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of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

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(Hansard)

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
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CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
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DERKACH, Leonard	Russell	P.C.
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DOER, Gary, Hon.	Concordia	N.D.P.
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EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
GRAYDON, Cliff	Emerson	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
HOWARD, Jennifer	Fort Rouge	N.D.P.
IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
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MARTINDALE, Doug	Burrows	N.D.P.
McFADYEN, Hugh	Fort Whyte	P.C.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
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RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
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SELINGER, Greg, Hon.	St. Boniface	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew, Hon.	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 30, 2008

The House met at 1:30 p.m.

PRAYER

Mr. Speaker: Order. I'd like to advise the House that Hansard from yesterday morning has been distributed. However, the Hansard from yesterday afternoon will not be available to members until tomorrow.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 38—The Balanced Budget, Fiscal Management and Taxpayer Accountability Act

Hon. Greg Selinger (Minister of Finance): I move, seconded by the Minister of Justice (Mr. Chomiak), that Bill 38, The Balanced Budget, Fiscal Management and Taxpayer Accountability Act; Loi sur l'équilibre budgétaire, la gestion financière et l'obligation de rendre compte aux contribuables, be now read a first time.

Motion presented.

Mr. Selinger: I'm pleased to introduce the bill which will require government to keep one comprehensive set of books and audited financial statements for Manitobans that are consistent with generally accepted accounting principles.

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

Bill 37—The Lobbyists Registration Act and Amendments to The Elections Act, The Elections Finances Act, The Legislative Assembly Act and The Legislative Assembly Management Commission Act

Hon. Dave Chomiak (Minister of Justice and Attorney General): I move, seconded by the Premier (Mr. Doer), that Bill 37, The Lobbyists Registration Act and Amendments to The Elections Act, The Elections Finances Act, The Legislative Assembly Act and The Legislative Assembly Management Commission Act; Loi sur l'inscription des lobbyistes et modifiant la Loi électorale, la Loi sur le financement des campagnes électorales, la Loi sur l'Assemblée législative et la Loi sur la

Commission de régie de l'Assemblée législative, be now read a first time.

Motion presented.

Mr. Chomiak: Mr. Speaker, this bill is our latest step in modernizing and enhancing the democratic process in Manitoba.

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

PETITIONS

Dividing of Trans-Canada Highway

Mrs. Mavis Taillieu (Morris): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The seven-kilometre stretch of the Trans-Canada Highway passing through Headingley is an extremely busy stretch of road, averaging 18,000 vehicles daily.

This section of the Trans-Canada Highway is one of the few remaining stretches of undivided highway in Manitoba, and it has seen more than 100 accidents in the last two years, some of them fatal.

Manitoba's Assistant Deputy Minister of Infrastructure and Transportation told a Winnipeg radio station on October 16, 2007, that when it comes to highways projects the provincial government has a flexible response program, and we have a couple of opportunities to advance these projects in our five-year plan.

In the interests of protecting motorist safety, it is critical that the dividing of the Trans-Canada Highway in Headingley is completed as soon as possible.

We petition the Legislative Assembly as follows:

To request the Minister of Infrastructure and Transportation (Mr. Lemieux) to consider making the completion of the dividing of the Trans-Canada Highway in Headingley in 2008 an urgent provincial government priority.

To request the Minister of Infrastructure and Transportation to consider evaluating whether any other steps can be taken to improve motorist safety while the dividing of the Trans-Canada Highway in Headingley is being completed.

This is signed by Megan Parker, R. Gibson, M. Nadolsky and many others, Mr. Speaker.

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

Lake Dauphin Fishery

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

These are the reasons for this petition:

Fishing is an important industry on Lake Dauphin.

To help ensure the sustainability of the Lake Dauphin fishery, it is essential that spawning fish in the lake and its tributaries are not disturbed during the critical reproductive cycle.

A seasonal moratorium on the harvesting of fish in Lake Dauphin and its tributaries may help to create an environment that will produce a natural cycle of fish for Lake Dauphin, therefore ensuring a balanced stock of fish for all groups who harvest fish on the lake.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Water Stewardship (Ms. Melnick) to consider placing a moratorium on the harvesting of any species of fish on Lake Dauphin and its tributaries for the period April 1 to May 15 annually.

To request the Minister of Water Stewardship to consider doing regular studies of fish stocks on Lake Dauphin to help gauge the health of the fishery and to consider determining any steps needed to protect or enhance those stocks.

This petition is signed by Norbert Jacques, Bernice Foley, Doris Bonnefoy and many, many others.

Long-Term Care Facility—Morden

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

The background for this petition is as follows:

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This is signed by Konrad Loewen, Kurt Guenther, Phyllis Loewen, Peter Fehr and many, many others.

Power Line Development

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition

Manitoba Hydro has been forced by the NDP government to construct a third high voltage transmission line down the east side of Lake Winnipegosis instead of the east side of Lake Winnipeg, as recommended by Manitoba Hydro.

The NDP detour is more than 400 kilometres longer than the eastern route recommended by Manitoba Hydro experts.

The line losses created by the NDP detour will result in a lost opportunity to displace dirty coal-generated electricity, which will create added and unnecessary greenhouse gas emissions equivalent to an additional 57,000 vehicles on our roads annually.

The former chair of the UNESCO World Heritage Committee has stated that an east-side bipole and a UNESCO World Heritage Site can co-exist contrary to NDP claims.

The NDP detour will cut through more forest than the eastern route, and will cut through threatened aspen parkland areas, unlike the eastern route.

Former member of the Legislative Assembly Elijah Harper has stated that the east-side communities are devastated by the government's decision to abandon the east-side route, stating that this decision will resign them to poverty in perpetuity.

MKO, an organization that represents northern Manitoba First Nations and chiefs, has stated that the government has acted unilaterally to abandon the eastern route without consultation with northern First Nations despite repeated requests by MKO for consultations.

The NDP detour will lead to an additional debt of at least \$400 million related to the capital cost of line construction alone, to be left to future generations of Manitobans.

The NDP detour will result in increased line losses due to friction leading to lost energy sales of between \$250 million and \$1 billion over the life of the project.

The additional debt and lost sales created by the NDP detour will make every Manitoba family at least \$4,000 poorer.

We petition the Legislative Assembly as follows:

To urge the provincial government to abandon the NDP detour on the basis that it will result in massive environmental, social and economic damage to Manitoba.

To urge the provincial government to consider proceeding with the route originally recommended by Manitoba Hydro, subject to the necessary regulatory approvals.

This petition is signed by Alice Parkes, Don Parkes, Becky Hern and many, many other fine Manitobans.

Mr. Speaker: The honourable Minister of Aboriginal and Northern Affairs, are you up on a point of order?

*(13:40)

MATTER OF PRIVILEGE

Hon. Oscar Lathlin (Minister of Aboriginal and Northern Affairs): On a matter of privilege, Mr. Speaker.

Mr. Speaker: On a matter of privilege. The honourable Minister of Aboriginal and Northern Affairs, on a matter of privilege.

Mr. Lathlin: Mr. Speaker, I rise today on a matter of privilege. A contempt of the House has been committed, offensive and insulting comments that have been made in this House by the Member for Minnedosa (Mrs. Rowat) and defended publicly by the Leader of the Official Opposition (Mr. McFadyen).

There are two criteria which must be met. First, the matter must be raised at the earliest convenience. During question period on Thursday, last Thursday, certain offensive remarks were made in this House by the Member for Minnedosa. Those insults were offensive to Aboriginal people and were an affront to members of this House.

The comments came during question period while there was a series of questions from the opposition attacking Aboriginal fishermen. Almost predictably, during a response from Water Stewardship Minister explaining that Aboriginal fishing, the Member for Minnedosa called out, wine and beer.

Following question period, the Member for Minnedosa, along with the Member for Springfield (Mr. Schuler) came over to apologize to myself and to the Member for Rupertsland (Mr. Robinson). Following the remarks on Thursday, the Member for Minnedosa apologized for her remarks. Four separate apologies were made to myself, to the Member for Rupertsland, to the Government House Leader (Mr. Chomiak) and to Mr. Speaker.

The apology we received was necessary and appropriate. Mr. Speaker, since this incident, I have been in Ottawa on official business. I come back to hear the Leader of the Official Opposition on the radio denying the need for any apology to be made for the Member for Minnedosa's comments. He made those comments on CBC radio last night and again this morning, and this is the first opportunity that I have to raise this matter.

Mr. Speaker, I must also make a prima facie case for privilege. Insults during debates in the House are breaches of privileges of this House. The comments made by the Member for Minnedosa were insulting to me, to my constituents, and I would hope, to all members of this House, but she privately apologized and I accepted that apology. To my knowledge, she has not made a formal apology in the Chamber.

As an Aboriginal MLA, a treaty MLA with a treaty number, I have witnessed racism all my life. I have seen not so subtle ones and I have seen some

very direct racism directed at me. So I've become an expert, I'm afraid, to detect racism in whatever form it's thrown my way because I've lived with it all my life, in school and in the workplace and in everyday life. Often it comes out in so-called jokes which are not really meant to be humorous, but instead are set to reinforce privilege and power. Racist jokes really reflect the true feeling, the true value of the inside of that person making those jokes. We have seen it in the code language that's often used in this Chamber when discussions of self-government, child welfare and other issues are talked about.

I was shocked that the Leader of the Official Opposition (Mr. McFadyen) took the apology back in such a public forum as CBC radio. For the Leader of the Official Opposition to exacerbate the issue by announcing last night and this morning on CBC radio, a highly public forum, that no apology is necessary for those comments takes away any value from the Member for Minnedosa's (Mrs. Rowat) apology.

The Leader of the Official Opposition elevated the issue to a far greater height by making public the offensive comments and denying the need for an apology. His comments in the media make it seem as though this House accepts those sorts of comments being made. As a member of this House, I therefore have no choice but to raise this matter of privilege today since the very public comments by the Leader of the Official Opposition last night and this morning compel me to defend the integrity of this House and to demand that both the Member for Minnedosa and the Leader of the Official Opposition make apologies for the comments in as public a manner as his denial of the need for an apology was.

Mr. Speaker, I cannot be quiet anymore. I have sat in this House; I have been here for 18 years now, nine years in government, and I have listened to comments from the opposition. I know what those comments were all about, whether it was in child welfare, whether it's with treaty fishing, and so on and so on.

To make matters worse, Mr. Speaker, the Member for Minnedosa occupies the portfolio as the critic for Aboriginal and Northern Affairs. Now, in my experience as an opposition member, I always thought it was my job to make the government accountable for my constituents, whatever they do, policies, programs for my constituents. I also thought that I was an advocate when I was Aboriginal affairs critic, that I was supposed to question the

government on their sincerity working with Aboriginal people. In other words, I was an advocate for Indian rights, programs and services.

