madam Chairperson: Mr. Loewen are you moving your amendment?

Mr. Loewen: Yes, on that basis, I move:

THAT *the proposed section 67.2, as set out in clause 2 of the Bill, be amended by striking out "municipal infrastructure" and substituting "municipal transportation infrastructure for motor vehicles,".*

Madam Chairperson: It has been moved by Mr. Loewen

THAT—

An Honourable Member: Dispense.

Madam Chairperson: Dispense. The motion is in order.

Mr. Loewen: Thank you, and, again, the reason for this amendment is simply to tighten up the wording of the bill and to ensure that the intent of the bill and the explanation of the bill as how it is to be applied is followed through.

This would ensure that money that comes in from the federal government would be dedicated not only to municipal infrastructure but it would, in fact, be dedicated to municipal infrastructure as it relates to the transportation for motor vehicles and it mirrors clause 67.1(1.b) which, again, describes the tax expenditures as being dedicated to transportation infrastructure for motor vehicles. This would simply clarify the situation for federal fuel tax revenue. It still leaves an out, in terms of the federal government designating the funds to go otherwise, but it would require the province to spend this money on transportation infrastructure for motor vehicles. Thank you.

Mr. Selinger: The amendment proposed by the member, I would suggest, although I understand the intent of it, really would have no material change in the clause because the member leaves in, "unless the Government of Canada requires otherwise." By tightening up the definition of "municipal infrastructure" as he has done in his amendment, if the federal government wished to do other than what his amendment proposed they would simply slip or move their initiative under the "unless the Government of Canada otherwise" clause. So it really has no material effect and therefore, I suggest, is unnecessary.

* (11:40)

Mr. Loewen: Madam Chair, my concern at this table is not with the federal government. While I cannot say that I agree with everything they do, this legislation is provincial legislation and what I am trying to ensure by this motion is that the provincial government follows through with the intent of this legislation. In that respect, I would suggest to the minister that if he does not think that it has much bearing on the bill then let us just go ahead and put it in. It would also clearly put the responsibility back at the federal government in terms of making these decisions. If they choose to spend the money elsewhere, well, then, hopefully, they will pay the price at the polls. The voters will decide.

What I want to see is that the provincial government lives up to its commitment and its responsibility and does not try to use the federal government as a crutch to lean on with regard to this bill.

Mr. Selinger: Once again, I think the member's intent might be to draw the language of this clause so narrowly as it might force either the federal government into using the remaining portion of the clause unless the government of Canada requires otherwise; or, in some cases, it might disentitle municipalities that do not have the type of infrastructure the member narrowly described in his amendment. They might have other infrastructure for which they think the resources should be applied as a matter of priority, and this would preclude that happening.

So, once again, even though I understand what the member is trying to drive at, I think it would be unhelpful in this situation, and might create problems in how this federal money would be applied in terms of local infrastructure in a way that might not be helpful for that community meeting their specific urgent priorities.

Mr. Loewen: Well, with respect, I hear what the minister is saying. I must disagree. In my view this tightens up the bill to make sure that it does what the language of the explanatory note intends it to do. So based on that, I would request a vote on this amendment.

Madam Chairperson: Is the committee ready for the question?

An Honourable Member: Question.

Madam Chairperson: The question before the committee is as follows:

THAT *the proposed section—*

An Honourable Member: Dispense.

Madam Chairperson: Dispense.

Is it the pleasure of the committee to adopt the amendment?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: Let us do it one more time. All those in favour of adopting the amendment, please say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Nays have it.

Formal Vote

Mr. Loewen: I would request a recorded vote.

Madam Chairperson: A count-out vote has been requested.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 4, Nays 6.

Madam Chairperson: The amendment is accordingly defeated.

* * *

Mr. David Faurshou (Portage la Prairie): I do want to clarify two points, though, in so far as the inclusion and exclusion of identified fuel taxes, specifically excluding aircraft fuel taxes as well as railway locomotive fuel taxes.

I would like to ask the minister at this juncture in time, being that their responsibility of the Department of Transportation is effectively to provide for northern airport services as a vital link to the northern residences. As well, there are numerous requests on the book, and as the minister of Transportation says, in the queue for grade separations between the motoring public and the railway traffic. Why would not these fuels be included in order to provide for those very, very vital investments that are being called for daily?