Now, since I've been here on this side of the House, I don't think I have ever heard any questions from members opposite asking questions about Aboriginal people in an advocacy way like they should, I think, especially if they're occupying that particular critic area. Whenever they get up to ask questions, Mr. Speaker, it's always in the sense that they're attacking us for working with Aboriginal people, in partnership with Aboriginal people, winter roads, northern road construction.

In fact, the Leader of the Official Opposition (Mr. McFadyen), in the last election, said, I'm going to bring all that northern money in the south where it belongs. Do you know who lives in the north, Mr. Speaker? Mainly Aboriginal people.

So that's why I move that a formal apology be made in this House by both the Member for Minnedosa (Mrs. Rowat) and the Leader of the Opposition. Thank you. Moved, seconded by the Member for Swan River (Ms. Wowchuk).

* (13:50)

Mr. Speaker: The honourable Leader of the Official Opposition. Before I recognize him, any other member wishing to speak, I remind the House that contributions at this time by honourable members are to be limited to strictly relevant comments as to whether the alleged matter of privilege has been raised at the earliest opportunity or whether a prima facie case has been established.

Mr. Hugh McFadyen (Leader of the Official Opposition): I hope I can be permitted some latitude as the Member for The Pas (Mr. Lathlin) has made a number of statements that I think require a direct reply. I will certainly address comments to the issue of privilege and the two-part test under the rules of this House that has to be met in order for a matter of privilege to exist.

I would say, at the outset, I have no doubt, and no member on this side of the House has any doubt, about the kind of discrimination and racism that has been faced by people of Aboriginal and Métis background through our province's history up until the present day. We have a history in our country which is a chapter in our history, which is one that is not one of, I think, pride or celebration for any Canadian, and that is the dealings between governments and some individuals and our First

Nations people. So there's no question, Mr. Speaker, that on the broader question, the challenge of overcoming discrimination and establishing within our country and our province the kind of common purpose and respect that should exist, is a task that is, as yet, unfinished.

Mr. Speaker, I, like many members of this House and like many Manitobans, and it might be something that wouldn't be well-known to many, have connections to our First Nations people and our Aboriginal community that are very personal and profound, an adopted member of my family who is Aboriginal. It's something that has been a source of pride, but also a source of pain, when racist and discriminatory comments have been made, in the past, as they happen from time to time in our province.

So I have no doubt that there is a sincere expression of pain and concern on the part of the member. I think it's important, also, though, that we put the issue before us today in some context. After the election of last year, there was a disclosure of receipts, of documents that the government had been hiding until after the election. Within that box of paper was a receipt from the Fairmont Hotel that showed that members of the Premier's advisory group had at taxpayers' expense been drinking beer and wine in the context of planning the Spirited Energy campaign. Those tax dollars were spent in that way. Questions were quite appropriately raised by the Member for Minnedosa (Mrs. Rowat), who had filed the access to information request, who had pursued disclosure when it came to the use of tax funds on the Spirited Energy campaign and who was one of the first to have access to those documents. So it's a file that is well known by the Member for Minnedosa, and it was a matter that was put to the government.

At the time, the Member for Assiniboia (Mr. Rondeau), responding on behalf of the government, said on television, in response to the disclosure that members of the Premier's Advisory Council had been drinking beer and wine at taxpayers' expense, he replied, it's sustenance, and that was the substance of his reply on television.

The comment was made to try to defend the position of the government, and whether or not it was a successful defence is certainly a matter for the judgment of others, but the use of the word "sustenance" was one that was taken note of by many members of the House and members of the media

and in connection with the consumption of wine and beer by the Premier's advisory group. To bring it forward to the debate, which was taking place last week, last Thursday to be exact, the Member for Tuxedo (Mrs. Stefanson) put a question to the Minister responsible for Water Stewardship (Ms. Melnick), who has responsibility for the fishery at Lake Dauphin. In the course of the minister's reply, she made reference, quite appropriately, to the issue of sustenance for the Aboriginal fishers on Lake Dauphin.

It was in response to the use of that word that the Member for Minnedosa (Mrs. Rowat) then gestured toward the Member for Assiniboia (Mr. Rondeau) and made reference back to the issue of beer and wine that was consumed by the Premier's Advisory Council and described as sustenance by the Member for Assiniboia. That's what happened, Mr. Speaker.

After the comment was made, the Member for Minnedosa realized very quickly that she had said something that could very easily be taken out of context. It could very easily be interpreted as a hurtful, discriminatory comment. Upon realizing that that potential existed, the member did what I believe is a very honourable thing and she immediately went to the minister, to the Member for The Pas (Mr. Lathlin), the member for Rupertsland, and the Speaker himself, and indicated that it was not her intent to make a comment that could be interpreted as racist, that it was a comment that was directed toward the Member for Assiniboia in the context of the Spirited Energy beer and wine that was consumed at taxpayers' expense by the Premier's Advisory Council.

So, in that context, and all of us from time to time say things in a give and take, back and forth across the floor that are part of the banter of this House, sometimes appropriately and very often not, Mr. Speaker. It goes both ways and all members know that. In this case the comment was made and the potential for misinterpretation existed. The member did the honourable thing, provided her explanation, and indicated that in the event that offence was taken, that was something that she regretted. That was the appropriate thing to do.

I then had the opportunity, after Estimates on Friday, to speak directly to the Premier (Mr. Doer) about the issue. I provided the same explanation to the Premier. He agreed at the time that it was not an issue to play politics over. He understood what the context was, and he indicated to me that he didn't

think that this was an issue that was appropriate for political debate. Later that afternoon, Friday afternoon, the Premier phoned me in my office and indicated that he had taken certain steps to identify whether it was anybody who reported to him responsible for posting the question period video and sending e-mails out to communities in order to raise concerns about whether or not a racist and inappropriate comment was made.

He indicated to me at the time that he wasn't able to ascertain who had done it and wasn't in a position to stop it. I understand the position he was in, and I respect and appreciate the fact that he did take steps to try to identify who was responsible for it and to have it shut down.

* (14:00)

Mr. Speaker, the issues that the Member for The Pas (Mr. Lathlin) is talking about are serious ones, and the Member for Minnedosa (Mrs. Rowat) has been a tremendous advocate on behalf of Aboriginal women and children, on behalf of Aboriginal communities, on behalf of many in our province who have needed an advocate on the opposition side of government on issues where they felt they weren't getting a response from the existing government. The member has taken forward issues in relation to the care of children. She has brought forward issues in relation to treaty land entitlement settlements.

She has brought forward issues with respect to economic development opportunities on the east side of Lake Winnipeg, where we have unemployment rates in the range of 70 percent to 80 percent, and many, many members of those communities indicating to us that they want nothing more than the opportunity to participate in the economy of our province, to find hope and opportunity through employment and benefit sharing. The Member for Minnedosa has been a strong voice on those issues.

I know that's been a source of agitation to members of the governing party. I know that they feel that they have a monopoly over standing up for Aboriginal people in our province, and the comments that have been made by the member, many of which are factually inaccurate and demonstrably, provably, inaccurate demonstrate an attitude that this governing party believes that they have a monopoly on representing the interests of Aboriginal people. We dispute that, Mr. Speaker, and many, many members of the Aboriginal community in our province would also dispute that.

So what we have are many important issues for debate in this House. We have the issue of 80 percent unemployment in many communities. We have issues of higher-than-average suicide rates in many of those communities, an issue which requires urgent attention. We have the issues of care within Child and Family Services, and we have many, many other important issues.

Mr. Speaker, I have said, contrary to what the members opposite would want to say, that we need a fair balance in our spending when it comes to infrastructure and development—

Mr. Speaker: Order. I've allowed members a lot of latitude, but now it's turning into a debate, and that's not what the matters of privilege are about. It should be dealing with the earliest opportunity in a prima facie case, but now it's turning into a debate. So, I caution the member, and I ask him to deal with the prima facie case, please.

Mr. McFadyen: Thank you, Mr. Speaker. So the test on a matter of privilege is whether or not some action has been taken, or words have been spoken, that might infringe and limit the ability of an MLA to effectively perform their duty as a member of the Legislature. That includes infringement of their democratic rights, their ability to participate freely in the matters before the Legislature, including participation in votes and debates and other important procedures within this Legislature.

There are two issues in a matter privilege, both of which must be addressed by the member bringing forward the matter. The first is whether the matter is being raised at the earliest opportunity. Mr. Speaker, I would argue that this matter has not been raised at the earliest opportunity. The comments that are the subject of the discussion today were made Thursday. There were direct discussions between the Member for Minnedosa (Mrs. Rowat) and members of the governing party on Thursday. There were discussions between myself and the Premier (Mr. Doer) Friday, where it was agreed that politics wouldn't be played for such a profoundly sensitive and painful issue for so many Manitobans. The House sat last week on Friday morning. It sat on Monday; it sat on Tuesday this week, and today is Wednesday. The opportunity to bring this forward existed as of Thursday, and here we are six days later, and the matter is now being brought forward. So I would submit that the matter has not been raised at the earliest opportunity.

Secondly, whether there has, in fact, been a breach of the privileges of the House, whether there's a prima facie case of privilege, and we would argue that there's been nothing done to impair the ability of members of this House to fulfil their duties and responsibilities as democratically elected members of the Chamber. Nobody has been prevented from speaking. Nobody has been prevented from voting or otherwise carrying out their duties. What we have is a member who has decided to play politics with a sensitive issue.

So, Mr. Speaker, I believe that an explanation, an explanation was required, and that's what I said yesterday in the media, that an explanation was required so that people understood the context and the intent of the comment. If the intent of the comment was an honest one, and if it was not a racist one, then that needs to be outlined, and all of us know, including members opposite, that the intent was not one that carried with it any sense of discrimination. The intent was related back to the Spirited Energy campaign.

So, that was what I said yesterday in the media. It called for explanation, but once the explanation was provided and it was clear that there was no racist intent, that the member owed nobody an apology, merely an explanation. That is what she has provided. That is what I provided in the media, and that is what we're putting forward today. Thank you.

Hon. Jon Gerrard (River Heights): I rise to speak to the matter of privilege raised by the Member for The Pas (Mr. Lathlin). I believe that the points raised by the Member for The Pas have some validity, and I believe my advice would be to the MLA for Fort Whyte and for Minnedosa to make an apology, because I think that in this case, it would be the smartest and most appropriate thing to do. Thank you.

Hon. Dave Chomiak (Government House Leader): Mr. Speaker, I certainly welcome the opportunity to comment. I think the advice of the Member for River Heights, in this instance, is the appropriate advice. I have looked for comments this afternoon in order to have the matter dealt with and, unfortunately, at this point that opportunity has been lost, and it should not have come to this.

There are examples, I think, when the former Minister of Health, Mr. Orchard, called Mr. Cheema a boy, whether he intended to do it or not, he stood up and apologized because of the ramifications of his comment.

With respect to timing, this matter did occur last Thursday, the Member for The Pas was out of town attending government business after the House had adjourned. So, in terms of timing, this is his first opportunity.

With respect to the issue itself and the facts of the situation, as put on the record by the Leader of the Opposition, I believe it's inaccurate. I was present during most of the discussions, in fact, after the comments had been made; I went over and talked with the Member for Minnedosa (Mrs. Rowat), in order to establish what, in fact, had happened and an apology was rendered. I thought of it—I actually thought for a while, and then I thought, no, this is a well-intended apology, and this is the appropriate thing to do. And the member apologized to the Member for Rupertsland and apologized to the Member for The Pas, and I believe, I heard had in fact apologized, and I indicated to members opposite that as far as I was concerned, the matter was done.

Now, with regard to the facts situation, we have a situation where the Leader of the Opposition, the Leader of the political party says, not only that there's no apology necessary, that no apology is forthcoming. In fact, that the comments were an explanation, which differs significantly from the personal apologies that were offered and, I think, well accepted, by members of this side of the House last Thursday, and in fact, should have ended the matter. But the matter has been made much more serious and difficult by virtue of a leader of a political party saying that, not only is his apology not necessary, it's not going to be offered and, in fact, the apology which was accepted by members of this side of the House was, in fact, an explanation.

* (14:10)

Mr. Speaker, if you are a First Nations person and you're a child you can't speak up. Who do you speak up to? If you're a First Nations person and you're an adult, who do you speak up to? If you're a First Nation person who is elected to this Chamber, you have a right, in fact, you have a duty to speak up.

Tomorrow we'll all be commemorating the Holocaust, and we'll all say, if only they had spoken up, Mr. Speaker, if only someone had said something.

Playing around with intent and trying to play legal definitions of the actions do not help the cause of this Chamber. The cause of this Chamber is justice and fairness to all Manitobans.

I suggest, Mr. Speaker, that given what happens in this Chamber, given the significance of what happens in this Chamber, given the impact what our words have on the public, that the appropriate course of action to deal with this matter and deal with it finally would be an apology and that would render the issue moot.

However, if an apology is not made, then the rights of members on this side of the House or members on any side of the House and First Nations are not satisfied by virtue of, quote, an explanation. Explanations have been given to people for hundreds of years, Mr. Speaker, and haven't solved anything. An apology can go a little way.

I respect the Member for Minnedosa (Mrs. Rowat) and I respect her for her comments on Thursday and apology and I accepted that. I said that to the House Leader and I said the matter was done. And as far as we were concerned, the matter was done. Then, yesterday and today, the Leader of the Opposition (Mr. McFadyen) who is responsible for a political party, said, not only is no explanation necessary, not only is an apology not necessary, it's only an explanation.

Mr. Speaker, I think we have a bigger responsibility to the public in this Chamber. We have a bigger role for rights, for liberties and particularly, to be very cognizant of the rights of minorities and to respect human dignity in any form. No matter if it's something that I say or the leader of the opposition says, if it can be taken out of context and cause hurt or pain, Mr. Speaker, I think we owe an apology.

I would strongly recommend that we follow the advice of the Member for River Heights (Mr. Gerrard) and dispose of this matter by not defining the issue as being solved by, quote, an explanation, when it's clear that it's now unclear because of the Leader of the Official Opposition's comments, and dispose of it the way that Don Orchard with the Member for Maples and say, regardless of what my intent was, what I said can be seen as demeaning and can be seen as affecting people's rights. As a member of this Legislature, I owe it to another member of the Legislature to apologize for that.

Mrs. Leanne Rowat (Minnedosa): I appreciate the comments that were shared by all members of the House. I want to thank the Member for The Pas (Mr. Lathlin) for his comments.

The context of the statement made last Thursday was made not to be malicious, it was made in jest to the Spirited Energy campaign. I clearly stated that in my comments to the individuals that I spoke to after question period. If I offended anybody based on the comments that were made, I apologize for that.

Mr. Speaker: I thank all members for their contributions and that should take care of the matter.

Some Honourable Members: No.

Mr. Speaker: Order. Let me consult with the table for a second here.

Okay, that does not end the matter because the request was in the matter of privilege. The request was by formal apology by the Member for Minnedosa (Mrs. Rowat) and the Leader of the Official Opposition (Mr. McFadyen). We've heard from the Member for Minnedosa. That takes care of that issue, but we still have the issue pertaining to the Leader of the Official Opposition.

Mr. McFadyen: Mr. Speaker, given that the statement that caused offence—and I understand how it could have been interpreted in a way that would cause offence—was made by the Member for Minnedosa and the Member for Minnedosa has addressed the issue directly, I believe that the issue is now moot. Thank you.

Mr. Speaker: No, a matter of privilege is a very serious concern. I'm going to take this matter under advisement and I'll consult the authorities and I will return to the House with a ruling.

PETITIONS (Continued)

Bill 200, The Waste Reduction and Prevention Amendment Act

Hon. Jon Gerrard (River Heights): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

Plastic bags are harmful to humans, animals and the environment.

Toxins from photodegradation, the breakdown of plastic bags, end up in Manitoba's soil, waterways and food supply.

Plastic bags take many years to photodegrade and are a blemish on our roadways, parks, streets, hang from bushes and trees and litter our landfills.

There are many alternatives readily available, ranging from re-usable bags to biodegradable bags to crates and boxes.

We petition the Legislative Assembly of Manitoba as follows:

To urge all members of the Legislative Assembly to consider supporting Bill 200, The Waste Reduction and Prevention Amendment Act, presented by the honourable Member for River Heights, which will ban single-use checkout bags in Manitoba.

Signed by Robert Evenson, Camean Holenski and Logan Brunette and many, many others.

Provincial Nominee Program—Applications

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

The background to this petition is as follows:

Immigration is critically important to the future of the province, and the 1998 federal Provincial Nominee Program is the best immigration program that Manitoba has ever had.

Lengthy processing times for PNP applications causes additional stress and anxiety for would-be immigrants and their families here in Manitoba.

The government needs to recognize the unfairness in its current policy on who qualifies to be an applicant.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to consider establishing a 90-day guarantee for processing an application for a minimum of 80 percent of applicants that have family living in Manitoba.

To urge the provincial government to consider removing the use of the restrictive job list when dealing with the family sponsor stream.

This is signed by R. Manabat, E. Silva and C. Tomas and many, many other fine Manitobans.

Thank you, Mr. Speaker.

TABLING OF REPORTS

Hon. Theresa Oswald (Minister of Health): Mr. Speaker, I'd like to table the Manitoba Health and Healthy Living Supplementary Information for

Legislative Review, 2008-2009, Departmental Expenditure Estimates.

Introduction of Guests

Mr. Speaker: Prior to oral questions I'd like to draw the attention of all members to the public gallery where we have with us today Colleen Smook who is the recipient of the Lieutenant-Governor's Volunteer Award for the NOR-MAN region. She is accompanied by her husband, Nick Smook, and former Volunteer Award recipient Bobbie Montean, who are the guests of the honourable Minister of Intergovernmental Affairs (Mr. Ashton)

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

* (14:20)

ORAL QUESTIONS

College of Physicians and Surgeons End-of-Life Decision Protocol

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, all Manitobans know what great medical care we receive from Manitoba's physicians. They exercise a high level of diligence and excellence in everything that they do. In very many cases, those physicians, particularly those that work in emergency rooms, are called on to make very difficult decisions in a very difficult context. In particular, I refer to those situations where physicians are considering matters related to lifesaving treatment and end-of-life decisions.

Mr. Speaker, some years ago a process was undertaken by the Law Reform Commission of Manitoba. A report was written, under the leadership of Professor Phil Osborne from the University of Manitoba Law School, that recommended certain guidelines be put in place to guide physicians as they deal with end-of-life decision-making in the medical context.

A couple of months ago, the College of Physicians and Surgeons of Manitoba released a statement which outlined a protocol to be followed by physicians as they go about making these profoundly important and sensitive decisions. Mr. Speaker, since that time, concerns have arisen and, in particular, concerns from the disabled community and the Association for Community Living and others, about the understandable anxiety over the potential for physicians to use that power and authority under the statement in ways that may be inappropriate.

Mr. Speaker, we know that the college has listened carefully, but these concerns continue to exist. In particular, in a letter written on March 31 by Val Surbey on behalf of the Community Living association, she indicated that some of the individuals live with complex medical needs and rely upon the life-sustaining treatments alluded to in the document for their very existence. They went on to say that the repercussions of the College of Physicians and Surgeons' statement have far-reaching effects that could compromise the futures of many other people who lead lives that some health professionals may view as futile, in quotes, due to impaired cognitive mental and/or physical functioning. We know that our physicians exercise outstanding judgment, but there is a statement that exists today that is causing some understandable anxiety among members of the disabled community.

I just want to ask the Premier whether he has had any communications with the college on the issue and, if so, whether he can brief the House on the status of those discussions.

Hon. Gary Doer (Premier): Mr. Speaker, as I recall, the Law Reform Commission report recommended that the government seek advice from the College of Physicians and Surgeons and families and the public in this matter. The College of Physicians and Surgeons has issued guidelines. The chair of that body, or the chief officer, Dr. Pope, is both a lawyer and a doctor, dealing with both of the issues raised by the Law Reform Commission. The issues the doctors deal with every day, and, as I understand it, the college did put out guidelines. There have, subsequent to that, been court decisions made on individuals and, obviously, the Legislature is bound by decisions made in court. Any advice we have from the disabled community, we will respect in this regard.

Mr. McFadyen: It's clear, at this stage, based on the interim judgment of Justice Schulman on the Golubchuk case, that there's a certain amount of uncertainty in terms of what the law is with respect to the rights and powers of physicians in these very difficult and challenging circumstances.

So, in that context, the statement that has been issued would appear to grant to physicians a power that many did not believe previously existed. That is a perception, Mr. Speaker. I know that there was a careful process of consultation undertaken by the college. I know they're sensitive to the concerns that

have been raised, but there are outstanding issues that have yet to be responded to by the college which is the appropriate level at which to deal with the issue.

I just want to ask the Premier whether he would, if he hasn't already, undertake to raise the issue with the college and ask what their intent is in terms of responding to the correspondence dated March 31 that they received, as well as the other comments that have been provided to the college on this very important and sensitive issue.

Mr. Doer: I just had a note based on my earlier answer, and the 2003 Law Reform Commission recommendation to the public of Manitoba and the medical community included: The Commission does not favour legislated implementation of these principles dealing with the withdrawal of life-sustaining treatment. It's preference is to see them embodied in statement or bylaw by the College of Physicians and Surgeons of Manitoba.

And, certainly, it goes on to say that we've got to be very careful about politics in very important issues of ethics, religion and medicine. This whole issue also is potentially before the Court of Queen's Bench based on the lower court's decision on this matter, and certainly, to date, we've been operating on the basis of the recommendations of the Law Reform Commission to the College.

Mr. McFadyen: Mr. Speaker, I still didn't get a response to the question so I'll put it again.