Mr. Selinger: Well, the intent of the bill was to provide accountability on how the gas tax was used, and that is what it does. I mean, you are raising other important issues about northern airport infrastructure

and other airport infrastructure in the province for which we are taking, in most cases, 100% responsibility except where we can negotiate cost-shared agreements with the federal government.

A lot of those northern airports service First Nations communities which, I think the member would agree with me, we could easily argue should be entirely a federal responsibility to provide the infrastructure to them. So it just would complicate the bill to include all of those provisions, is really the short answer, and we have to work on those issues separate from this particular bill's purpose and intent.

The same argument I would make with respect to grade separations and railway fuel taxes. You could easily argue, I think the member might agree, that would be the obligation of the railways themselves to provide for that. It is their grade separation. We do cost-share in many cases some of those separations with them, and all that complexity we felt would unnecessarily complicate the purpose and intent of this bill. But, if the member is saying there are real needs there and real issues there for which some of those revenues need to be allocated, I would not disagree with him and we have to keep working on that.

Mr. Faurshou: Well, given there are federal considerations on the northern airports, but, clearly, I believe it is 27 airports within the province that are the full responsibility of the provincial Transportation Department, and, believing that, I would say that that is most appropriate that we include it.

Whether you suggest that potentially it complicates this act and should follow-up with another act, I will look for your commitment to bring forward such an act. But as far as the locomotives and railways go, you will get an extraordinary argument as to who was here first. The railways, obviously, in most parts of the province were here first before roads were developed. So, if you want to cross my right-of-way, then you pay for that crossing, whether it be level or separated. I would suggest that because of the significant requirement of investment and I look to the honourable Member for Fort Whyte (Mr. Loewen) who has on many occasions requested the government's consideration. We will hope to see that the announcements that have been made will see a grade separation on Kenaston over the CN main line.

* (11:50)

But it goes to the honourable Member for Transcona (Mr. Reid), who has raised a number of considerations, that there is a need for grade separation on Highway 15. It is really necessary that this money be dedicated to this type of infrastructure. I ask the minister's consideration in that regard, that he bring forward an amendment then effectively, or make the commitment that further legislation will be coming forward.

Mr. Selinger: I thank the member for his comments. This bill is a significant step forward. The issues that he has raised really are issues that I think we have to discuss in the Estimates and with the Minister of Transportation and Government Services (Mr. Lemieux) and take those issues in there. But I know where the member is coming from. I understand his concerns. I also take his point about who was there first in terms of the railways before many of the highways were installed in Manitoba. But, you know, each one of those situations has to be examined with respect to the specific reasons for the grade improvements and separations there. Is there infrastructure falling out of repair? That is why a lot of these things wind up becoming cost-shared, specific arrangements for that specific location, because you have to look at the causes for the needed improvement there.

An Honourable Member: Clause by clause, please.

Madam Chairperson: I have been asked to go clause by clause.

Clause 2—pass; clause 3—pass; enacting clause—pass; title—pass. Bill as amended be reported.

Bill 20—The University College of the North Act

Madam Chairperson: I would like to inform the committee members that we have an individual who has come. Although we have heard all presentations to date, we have been requested to hear a special presentation on Bill 20 by an individual by the name of Michael Anderson, who is representing the Grand Chief Dr. Sidney Garrioch of MKO.

Is it the will of the committee to hear the presentation? *[Agreed]*

Would Mr. Michael Anderson please come forward.

Mr. Michael Anderson (Manitoba Keewatinowi Okimakanak): Good morning. Thank you, Madam Chairperson.

Madam Chairperson: Thank you, Mr. Anderson. Please proceed.

Mr. Anderson: In respect of the legislation establishing the University College of the North, MKO is supportive of the legislation in terms of its intent to provide a more culturally appropriate education at a location closer to the location of our communities.

The Manitoba Keewatinowi Okimakanak represents the 30 northernmost First Nations in Manitoba and some 53 000 Treaty First Nations persons. Approximately 15 of our 30 communities are isolated and accessible only by air or ice road. The availability of an educational facility at the university and college level closer to the location of these communities is very important. It also provides the opportunity for family support and for support in a cultural manner and also in the languages spoken by our communities.

Within the MKO region there are four languages spoken and many dialects of them. Of course, English, Ojibway-Cree in the Island Lake area, Dene in the very northern part of our province, the Northland Denesuline First Nation and the Sayisi Dene Nation and of course three dialects of Cree from the Ontario boundary to Saskatchewan.