We know what the recommendation of the Law Reform Commission is. We are not, today, advocating that these issues be resolved through legislation which we would accept is too blunt an instrument to use in such delicate cases, where case-by-case judgments need to be exercised. However, we do agree that dealing with the issue at the level of the college is the right way to go.

What has happened though is that the college has issued a statement. That statement has generated some understandable concerns and new issues, and to date, we're not aware that those concerns and issues have been addressed.

So my question to the Premier is: Will he undertake to discuss those issues with the college and ask them what their plans are in terms of responding to the issues that have been raised and when we can expect a response and what their current thinking is in terms of how those issues might be properly reflected in the statement?

Mr. Doer: Well, Mr. Speaker, we have accepted the advice of the Law Reform Commission. The issue of directing the College of Physicians and Surgeons on a medical matter is something the government has not undertaken in the past. Issues dealing with the public views on the original MMA, or the college guidelines, pursuant to the Law Reform Commission, the lower court decision, ultimately a decision of the Court of Appeal, which will take into consideration, I would imagine, case law in Canada, which includes advice from the disabled community and the proposed bylaws by the college, I'm sure the court will consider.

In terms of discussing issues with the college, I know the Minister of Health (Ms. Oswald) does that from time to time, as I say, in a non-directive way, and certainly, issues with the disabled community will be followed by our government.

I would point out, Mr. Speaker, that we also followed the advice of the disabled community in Manitoba when we were dealing with proposed changes to the social welfare legislation that was proposed in 1999, so we always listen to those members.

Personal Tax Rates Government Response

Mr. Rick Borotsik (Brandon West): Mr. Speaker, today, April 30, is a very distressing day for Manitoba taxpayers. Today is tax-filing day. Today is the one day that we realize just how much the Finance Minister of this province is gouging Manitoba taxpayers.

Not only are we the highest-taxed province west of Québec, but using the Province's own numbers in this year's budget, we realize that a family of four earning \$60,000, can expect this year a whopping \$55 in tax savings, Mr. Speaker. Oh, no, no, no, I'm sorry. I'm sorry, I forgot two family cars, \$40 in additional registration, this family is going to receive \$15 this year in tax savings. I wonder if the Minister of Finance can tell me what he's going to do with his \$15.

*(14:30)

Hon. Greg Selinger (Minister of Finance): Mr. Speaker, it's pretty obvious the member opposite doesn't even take the time to read the paper, where once again it's reported that Manitoba is the province, for the second year in a row, where the wages are growing faster than any part of the country.

Mr. Speaker, if the member will look at the budget, he will see that there's a property tax credit which will actually lower school taxes in Manitoba, as last year, Manitoba was the only province that saw less school taxes. He will see less personal income taxes. He will see a higher threshold for income taxes. He will see a caregiver's tax credit, and he will see an increase in the exemptions. And all things in, Manitoba remains one of the most affordable places to live anywhere in this country.

Mr. Borotsik: Mr. Speaker, that is absolutely an absurd answer. I am talking about personal taxes, personal tax gouging. Taxpayers in this province have choices when it comes to what kind of mortgage they want to get, or what kind of automobile they want to buy, or whether they want to conserve energy and gasoline. They have choices to do that. But they have no choice as to the amount of taxes that this minister is going to put on their backs.

This tax year, today, Mr. Speaker, Ontario taxpayers pay \$1,187 to their provincial treasury. In Manitoba, this Finance Minister is going to receive \$3,276. His numbers, is he so proud of that, that he is such a bearer of bad news.

Mr. Selinger: Mr. Speaker, what we're proud of is that, since we've been in office, the disposable income of Manitobans has gone up over 10 percent. When members opposite were in office, disposable income went down 6 percent. The actual amount of money in people's pockets shrunk when they were in office. When we've been in office, the actual amount of money has grown by over 10 percent. This has reflected itself in robust retail sales. It has reflected itself in a robust housing market. It has reflected itself in rising wages. It has reflected itself in Manitobans that have more prosperity now than they've seen in over a decade.

Mr. Borotsik: Mr. Speaker, the minister raises minimum wage by 50 cents, and, therefore, wages are increasing in the province of Manitoba. He talks about a \$75 rebate on the property tax. If he would fund education the way they should fund education, they wouldn't have to collect it in the first place.

By the way, my taxes in my school division went up 6.9 percent. That's over \$75 that I'm going to have to pay in my division for more taxes. He took away my \$75.

Wages and disposable incomes are not going up in this province, Mr. Speaker. He's taking more

money out of the pockets of Manitobans. Today is the day that he has to be responsible for that.

Mr. Selinger: Mr. Speaker, there's only just one small problem with everything the member said. He contradicts the evidence. He doesn't have any facts to support what he's doing. The reality is the property tax credit, which had been reduced from \$325 to \$250, is now a minimum of \$600. It's gone up over double since we've been in office, and it will go up even more as we move ahead. The tax system has been simplified. There were literally thousands of taxation levels with a net tax and a surtax on everybody over \$30,000. Both of those taxes have been eliminated. We have three brackets now, and the thresholds in all those brackets have gone up. So there's more money in the pockets of Manitobans.

Provincial Population Decline Government Response

Mr. Larry Maguire (Arthur-Virden): Well, Mr. Speaker, the minister's so far behind he thinks he's catching up. As Manitobans, we all want sustainable opportunities in our province for our youth. We want our sons and daughters to stay in Manitoba, build their lives, start their families here. Unfortunately, we're still seeing an outflow of people in Manitoba to other provinces.

In 2007, according to Stats Canada's interprovincial migration numbers, we saw almost a net loss of 1,400 people pack their bags and go to other provinces, Mr. Speaker. In virtually every category Manitobans pay the highest tax in the west. Why doesn't the Minister of Competitiveness, Training and Trade take action to make Manitoba more competitive and stop the exodus of people from this province?

Hon. Andrew Swan (Minister of Competitiveness, Training and Trade): Well, indeed, I thank the member opposite for the question. You know, being in charge of Competitiveness, we can talk about wins and losses. Let's talk about losses in the '90s. In the '90s, 16,094 people, more people left—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I remind members that we do have some rules in this House and one of them is when the Speaker is standing that all members should be seated and the Speaker should be heard in silence. I ask the co-operation of all honourable members. Let's have some decorum. The honourable Minister of Competitiveness, Training and Trade has the floor.

Mr. Swan: Thank you, Mr. Speaker. I believe it was the Premier (Mr. Doer) who quite correctly said, you can't handle the truth. In the '90s, this province lost 16,094 people to other provinces. Since 1999, Manitoba has gained 17,164 people. The policies of this government are growing our economy, growing our population and making this a better place to live.

Mr. Maguire: I'm sort of disappointed, you know, Mr. Speaker. Being a new minister I thought he'd at least start in the right century, never mind the right decade.

Mr. Speaker, in 2008 a Manitoba family of four making a combined total of \$60,000 will pay more tax in Manitoba than any other western province. They pay \$445 less in Saskatchewan. They would pay \$1,460 less in Alberta, \$1,906 less in British Columbia and \$2,069 less than Ontario. That money goes a long way for a young family.

Mr. Speaker, how can this Minister of Competitiveness continue to support his government when his Premier and his Minister of Finance are gouging Manitoba taxpayers, particularly families and seniors? Doesn't the minister have any say in this Cabinet whatsoever?

Mr. Swan: Mr. Speaker, I know my friend referenced young Manitobans. I'm quite happy as well to talk about this government's policies which have actually increased the number of young people in Manitoba.

Let's look again at the win-loss column. In the 1990s, Manitoba lost 5,246 young people; shameful, people leaving this province because they saw no future with the Progressive Conservative Party in charge. Since 1999, Manitoba has seen a net gain of 12,537 young people and every year since 1999 more young people have moved to Manitoba than have left. Sir, those are the facts.

Bail Monitoring Police Resources

Mr. Gerald Hawranik (Lac du Bonnet): Mr. Speaker, time and time again, criminals are being released on bail into the community, and time and time again, they create more and more victims. So I ask the Minister of Justice: If he won't keep them in jail, why does he refuse to provide sufficient police resources to monitor those who are released on bail?

Hon. Dave Chomiak (Minister of Justice and Attorney General): The member will know in our co-operation with the federal government, the

Criminal Code is going to be amended to ensure the people have longer *[inaudible]*

Mr. Speaker: Order.

Mr. Chomiak: –and have less opportunity *[inaudible]*

Mr. Speaker: Order.

Mr. Chomiak: May I also remind the member that he was at the same event I was on Saturday night where the head of the Police Association said, when provinces sit by the table, they all look with envy on Manitoba as the most generous province for police officers in the entire country, quoting the head of the Winnipeg Police Association on Saturday night.

He was there; he heard it. Vic Toews praised us as well. I don't know where the member was at that particular time but I think he ought to recognize they voted against every increase in police officers we've had in this Legislature since 1999.

* (14:40)

Mr. Hawranik: The minister is continuing to sound like a broken record here in this Chamber. Because the minister refuses to provide sufficient resources to monitor offenders on bail, the police are forced to follow a trail of victims before apprehending the offender.

The minister is responsible for creating this catch-and-release justice system in Manitoba. I ask the Minister of Justice: Since he refuses to provide sufficient resources to monitor offenders, why does he refuse to keep them in jail?

Mr. Chomiak: I think we have one of the highest incarceration rates in the country. The member knows that; he's got the stats.

In addition, Mr. Speaker, with our partners in Ottawa who make the Criminal Code, they are going along with our recommendations. They've made changes effective May 1; they've made changes effective July 1 with respect to dangerous weapons, et cetera, which will have mandatory minimum sentences. We're happy to see that and we'll see more people in jail.

I wish members opposite would put their money where their mouths are and vote in favour of additional police officers rather than voting against it, as they do in every single budget, and then complain. They voted against the additional 150 officers we have, and they voted against the

additional 20 that we're putting in. They can't have it both ways, Mr. Speaker; they try.

Mr. Hawranik: I'll provide the minister with an example of his failed policies. Two gang associates stormed into a Winnipeg home last month, shot six people; three are dead. These were gang members who were on bail. This is a stark reminder of the catch-and-release justice system created by this NDP government, Mr. Speaker. Three people died because of the incompetence of this government.

I ask the Minister of Justice: It's time for a review of bail in this province. Will he call one?

Mr. Chomiak: That has already been done. We have already gone to the legislators who make bail provisions, the federal government. We did it in 2006; we did it in 2007. Some provisions are in place. The minister is coming here to Manitoba soon to make other discussions and changes. We welcome that.

The member knows we have no jurisdiction over bail provisions and criminal law; he knows that. He knows we worked hard and he should know that the member responsible, the Minister of Justice, invited me to come to Ottawa to stand beside him, to invoke tougher sanctions. We support that; we always will, Mr. Speaker. I wish he'd get on side and support our efforts.

Child and Family Services Legislation Government Initiatives

Mr. Stuart Briese (Ste. Rose): The Child and Family Services legislation introduced by the minister yesterday is a day late and a dollar short, and it doesn't go far enough. So far, it's nothing more than words on paper. The legislation will be meaningless, if it's not backed up with real changes to the way the system works.

Will the minister back up his words with action or is this just another case of NDP spin?

Hon. Gord Mackintosh (Minister of Family Services and Housing): It's my hope that members opposite will actually support that bill because I know, Mr. Speaker, that they used to support the idea that we should have increased powers for the Children's Advocate, then stood up in this House and voted against it.

They, at one time, said that they were in favour of broader powers for child death reviews and then they stood in this House and voted against it.

I know that at one time they said that the Ombudsman should have some review mechanism for the recommendations from child death reviews, and they stood in this House then and voted against it.

So I know, Mr. Speaker, they like to say one thing one day and another thing another day. I hope they will support this bill; that's very important, we think, to put an exclamation mark on the need to ensure that child safety, indeed, is job one.

Mr. Briese: This NDP government has a long history of saying one thing and doing another.

When the lives of children, like Gage Guimond and Tracia Owen are at stake, this is simply not acceptable.

Is this just another PR gesture from the NDP, or is the minister going to back it up with real changes to the structure and accountability of the system?

Mr. Mackintosh: Well, Mr. Speaker, I think those words would be louder, quite frankly, if in fact the record of members opposite sort of went along with what they're professing today, because I noticed here I just had a note from the department that showed that the investments and the strengthening of the child welfare system has gone up by 152 percent since we came into office, but I also notice there's a little bar graph there showing that that was done over the course of eight successive budgets. I don't know what members opposite recall, but I recall them voting against eight successive budgets. I say shame on them.

Mr. Briese: Mr. Speaker, this NDP government, it's too often all talk and no action.

If the minister fails to back this legislation with real changes, we will see more tragedies. More children like Gage Guimond who died because his safety was not put first.

So I'll ask the minister again: Is he going to back up the legislation with real changes to the system or is the legislation supposed to fix the system all on its own?

Mr. Mackintosh: Mr. Speaker, of course the legislation will be backed up by the changes that are underway: Changes for Children, a further strengthening of the standards and training.

But I remember distinctly, Mr. Speaker, a record of cuts to foster children, to their recreational opportunities, to their food, to their transportation by

15 percent. That's the kind of people members opposite showed themselves to be when they had the ability to make decisions that would affect the most vulnerable children. We've increased those supports to foster children. We've increased them by at least 23 percent; 15 percent down, then; 23 percent up, us. That's the record. It speaks for itself.

Child Welfare System Caseload Standards

Mrs. Mavis Taillieu (Morris): Well, Mr. Speaker, I think that they should look at the record of the number of children that have died in the child welfare system since they took office.

Mr. Speaker, this CFS legislation introduced yesterday missed an opportunity to address one of the biggest problems in the system, and that is the sky-high caseloads. This NDP government cannot ensure the safety of children when the front-line caseloads are more than twice that recommended by the Child Welfare League of America.

Why has the minister ignored this critical issue in this legislation?

Hon. Gord Mackintosh (Minister of Family Services and Housing): Mr. Speaker, since coming into office there was a very serious record of—extremely high caseloads is determined not by members in this House but by inquest judges. Caseloads of 40, 50 and more—

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Mr. Mackintosh: But Mr. Speaker, over the period of time we have been in office and as a result of the investments that members opposite continually and consistently voted against, we've been able over successive ministers to increase the investment in front-line resources, and most recently, under Changes for Children, the department advises that we have added 92 more positions for front-line relief. That's going to work for children.

Mrs. Taillieu: But in 2003, the Member for Brandon East (Mr. Caldwell), who was the Minister of Family Services then, promised to set workload standards. Five years later, three ministers later, still not done, Mr. Speaker.

Since then we've seen the tragic deaths of too many children that this government has failed to protect.

Why is this minister failing front-line workers and failing children by refusing to take this issue in hand and put it in the legislation?

Mr. Mackintosh: Well, first of all, the members opposite, I know, have researched this enough to know that caseloads don't always measure workload, and that's why there's a workload relief initiative underway, Mr. Speaker.

But also, a part of the relief for front-line workers, aside from our adding of 150 more staff resources, under Changes for Children over the three-year mandate of Changes for Children, it's important that there be enhancements to the information management system. That is happening, Mr. Speaker. But, very importantly, today I would like to announce for the House, because I don't think we have made this announcement in the House. Last time we reported that there was an increase of 500 more foster beds for Manitoba children. Today I am pleased that Manitobans have come forward for 900 more foster beds.

* (14:50)

Mrs. Taillieu: Well, Mr. Speaker, in a survey of social workers conducted by Viewpoints Research in March, 46 percent of social workers said their single biggest concern was caseloads; 35 percent said they had caseloads of over 30 children. Another 14 percent said they had caseloads of over 40. The Child Welfare League of America recommends caseloads between 12 and 15. The NDP have broken their promise and have failed to protect those of our vulnerable children in our province, Mr. Speaker.

When is this minister going to implement caseload standards?

Mr. Mackintosh: Mr. Speaker, what's important is that workloads be distributed fairly. The member wants to quote from the Child Welfare League of America. *[interjection]* I think she already asked the question but I know she's worked up.

Currently, no universally accepted formula for computing caseloads exists, Mr. Speaker. That's the Child Welfare League of America. What we're doing is putting front-line workers in place—*[interjection]*

Mr. Speaker: Order.

Mr. Mackintosh: You'd think they would learn about heckling in this House, Mr. Speaker.

Mr. Speaker, with the Changes for Children initiative under way, there is relief for the front-line

workers in child welfare. I know, when they were in office, there was a document produced by the government employees union called crises in child welfare. We are bound and determined to provide that relief, provide help in terms of the information management system, more foster resources. That's—

Mr. Speaker: Order.

Brain Injury Patients Rehabilitation Services

Hon. Jon Gerrard (River Heights): Mr. Speaker, one of the most serious injuries is a brain injury. It's a physical injury, and it can have long recovery times and often life-long sequelae. Yet support for individuals with brain injuries, to help them return to their community to recover, to reintegrate into society, to have productive lives, has been minimal under this government.

When will the Premier act to ensure adequate support in the community for those individuals who've had brain injuries?

Hon. Kerri Irvin-Ross (Minister of Healthy Living): We have been working on this diligently for a number of years. The first thing that we can point to is the investment into Selkirk Mental Health. In that redevelopment of Selkirk Mental Health, there will be 30 beds for rehabilitation. There will be a five-bed facility for acquired brain injury which will help the individuals go back out into the community, will provide the supports around them so they can continue to contribute in the community and have the adequate services that are necessary.

Mr. Gerrard: Mr. Speaker, that is precisely the point that I'm making. They're providing support in institutions but they're not providing support in the community to help people integrate.

David Sullivan, who is the executive director of the Manitoba Brain Injury Association, is here today in the gallery. He has approached the government numerous times. They have failed to understand the importance of supports for people with brain injuries in the community.

When will the Premier (Mr. Doer) act to make sure those supports are there?

Ms. Irvin-Ross: Mr. Speaker, we meet with community groups all the time to discuss what we are doing and when we discuss these issues with them, we listen to them. That's why we've developed acquired brain injury centres in Selkirk and in Thompson. These services will help provide the

individuals with the support they need to get into the community with the acquired support. This is essential that we work together, but we also have to talk about the 30 beds of rehabilitation at Selkirk Mental Health which will provide services as well and also help to encourage to move them back out into the community. Those services are available.

Bike-Helmet Legislation Government Support

Hon. Jon Gerrard (River Heights): The problem with patients with acquired brain injuries is support in the community. That's what the government should address, but we also need to prevent brain injuries.

An effective way to do this is to have mandatory bike-helmet legislation. The Warda report said current promotion activities are not resulting in an increase in helmeted cyclists nor reduction in head and facial injuries, supporting a need for helmet legislation.

Why has the Premier (Mr. Doer) failed to support bike-helmet legislation? This has clearly been shown to reduce injuries, reduce brain injuries, reduce costs to government and the taxpayers and is well supported by the Manitoba Medical Association.

When will the government support mandatory bike-helmet legislation?

Hon. Kerri Irvin-Ross (Minister of Healthy Living): Mr. Speaker, we have a strong campaign on injury prevention, specifically around bike helmets. I am proud to stand up in this House to say up to 2006 we have distributed 31,000 bike helmets to Manitobans. I know over 1,500 of those helmets have gone to low-income families that can't afford these bike helmets, but we ensure that they have access to them.

This is only one part of the strategy. We have a robust public campaign called Protect Your Noggin. We continue to work with the community as well as with service providers to ensure that these helmets and the importance of wearing helmets is known by all Manitobans.

Economic Growth Government Record

Mr. Mohinder Saran (The Maples): Mr. Speaker, I am pleased to note that Manitoba's economy remains strong. Social programs are reducing social deficits. We have a balanced approach. Statistics Canada has

released figures that show Manitoba is doing well in terms of wage increases and employee growth.

Would the Minister of Competitiveness, Training and Trade advise the House of what this means to Manitobans?

Hon. Andrew Swan (Minister of Competitiveness, Training and Trade): Mr. Speaker, I can tell the member that it means more jobs, it means higher wages, a better standard of living and a brighter future for Manitoban families. You know, we are indeed doing well. Just yesterday StatsCan released some data on payroll and employment and noted in the last 12 months Manitoba with a 4.5 percent increase had the second-strongest year-over-year earnings among the provinces. To use the favourite terminology of the Member for Brandon West (Mr. Borotsik), we are eating Saskatchewan's lunch.

On a year-to-date basis, Manitoba's weekly earnings have increased by *[inaudible]* percent, which is not second, but the top growth among all provinces in Canada, well above national earnings. So, indeed, I know the Member for Brandon West is hungry, we are continuing to eat Saskatchewan's lunch, and we will continue to do so working in partnership with business, with universities, colleges and all Manitobans.

Ebb and Flow Community Emergency Services

Mr. Stuart Briese (Ste. Rose): The 2,500 residents of the Ebb and Flow First Nation and Bacon Ridge are concerned about EMS services. There are approximately 200 EMS calls per year, and most residents are transported in private vehicles because of the length of wait time. This is a serious safety concern for the residents of the area.

I ask the minister: When will the government do the right thing and provide the people of Ebb and Flow and Bacon Ridge with timely, safe ambulance services?

Hon. Theresa Oswald (Minister of Health): Mr. Speaker, certainly we want to ensure, as we work with our communities, municipalities, that we have services available to all Manitobans in a timely way. That's why our investments over time have not only been of the capital nature, we know that we have spent millions of dollars over the last several years to replace 160 ambulances on the road. We know that we, last year, invested 1.3 million to begin a primary care paramedic program, the first of its kind in Manitoba, to ensure we have the human resources,

but we recently announced our investment of 4.4 million to broaden the health human resources in the area, to gather our data from the Medical Transportation Coordination Centre located in Brandon to get the best data that we can to ensure that our response times are the best that they can be.