So the manner in which the University College is establishing a different system of guidance that is through its governing council, its learning council and its elders' council, provides mechanisms to ensure that this cultural diversity amongst the MKO First Nations is reflected in curricula, in classroom activities, in the objectives and vision of the University College; and, in our view, may provide substantial improvements and moves along the lines as recommended by MKO for many years. So, with that, we would like to say that we are interested and support the legislation.

In respect of ensuring representativeness of the MKO First Nations and their community members in terms of the activities in the University College of the North, we did have three potential amendments to the legislation that we would like to suggest for your consideration. In this regard, I very much

appreciate reopening your record on your consideration of this, Madam Chair and members of the committee.

In respect of appointments to the Governing Council, section 5(2) indicates that the minister must give due regard to the Aboriginal composition of—the Lieutenant-Governor in Council shall give due regard to the Aboriginal composition in northern Manitoba in making the appointments.

We would like to insert that, "shall give due regard to the Aboriginal composition in northern Manitoba and shall consult the Aboriginal organizations of northern Manitoba as this is being done." To identify individuals at the organization such as MKO might identify as candidates for the consideration of appointees to the Governing Council.

We have several individuals who have made lengthy careers of working with First Nations persons in culturally appropriate education in our region and have struggled long for a university college in the North, and individuals like that—it would be appropriate for government to at least seek the advice of organizations to identify them.

The amendment, as I have suggested, would still leave the discretion within government to appoint these individuals but they would be consulting Aboriginal organizations to identify the nominees.

In a similar vein, an amendment to the mechanisms for appointing the Learning Council, adding a subsection (d) to section 13(3). Amended subsection (d), or the added section would read: "A by-law under this section must give due regard to the Aboriginal composition of northern Manitoba." Very similar to the intent under section 5(2).

Similarly, with respect to the elders council, adding a clause 16(3)(d), a by-law under this section must give due regard to the Aboriginal composition of northern Manitoba.

While these are implied at least in respect in respect to the Governing Council, it is not provided as guidance under the statute to the creation of a Learning Council and the elders council.

Another amendment that is in a similar vein to be suggested would be adding a section 5(1)(g), and

this is dealing with elected and appointed representatives to the Governing Council, which provide for the possibility of electing three employees of the University College to the Governing Council. That would be in respect to the numbers of 10 additional persons. To add a 5(1)(g) up to three persons representing the Aboriginal peoples of northern Manitoba elected in accordance with a by-law under subsection 11(1). So that provides explicitly for the election and appointment of at least three persons representing the Aboriginal peoples of northern Manitoba.

Although MKO is clearly a First Nations organization, we do recognize that under the Constitution of Canada that the Aboriginal peoples are recognized as Inuit, Métis, and First Nation. This would ensure that there is a representative of the three Aboriginal peoples resident in northern Manitoba. Because all three Aboriginal peoples are present within our province.

So, in terms of the general thrust of it, those are specific amendments that deal primarily with representativeness. One of MKO's key objectives in changing its name, I suppose, to Manitoba Keewatinook Inew Okimowin which means the government of the northern peoples of Manitoba, and our work toward the election of our Grand Chief by a general plebiscite of our electorate, is to ensure representativeness. We would like to reflect the same thinking in the University College of the North as it steps forward into our futures together.

So with that, Madam Chair, I just wanted to provide those comments on representativeness. We are very pleased that these councils. Hopefully, with these amendments and improvements to the legislation, we will be able to ensure that those items and cultural issues and specific issues that are of significance to our communities are able to be reflected in the activities, courses, and indeed of the vision of the University College of the North.

I have some examples of why we think that is important, but I know that the committee is pressed for time this morning. So if you have any questions, I am prepared to answer them now. Thank you very much.

* (12:00)

Madam Chairperson: Thank you very much, Mr. Anderson. Our process is to allow five minutes for committee members to ask questions. Are there questions?

Mr. Kelvin Goertzen (Steinbach): I would like to thank you, Mr. Anderson, for taking the time to come here. I thought that your comments were thoughtful and that your amendments were thoughtful as well.

I am going to see if the minister wants to speak to the substance of the amendments themselves, but could you tell me: Were you provided an opportunity for input into this bill, your organization prior to today, and the nature of the amendments, did they come forward at a prior time to the minister's attention?