*(15:00)

Teulon Personal Care Home Renovation Needs

Mr. Ralph Eichler (Lakeside): The Interlake Regional Health Authority has recommended to this government that the proposed addition to the Teulon personal care home be moved forward as a No. 1 priority for the past number of years, and we have not seen any movement from this government. Families are being taken out of their community and moved into a new one.

Will the Minister of Health tell this House when the seniors of our community can expect the addition to the personal care home in Teulon?

Ms. Oswald: Mr. Speaker, of course we work very diligently in partnership with the regional health authorities and with communities to do the best that we can for each community on the capital investment side. That's why we have improved or renovated, you know, some upwards of over 80 medical facilities in the province since taking government. We are going to continue to work with the region to discuss priorities. I think the member might find it opposite that about six months ago the leader of his party suggested we were spending too much on capital. He might want to talk about that in their next caucus meeting.

Mr. Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

Minnedosa Husky Energy Ethanol Plant

Mr. Leonard Derkach (Russell): Mr. Speaker, today I rise to congratulate the Minnedosa community and the MLA for Minnedosa (Mrs. Rowat), along with Husky Energy, on the opening last Saturday of the Husky Energy ethanol plant in Minnedosa. Now, why do I rise to do that today? This type of industry, as rural development critic, I have to tell you that this is the very type of industry that our party worked very hard at when we were in government. Today, I am pleased to say that rural Manitoba is alive and growing despite the lack of attention that it is paid by the government.

Today, I want to congratulate the community of Minnedosa, its mayor, the farming community around Minnedosa who formed an organization to ensure the grain procurement was in place. I want to congratulate Husky Energy for taking that leap of faith and investing in Manitoba and ensuring that its plant is one of the largest, one of the cleanest in this country.

I also want to say congratulations to Husky Energy for the contributions that it made to the community of Minnedosa. But, most importantly, I want to talk about and thank the MLA for Minnedosa for her persistent efforts in not only meeting and encouraging the community and working with the community but, indeed, working with the farmers in the area and working with the Husky Energy plant.

But at the opening, I want to say something about the way that this member was ignored by the government of the day. Now the representative for the government, on that particular day, was the Minister of Agriculture (Ms. Wowchuk). Now, if she had any decency, any kind of respect, any kind of dignity in her position as the Deputy Premier and the Minister of Agriculture in this province, she would have at least acknowledged the work that was done by another member of the Legislature in bringing this project to fruition, Mr. Speaker. But she didn't have the dignity, she didn't have the respect, in fact, her comments were almost malicious. I think that this is despicable, and I feel—

Mr. Speaker: Order.

Osborne House

Mr. Doug Martindale (Burrows): Mr. Speaker, I rise to highlight the fundraising breakfast held by Osborne House at the Fort Garry Hotel last month, and the important work Osborne House does to respond to the needs of women and their children who've experienced domestic violence. The breakfast, with guest speaker Tanya Brown, was a very successful event that I along with the ministers of Healthy Living (Ms. Irvin-Ross), Family Services and Housing (Mr. Mackintosh) and MLAs for Kirkfield Park (Ms. Blady), Rossmere (Ms. Braun) and Wellington (Ms. Marcelino) were privileged to support.

Osborne House provides a safe and supportive environment for abused women and their children on a 24-hour basis, seven days a week. Last year alone, Osborne House answered nearly 8,000 crisis telephone calls, provided crisis accommodation to

523 women and 355 children, and a further 326 and four children accessed their non-residential and follow-up services. Osborne House not only provides a safe place to stay for women and their children who are in flight from danger, but also provides counselling and much needed support as women step away from violence and step towards rebuilding their lives.

The Manitoba government believes in the importance of organizations like Osborne House. That's why I'm proud that under our government, the Department of Family Services and Housing has increased funding for women's shelters by nearly 70 percent since 1999 in order to enable these organizations to continue the vital work they do.

Mr. Speaker, I wish to commend the staff, volunteers and board members of Osborne House for their ongoing work toward the elimination of domestic violence. Through the safety and support they provide, Osborne House empowers women and their children, enabling them to take a brave step toward a life free of domestic violence.

Romeo Club

Mr. Kelvin Goertzen (Steinbach): Mr. Speaker, it's a pleasure for me to rise this afternoon to pay honour to a special group of individuals from my constituency.

Yesterday morning, my wife, Kim, and my son Malachi and I had the opportunity to host a group of 70 seniors from southeastern Manitoba here in the Manitoba Legislature for breakfast. This club is made up of seniors from around the region. They're known as the Romeo Club. They're a seniors' breakfast group that meet weekly throughout southeastern Manitoba in a variety of different settings and in a variety of different restaurants for breakfast to have fellowship and to meet with others in the regions.

They have, through their lives, contributed greatly to the province of Manitoba and to the region which I am fortunate to represent. They make up pastors, some of them are former mayors, farmers, business owners, and really from all different walks of life. I think it's fair to say, and certainly wouldn't be an overstatement to say, that they really are and have been the backbone of the communities of southeastern Manitoba.

Today, they remain active not only in their breakfast club that they have weekly but also in charities and many community events throughout

southeastern Manitoba. They've offered me personal advice and personal support through their words of encouragement and through their prayers during my time in elected office, and certainly I have always appreciated their support and their kind advice on my role here in the Manitoba Legislature.

Mr. Speaker, on behalf of all the members of this Legislature and on behalf of all Manitobans, I want to thank these seniors, this group of men and women, for their personal support, but, really, more importantly and more distinctly, for the work that they've done in building our great province and all of southeastern Manitoba.

They truly are great Manitobans, Mr. Speaker.

World Press Freedom Day

Ms. Erin Selby (Southdale): Mr. Speaker, I rise today to highlight World Press Freedom Day, which will take place this Saturday. Adopted by the UNESCO General Conference in 1991, and subsequently proclaimed by the United Nations General Assembly in 1993, World Press Freedom Day reminds all of us of the important role a free press plays in strengthening democracies and fostering development around the world.

The media not only informs people of what is going on in their world, but it also empowers individuals to participate in the life of their community by encouraging debate and enabling citizens to hold government accountable for their actions.

Journalists are also one of the many important voices upholding the fundamental principle of freedom of speech, which is enshrined in article 19 of the Universal Declaration of Human Rights.

Mr. Speaker, journalists often place themselves at incredible risk to do so and, sadly, they often pay the price when the right to free speech is denied by governments or other groups around the world. It is therefore appropriate in this 60th anniversary year of the Universal Declaration of Human Rights that we all take World Press Freedom Day to reflect on the crucial role a free press plays in upholding the fundamental principles of democracy.

I would ask that all honourable members join me in recognizing members of media locally and around the world for the excellent work they do. They provide us with a forum for debate and discussion and are truly an essential part of defining who we are here in Manitoba.

Thank you, Mr. Speaker.

* (15:10)

Plastic Checkout Bags Proposed Ban

Hon. Jon Gerrard (River Heights): Mr. Speaker, plastic checkout bags have worn out their welcome. On Tuesday, our bill to ban single-use checkout plastic bags will reach second reading and be debated, and it's my hope that we will have all-party support to move forward on this policy, which would have long-lasting and far-reaching beneficial environmental effects.

An average family of four uses some 1,040 plastic bags annually. This means that each year, hundreds of millions of plastic bags are dumped into landfills in Manitoba. Many bags litter our streets, hang in trees and end up in our waterways.

Plastic bags take hundreds of years to break down, and when they disintegrate they leach toxins into our soils and waterways, which eventually end up in our food supply.

There are many alternatives readily available, ranging from biodegradable to reusable bags to boxes and crates. Many retailers, like Mountain Equipment Co-op, Safeway and even Manitoba Liquor Marts have adopted alternatives in an effort to be environmentally conscious. China, a country of 1.3 billion people, will become plastic bag-free as of June 1, 2008. It is estimated that China will save 37 million barrels of oil annually by simply eliminating plastic bags. In a time with high gas prices and dwindling supplies, it makes sense to conserve fossil fuels for where they are most needed.

Plastic bag reduction campaigns also exist in Mumbai, a city of 18 million, as well as in countries like Ireland and South Africa. In January 2008, South Australia planned a ban on plastic bags. The rest of Australia placed a fee on the use of plastic bags and is moving toward phasing out plastic bag use by January 1, 2009.

I hope that this bill will be supported and that the members of the Legislature will show the environmental leadership that's needed in adopting a law that will put Manitoba at the forefront of environmental stewardship.

**ORDERS OF THE DAY
GOVERNMENT BUSINESS
COMMITTEE OF SUPPLY
(Concurrent Sections)
INFRASTRUCTURE AND
TRANSPORTATION**

* (15:20)

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

As had been previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. Larry Maguire (Arthur-Virden): I asked a question yesterday in regard to the situation of the speed limit increases and what the minister's thoughts were, and what he proposes to do to the Perimeter Highway before any recommendation moves forward in that area. I stated that there was no speed limit increase recommended by the traffic board east of Winnipeg on No. 1 and I'm assuming that's because of the poor condition of that road as well. But can the minister give me any indication of what types of paved shoulders, turn-offs, that sort of thing, he would see needed on No. 1 from Winnipeg to the Saskatchewan border prior to implementing any speed limit increase to 110 as has been recommended, or can he give me his views on that?

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): As the member knows, this was something that we went to the Highway Traffic Board with and they made a ruling and they deemed it advisable to increase the speed limit to 110 based on a number of recommendations. Some of those recommendations really talk about what needs to be done to the road, either surface or intersections or different parts of the highway itself in order to enable 110.

Really, the final set of criteria used to assess was talking about the ability or the highway sections have to provide for: for example, transitional length is significant to address driver adaptation; avoid frequent add-grade intersections if possible and accesses to ensure stopping distances are maintained; looking at exhibiting an appropriate design speed, not introduce unacceptable compromises for stakeholders. Our engineers are certainly looking at all of these recommendations and wanting to ensure

that 110 is a speed that would be safe for people who are travelling on our highways. Alberta and Saskatchewan have it, and I know many people travelling into Manitoba look forward to entering Manitoba at the 110 speed limit.

Mr. Maguire: May I just remind the minister that they built No. 1 out by my way so the 635 people that went to Saskatchewan last year could have a road to go on.

But would he be able to indicate to us how soon that they would make some of the shoulder changes? I'm assuming that they will. I mean I don't want to put ideas in the minister's head that aren't there, but will he be making improvements to No. 1's shoulders and accesses—to shoulders particularly in regard to any speed limit increase?

I don't want to forget about 75 highway. There is work going on there, as the minister pointed out the other day, and I'm assuming that that work would include shoulders prior to any increase in speed limit there as well. Then a final supplement to this area, and then I'll move on, is when does the minister propose to announce the increase.