Mr. Anderson: My understanding is that MKO has been in fairly close contact during the development of the bill. It is partly as a result of the bill being tabled before the Legislature and considered in the House that discussions amongst MKO, its affiliates, advisers and others have led to the amendments that you hear today. It is not intended to reflect any lack or omission necessarily on the government's part in terms of the preparation of the bill. By tabling the legislation, it has provided MKO with an additional opportunity to consider the specifics of the proposed legislation and the opportunity to propose amendments to table legislation that is before the committee. That is why we have requested the opportunity to appear.

Hon. Diane McGifford (Minister of Advanced Education and Training): I thank Mr. Anderson for his presentation this morning. Of course, we have consulted very extensively with MKO during the development of both the prospective institution as well the legislation. As a government, it is incumbent upon us to balance the needs of Aboriginal people with the requirements of a public institution, and we are pleased with the legislation that we have produced, which, we think, does just that.

In regard to the name of the institution, it was something that was struggled with by the implementation team, by the folks with whom they consulted and, I believe, by the elders with whom we had consulted. The problem that arose was that should it be a Cree name, should it be an Inuit name, should it be in another language. The conclusion that

folks came to was that the working title, University College of the North, was the title that people understood, and that in future there could be a designation such as the University College of the North at The Pas, the University College of the North at Thompson or at the community based institution. That seemed to be the most satisfactory conclusion.

Madam Chairperson: Any other questions for Mr. Anderson? Thank you very much for your presentation, Mr. Anderson.

Prior to doing clause by clause for this bill, I just wanted to clarify Bill 14 for Hansard.

Shall the bill be reported? *[Agreed]*

Mr. Leonard Derkach (Russell): Madam Chair, due to the fact that I think both caucuses have a fairly important issue to deal with this afternoon, I am wondering whether or not it would be appropriate to try to expedite the process here by recognizing the bills by block. Just quickly, I do not want a big debate on it.

Madam Chairperson: Is that agreed? *[Agreed]*

Does the minister responsible for Bill 20 have an opening statement?

Ms. McGifford: I had a short opening statement, but since we are trying to expedite our proceedings, I will just say that we are very pleased to bring forward this legislation this morning.

Madam Chairperson: Does the critic from the official opposition have an opening statement?

Mr. Goertzen: As well, in the light of the time, I will forgo the opening statement. We had the opportunity to raise a number of questions and potential future concerns at the Estimates process.

Madam Chairperson: We thank the member.

Clauses 1 and 2—pass; clause 3—pass.

Shall clause 4 pass?

Ms. McGifford: Just to speak quickly to the amendment. The amendment was considered at the request of the presidents.

I move

THAT the following be added after Clause 4(1)(a) of the Bill:

(a.1) facilitate the creation and sharing of knowledge in an atmosphere of open and critical thought;

Madam Chairperson: It has been moved by the minister—

An Honourable Member: Dispense.

Madam Chairperson: Dispense?

The motion is in order. Is the committee ready for the question?

Some Honourable Members: Question.

Madam Chairperson: Is it the pleasure of the committee to adopt the amendment. *[Agreed]* The amendment is accordingly passed.

Clause 4 as amended—pass; clauses 5 and 6—pass; clauses 7 and 8—pass; clauses 9 and 10—pass; clauses 11 and 12—pass; clause 13—pass; clause 14—pass.

Shall clauses 15 and 16 pass?

An Honourable Members: No, I have an amendment.

Madam Chairperson: Clause 15—pass.

Shall clause 16 pass?

Ms. McGifford: I have an amendment, Madam Chair. I move

THAT Clause 16(2) of the Bill be amended by striking out "culture" and substituting "cultures".

Madam Chairperson: It has been moved—

Some Honourable Members: Dispense.

Madam Chairperson: The motion is in order. Is the committee ready for the question?

Some Honourable Members: Question.

Madam Chairperson: Is it the pleasure of the committee to adopt the amendment? *[Agreed]* The amendment is accordingly passed.

Shall clauses 17 to 20 pass?

Some Honourable Members: Pass.

Madam Chairperson: Just a minute. Clause 16 as amended—pass.

Clauses 17 to 20—pass; clauses 21 and 22—pass; clauses 23 to 26—pass; clauses 27 to 29—pass; clause 30—pass; clauses 31 to 35—pass; clauses 36 to 39—pass; clauses 40 to 42—pass; clauses 43 to 45—pass; clauses 46 to 48—pass; clause 49—pass; table of contents—pass; preamble—pass; enacting clause—pass; title—pass. Bill as amended be reported.