Mr. Lemieux: I mentioned some of the criteria in my previous answer, some of the things that the board really looked at and some of the criteria that are basing the changes. But, just to complete my answer with regard to what needs to be done, the member did talk about paving the shoulders, implementing rumble strips, review signs and pavement markings, entrance points, removing obstacles or roadside objects in the area immediately adjacent to the roadside, replacement of sign posts with breakaway posts, replacement of inappropriate bridge and guardrail ends, relocation of hydro poles too close to the edge of the highway. All of these things are part and parcel of making sure that the road is safe.

I know the member on occasion has gone to the United States. I think the speed limit in the United States is 75 miles an hour. I'm not sure what that converts to—120 kilometres an hour, I guess, in North Dakota. So there are a number of things they've done there too, but the speed limit—with regard to our neighbours—many of the safety issues are and have been addressed, or continue to be addressed. I don't want to necessarily comment. I did the other day with regard to how the federal government in the United States provides for about 90 percent of the funding for state highways and so on.

That has been helpful, but, you know, to conclude, it's something I believe that Manitobans want. There are a lot of good reasons for it, and this government is going to deliver it. I know that people wanting to harmonize the speed in Alberta and Saskatchewan also will feel very positive about increasing the speed to 110.

Mr. Maguire: I know my colleague from Russell has a question, but before I do that, I'd like to ask the minister if he can tell me. We've got some pretty major infrastructure projects that are on the books for Manitoba, one of them being Bipole III. One of the large infrastructure projects in Manitoba will be Bipole III, the transmission line from the north when it comes whatever circuitous route that it can take to get back to the east side of Winnipeg.

Can the minister inform me as to whether he had any input into direction of this particular line, given its importance as an infrastructure project in Manitoba and whether or not he was supportive of it going down the west side?

Mr. Lemieux: Well, what I'm supportive of is providing an opportunity for First Nations people to really be able to have and play an important role in the province and providing economic development opportunities for them, improving employment opportunities, I guess, for them as well, and also tourism, and also, if you take a look at possible logging and other opportunities that they'll have or may not have as a result of not having a road.

The east-side road has already begun on the east side of the province of Manitoba, north of Hollow Water or Manigotagan. We've replaced a couple of bridges as we speak. So we're starting to make some inroads, no pun intended, on the Rice River road, which is truly important. Now our government has participated, I would say, in about 80 meetings, I think, with a good percentage of the communities on the east side participating in those meetings, indeed possibly all. This government has really been proactive, trying to get an east-side road on the east side of the lake on the east side of this province for a number of years now.

I was recently up in Gods Lake Narrows taking a look at where the new bridge is going to go to join those communities up. Actually, I should say, I'd like to compliment the department at this time. They did a lot of good work to be able to get that material up on the winter-road system this year. I guess we spent about \$9 million on the winter-road system right now. If you take a look at where that winter-road

system exists, the winter-road system already exists on the east side. There needs to be a route selection study done, a more comprehensive one, to determine exactly where an east-side road would go. You already have roads that are travelling throughout the east side. Whether or not those roads are the ones that would be followed, possibly, but this study that we're looking at, we're looking at cost-sharing it with INAC, with Indian and Northern Affairs Canada, or possibly even with Minister Cannon's department of transportation, infrastructure, and I think it's called community development. I may be corrected on the name of the department.

But we're looking at cost-sharing a more comprehensive route selection study on the east side. I'm just wondering if the MLA for Arthur-Virden is in favour of a road on the east side of the province.

*(15:30)

Mr. Maguire: Well, Madam Chairperson, we've been in favour of an east-side line coming down the east side of Lake Winnipeg; that's very obvious. I'm challenging the minister to say that, you know, I mean, he's saying he wants to see a road coming down the east side for the very reasons that he's pointed out: providing support for the First Nations people on the east side of Lake Winnipeg.

Madam Chairperson: Order, please. I would like to remind all honourable members that their remarks should be kept relevant to the matter before the committee. As our rule 75(3) states, "Speeches in the Committee of the Whole House must be strictly relevant to the item or clause under discussion."

Further, as it is noted, on page 527 of Marleau and Montpetit, "The requirement of relevance is necessary in order that the House might exercise its right to reach a decision and to exclude from debate any discussion which does not contribute to that process."

Mr. Maguire: Well, Madam Chair, we're going to be here a long time, I think, if this minister can't answer simple questions like this, and if you're going to make rulings like that. I mean, nothing could be more relative to this discussion than a road on the east side of Lake Winnipeg, access to the northern corridor, the gateway corridor, the northern corridor, the Midwest corridor, the Asia-Pacific corridor, and the mid-continent corridor going all the way to Mexico. These are all relevant questions in regard to the kind of industry and development that needs to

be done in this province and this government's not doing them.

So I want to ask the minister questions about the winter road situation. He's referred to it. We've got 1,600 kilometres that we had before. He's bulldozed down enough trees to have 600 more kilometres. Those are his numbers, Madam Chair, and I just feel that it's very, very relevant that we have access to the eastern side of Lake Winnipeg so that the First Nations people, as you allowed the minister to reply, that he was looking at going in there to provide access to have opportunities for those people on the east side of Lake Winnipeg to do better and that's all—I'm only replying to say that that's exactly what we would support, the roads that are being built in that area at the present time.

So I'm saying, you know, the Rice River road is proceeding. Can the minister tell me how soon it will be proceeding, the bridges that he had pointed out, whether they'll be finished this year, and how soon he feels that that road will be finished to Berens River?

Mr. Lemieux: Thank you, Madam Chairperson, and I know you certainly don't need me to defend you or any position you take. That's for sure. What the relevancy is, and I just want to put also this on the record, is that I'm not the Minister responsible for Hydro, and I never have been. You know, any discussions related to east side, west side, bipole, maybe those questions are better posed to the Minister responsible for Hydro.

I can talk about highways and roads. As I mentioned, approximately \$9 million were invested in winter roads this year. That's a huge increase from eight years ago and certainly more than double. We're very proud of that record. We've taken over 25 percent of the winter roads off of the ice and rivers and lakes, which is a huge safety issue. Also, by doing that, we have, I believe, come up with a better road system.

With regard to the east-side road that the MLA for Arthur-Virden (Mr. Maguire), my critic, refers to is that the objective overall isn't to improve the current road network in order to assure access to all these communities all-year round. Current winter road system makes use of ice crossings that disappear with warm weather. It's a frustration. You invest \$9 million, it melts away. Invest another \$9 million, melts away. Invest another \$9 million, melts away. The logic of that is that an all-weather road system is what is necessary. The challenges are

where should the road go? Having community consultations to ensure that residents on the east side have input into where the road goes. Also, the cost. The cost is very expensive and will be very expensive to build the all-weather road system on the east side.

There's already a current road or established road system with many legs and sections spanning a wide geographical area on the eastside communities. There's no existing, as far as I know, any bipole corridor there.

Why an east-side road is really important is that the construction work and the development of the related employment, training, sustainable economic development opportunities, it'll take place with full participation of First Nations communities. Work is currently under way on the first leg, as I mentioned, of the all-weather road system, Hollow Water to Bloodvein, and maybe Manigotagan, from Manigotagan, really. I think it's 304 to Bloodvein, and, with \$2-million bridges, which have been installed this past winter. We've committed about another—I think it's \$15 million or so—to begin this construction. Route selection is under way for the second leg to Berens River.

Design work, environmental approvals and efforts, of course, to seek federal funding partnership with the entire road continues. I mentioned before that this road, not counting the road to Nunavut, the Nunavut highway road, a study that was cost-shared three ways between the Kivalliq Region, Manitoba and the federal government—which the federal government should be congratulated as well as Nunavut for cost-sharing the study—is now out. I guess it's on-line if people want to tap in to see exactly where it is.

Essentially the road heads north to Churchill, a road branches off this road to the town of Churchill but continues to go up into Nunavut and to the Kivalliq Region. The estimated cost, about \$1.2 billion, for that stretch. The cost, I don't believe, will be that much for the southern piece or the east-side road section that we are going to be building, but again, it's hugely expensive, and it would be very difficult for a provincial government to do it alone.

So we're looking for partnerships with Minister Cannon and Minister Strahl and the federal government to do so—I have to congratulate Prime Minister Harper; they did put some money into improving the rail system going up to Churchill,

which we are really grateful for—to work in partnership with a private corporation on the tracks and the federal government, to not only do that but improve the port itself.

So, overall, our goal is to have an east-side, all-weather road. But, again, hugely expensive costs related to it, even at the beginning stages to go past Bloodvein, the intensive, more comprehensive route selection study, which is very expensive, but has to be really cost-shared, I believe, with the federal government in order to do this.

Mr. Maguire: The minister mentioned the Port of Churchill and the northern ocean route bringing goods into Churchill, and, of course, last fall there was an announcement of fertilizer coming into the Port of Churchill and to be brought down the Hudson Bay rail. OmniTRAX is a division of that area.

Can the minister indicate to me whether that product has actually moved out of Churchill, and has it been delivered?

Mr. Lemieux: Well, thank you for the question. I'll endeavour to ask my department.

Let me, first of all, take two steps back. This is a huge success story in the sense that Churchill has always been used for exporting. Exporting could be durum wheat to Africa, or in the recent shipments that have come into Churchill, you had a Russian ship come in with a load of fertilizer which they offloaded. Then they on-loaded, or put a load onto the ship, of durum wheat that went to Italy, I believe. This is really important about the Port of Churchill, because if you can get this two-way traffic and the backhaul having those ships full, not only coming to Churchill but going back to another country with something is really important.

Now, a lot of work has to take place with regard to the infrastructure in the Port of Churchill. Container traffic which I believe will be, certainly in the foreseeable future, the way of transporting goods—we have to improve the container port there in Churchill. But I can tell the member that most of the fertilizer has been distributed, as I understand. A small amount still remains and the cars are on their way to move the remainder of the fertilizer south. I know that seeding is just around the corner. We hear all the ads on the radio and TV about fertilizers and chemicals that are going to be necessary for farmers to use, but this fertilizer, I believe, will be moving south very shortly.

* (15:40)

But Russian companies should be really congratulated. This is part of our Arctic Bridge concept where you have the Port of Churchill being used, not specifically this particular shipment, but what we're looking at is increasing the traffic into the Port of Churchill from, for example, Murmansk, Russia. We're also wanting to increase air traffic from Krasnogorsk, Russia, into our great Richardson airport we have here as well. It's all part of our vision into our Manitoba International Gateway Strategy vision that this Province has put forward.

The fertilizer, again, to reiterate, most of the fertilizer has been distributed. A small amount remains, and the cars are on their way to move the rest.

Mr. Maguire: The whole vision of the Manitoba International Gateway Strategy—I know the minister's had many meetings on the Asia-Pacific corridor. We talked about that the other day, the mid-continent movement of product from the south to the north, using Winnipeg as the hub.

We've just seen the Mayor's Trade Council report come out in regard to direction here in the city and beyond. The Province would be involved in any bypass from the Perimeter Highway onto Highway 75, so they don't have to go through St. Norbert in the future.

Can the minister give me an update as to where his thoughts are on that, and what the government's participation will be in that project?