Bill 26—The Certified Management Accountants Act

Madam Chairperson: We have one remaining bill to do. Does the minister responsible for Bill 26 have an opening statement?

Hon. Greg Selinger (Minister of Finance): No.

Madam Chairperson: Thank you very much, Mr. Minister.

Does the critic for the official opposition have an opening statement?

Some Honourable Members: No.

* (12:10)

Madam Chairperson: We thank the member.

Clause 1—pass; clause 2—pass; clauses 3 and 4—pass; clause 5—pass; clause 6—pass; clause 7—pass; clause 8—pass; clauses 9 and 10—pass; clause 11—pass; clauses 12 to 14—pass; clause 15—pass; clauses 16 to 18—pass; clauses 19 and 20—pass; clauses 21 and 22—pass; clause 23—pass; clauses 24 and 25—pass; clauses 26 and 27—pass; clauses 28 and 29—pass; clauses 30 to 32—pass; clauses 33 and 34—pass; clauses 35 and 36—pass; clause 37—pass; clause 38—pass; clauses 39 and 40—pass; clause 41—pass; clause 42—pass; clause 43—pass; clauses 44 to 46—pass; clauses 47 and 48—pass; clauses 49 and 50—pass;

clause 51—pass; clause 52—pass; clauses 53 to 55—pass; clauses 56 and 57—pass; clauses 58 and 59—pass; clauses 60 to 64—pass; table of contents—pass; enacting clause—pass; title—pass. Bill be reported.

Seeing the time is now 12:15, is there agreement for the committee to rise?

An Honourable Member: Rise.

Madam Chairperson: Thank you.

COMMITTEE ROSE AT: 12:13 p.m.

WRITTEN SUBMISSION PRESENTED BUT NOT READ

Re: Bill 20—The University College of the North Act

Presentation on the University College of the North

The Assembly of Manitoba Chiefs views education as one of the key tools for nation-building and this vision is shared by other First Nation leaders across Canada.

Since 1972, the Chiefs of Manitoba have been involved in promoting the development of education institutions which are more responsive to First Nations peoples.

Their early vision was articulated in the document, *Wahbung—Our tomorrows*, where the Chiefs outlined their concerns on the education of our most precious resource, our children.

Since the early 1990s, the Assembly of Manitoba Chiefs has been involved in the Framework Agreement process—firstly through the Education Framework Agreement and later, the Framework Agreement Initiative—where we have conducted research and held community consultations. Now we are engaged in a negotiation process with the federal government to realize our own vision, that of exercising jurisdiction of education.

Today, statistics show that the First Nations people, along with our Métis relatives, represent approximately 15 percent of the population in Manitoba.

Other recent data shows that one of four people entering the work force in the near future will be of either First Nation or Métis descent.

It is critical for institutions to work in partnership with First Nations organizations and communities to implement strategies to ensure that the education system works for all students.

The Assembly of Manitoba Chiefs has started to work in partnership with Manitoba Education, Citizenship and Youth over the past two years to look at ways and means of improving communication, participation and joint processes to improve the educational experiences of our students and to increase the level of understanding of our unique history and perspectives.

As First Nation people, one of our concerns has always been the lack of understanding by the general public on our history, particularly in relation to our sacred treaties.

One of the priorities of First Nation leaders has always been education and this is articulated in our treaties when our past leaders insisted on the inclusion of education as one of our basic treaty rights.

Education is a major concern of ours and we hope to address this issue partly through building our own institutions and also by supporting institutions which can assist in nation building for First Nations.

We understand that the University College of the North will be geared towards the post-secondary educational needs of people in the North, including First Nations.

We have also noted that the University College of the North has been guided by First Nations people, educators and Elders and has taken time to consult with First Nations people including First Nation Education Directors on training and post-secondary needs.

The Assembly of Manitoba Chiefs views the University College of the North as a much-needed initiative which will assist in telling our stories and teaching of who we are as First Nations people, our history, our cultures, our languages, our experiences, and our visions for self-government and the exercise of jurisdiction.

The University College of the North can provide much-needed community-based support in training First Nation professionals as teachers, administrators and other professionals.

The Assembly of Manitoba Chiefs supports the concept of establishing the University College of the North.

Assembly of Manitoba Chiefs