Mr. Lemieux: When you have a vision, sometimes you think of the vision and you don't necessarily think of the price tag that comes with the vision. I certainly would not want to leave on the record that this is just the MLA for LaVerendrye's (Mr. Lemieux) vision. This is something that I have to thank people within my department for helping to pull along and put a lot of meat on the bone with regard to this vision.

I'm also pleased to see that the mayor's task force also believes in this vision of having, not only sustainable transportation, but also an inland port and developing the Winnipeg airport and developing our highways and our transportation routes going around the city, through the city, whether they're going north or south.

The MLA for Arthur-Virden (Mr. Maguire) mentions a good point. If you're having a lot of this traffic and if we do develop this inland port or, quite frankly, transform Manitoba into this super

multi-modal hub, there are going to be more trucks running around the city of Winnipeg, hopefully, not just through the city, but around. If that happens, the question is, do you really want these large trucks going through St. Norbert when they're having their friendly market days? I guess I can be corrected on the name of their farmers' market that they have there, with children crossing the road and the street and having pedestrian traffic everywhere, with semis going up and down their street.

This question is one of importance for St. Norbert as a community. It's something that we would definitely discuss not only with the city's representative there, not only with the member of Parliament from there, but also, more importantly, I think—or not necessarily more importantly, but equally as important—we would talk to the MLA who does a fine job for the St. Norbert people. We would make sure we talk to her as well to ensure that we have input from the representatives from the area.

I have to tell you, it is being considered; there's no question about it. This is something we've heard from the trucking industry, and we've heard from many other groups on how a long-term vision—if we're going to be talking about what we do with the Perimeter running around the city of Winnipeg for truck traffic, we should seriously consider what are we going to do about bypassing a community where there are a lot of pedestrians and a lot of small traffic. You want to move those trucks because there are a lot of trucks that are actually moving around the city of Winnipeg. They're not necessarily stopping; so they want fast access from the coast, from Vancouver to Chicago, and they're essentially just going around Winnipeg.

The question the MLA asks is an important one. Are there dollars in place right now for that bypass? No. Do we have a partnership with the federal government yet in order to do that? No. Are we working on it? Yes. And do we expect to have a partnership with the federal government? Yes.

This is all part of a vision that, we believe, has the potential to make Manitoba a have-province. I believe that, if you have an inland port, a multi-modal hub like this, and, if you're making Manitoba the centre of trade for this country and North America, if you really believe in that, if you think there's that chance, this has huge potential for us. Creating many, many jobs, I would argue, well, in the thousands of jobs. One can't put an exact figure on it.

Having taken a look at the inland ports around North America and also in Mexico, GTO and Guanajuato inland port where they have rail, air, truck traffic, a customs station right on site, tax-free zone. These are really important.

I'm so pleased to have Arthur Mauro and Arthur DeFehr as the two co-chairs on the Manitoba International Gateway Council., Chris Lorenc is from the Heavy Construction Association, the chair of the mayor's task force dealing with trade and looking at the issue about an inland port and a hub. All of these people play an important role, and they're working with people like John Spacek in my department. Rich Danis and many others are important to this because I believe that Manitoba has a huge opportunity here. It doesn't come along very often.

We spend, let's say, a billion dollars or more to build a hydro dam. A hydro dam initially in the construction creates many jobs, but after that, to actually run the hydro dam, there are not loads and loads of people who will be working there. But, if you spend a billion dollars on an inland port and you make it what it can be, you're talking about thousands and thousands and thousands of jobs. Not only that, but the spinoffs on those jobs will be there forever.

We have a great opportunity here to do something. We're trying to impress upon the federal government, as was mentioned by the Premier (Mr. Doer) the other day when he was in his Estimates. I did meet with Minister Emerson and a number of federal officials, Minister Toews as well, and Minister Swan was part of that meeting. We had a very, very good discussion with Minister Emerson on gateways and corridors and talking about inland ports and so on. I don't mind sharing this because this really, I believe, is not a partisan issue in the sense of the crass political partisan issue. I think that the Member for Arthur-Virden, as I am, we're both rural MLAs, but I believe that to have your capital city and have a transportation hub like that here, I think he's in favour of it himself. I think his caucus would be. At least I would hope they would be. I haven't heard them express this, but maybe there's an opportunity for him to comment on it, where maybe he stands on an inland port like that in Winnipeg.

Mr. Maguire: I'm just going to call on my colleague from Pembina to ask a quick question.

Mr. Peter Dyck (Pembina): A quick question is right. Last week, this is provincial highway 240, and

I drove down it and it is in awful shape. I had a call at noon today from one of the residents out there and it's in a state where, in fact, cars are having trouble driving down this highway 240, Provincial Road 240. I want to bring that to the minister's attention and hope that his department can do something to make it in fact driveable. It's sort of worse than muddy conditions that we've experienced over the years. This is for information and, hopefully, something can be done.

Mr. Lemieux: I thank the Member for Pembina for that question. Sorry, I guess I need clarification on from what community to what community. *[interjection]* I'm sorry. I didn't catch that. What stretch? It goes all the way from Portage la Prairie to the U.S. border.

Mr. Dyck: Sorry. I'm talking towards the U.S. border. From, I believe, it's LaRivière and then heading south.

Mr. Lemieux: I thank the member for the question. This is very helpful because we need to know this, and the sooner we hear about it, but—my department officials have heard it, and they will endeavour to look into it to see what's going on. Not meant to put the member on the spot as far as the exact piece, but the people out of the Portage office we'll make sure we get them the question, and we will see if we can look into the stretch. I thank the MLA for that.

* (15:50)

Mr. Maguire: Just a reply to the minister's concern before. Absolutely, we want to see these trade corridors be developed. From an opposition perspective, I do as well. I believe the non-partisan comment he made is very appropriate. I think our concern is that—or my concern as the critic in this area is that I want to see, and I'll try to make my question as quick as I can in this reply because I do want to move forward with the end of Estimates here for this particular section, but it's a vision that's needed in Manitoba and it's part of the vision. I know the minister's worked with the western Transportation ministers as well and federal, and there is work going on there.

I also know that the Trade Council, the Mayor's Trade Council, has just put out its report. We've got a lot of work being done in both the Asia-Pacific and the Midwest continent corridor as well here—Mid-Continent Trade Corridor—and I know that the Manitoba International Gateway Strategy—the department has done a lot of great work in this whole

area, and I know they're continuing to do great work in that area. I want to say how much we appreciate the work your department is doing in these areas right now, up front, and I want to say that I guess the concern I have is just tying these all together, and of course your department is key in that area, and can be.

Can you provide me with information as to how soon your reports will be out on the mid-Manitoba international—from the International Gateway Council and Strategy, and how soon you can provide more information on that whole package of the vision? I mean the vision is there; it's been stated. The objectives are stated in previous documents, and I know that you're having reviews and looking at projects. Can you provide me with information as to how soon we can expect that?

Mr. Lemieux: Well, I thank the MLA for this, and when I say, of course, it's non-partisan, I would expect that for economic development reasons and all, the opposition would be very much in favour of something happening so I think that there's no argument over that. There's no question; maybe on approach, or how we do things, you know, we might see some differences, but I'll tell you that the—well, first of all, the Mayor's Trade Council study is done. The Gateway study, we've hired a consultant to look into this now. At least the Council has hired a consultant to look into inland ports, the multi-modal approach to this hub. I don't have a specific date as to when it'll be completed; I'm hoping in the next number of months, certainly by the fall, I hope. I don't have that specifically, but I'm hoping by the fall. The sooner the better, obviously. Our company is called InterVISTAS and this company—I know Minister Emerson actually knows this company very well, and he has commented that this company is very reputable and would do a good job.

So we are looking forward to this study coming back. I don't want to use the word "report," because report conjures up a document of a thousand pages or something, but this is not what's meant to be. This is a study taking a look at using the mayor's task force or trade report or study, I should say, and putting this together and working with the Council on the kind of things that we're looking at as a province. In fact, let me offer this: Where suitable, I would offer to the MLA, my critic, Transportation critic, if he's not going to be the Transportation critic, if they have changes, tell the Transportation critic, where appropriate, I wouldn't mind the MLA for Arthur-Virden (Mr. Maguire) attending a meeting or

two with me to show you that this is not a partisan issue, is what I'm trying to say here. Where appropriate I would certainly offer that up to the MLA to attend some of these meetings with me, again, where appropriate, and I would make sure I bounce this off of the people I'm meeting with. But just to show you that we really want all parties working on this kind of a vision.

Yes, it's our vision. We have our stamp on it, but it's not just ours. We want to bring more people as partners. And I'm hoping that the MLA for Arthur-Virden would talk to his federal cousins to really get on board and support us. This is where the non-partisanship comes into this. I believe we need all political parties in the province of Manitoba pushing our province as the multi-modal hub and leader in the country. Unless we're getting this from the Progressive Conservative Party, the Liberal Party, the New Democratic Party, in one consistent message—and I think that's where his question lies is when is this going to be pulled together.

This report we're talking about from InterVISTAS will, hopefully, do all of this, or a lot of it, and pull a lot of this together, and then division that we have will be more concrete with a report like that—or a study like that, I should say.

Mr. Maguire: I appreciate the fact that I've had the opportunity to attend some of these conferences already; don't have any problem meeting with the minister at some of those as well. I'll continue to go to as many of them as I can, given my own schedule from that end of things. I guess that certainly is a tie to the bigger vision of where we need to go with development in the whole highways infrastructure process.

To go back to the rail situation, just a couple of quick questions. There's some branch-line abandonment in southern Manitoba that's taking place. Can the minister indicate to me where he feels his involvement is in that, where that's at? I know the closing process. I dealt personally with transportation issues of branch-line closures as a farm leader in western Canada some 10, 15 years ago when we managed to push the federal government towards a closure process. At that point, that involved railroads, federal government, provincial governments and municipal governments to be able to purchase those.

So I'm familiar with that, but if, in fact, in the end, the municipalities and the Province can't afford to be able to move in those areas and maintain the

short lines perhaps—and I won't get into the legislation around short lines that the government's brought down in Manitoba—would he be prepared to look at improving the road infrastructure in those regions, given the heavy loads of traffic and grain and that sort of thing, particularly as the main industries in there? I mean, there may be more processing developed. We would hope there will be. There are signs that there will be.

Would he consider moving that up as a priority on a five-year program along with some of the infrastructure projects in the Mayor's Trade Council that would be provincial responsibility outside the Perimeter Highway in that area for future development in economic development and safety of the citizens in those areas?

Madam Chairperson: Honourable minister. *[interjection]* Sorry. The Member for Arthur-Virden.

Mr. Maguire: If I can just add, that would be a long No. 2, No. 3, Madam Chair, Mr. Minister, and some of the north-south roads connecting them.

Mr. Lemieux: Well, first of all, we're putting about \$60 million into No. 2 and No. 3 highways which will, hopefully, help this. But, you know, our government is very, very proud of our record. We're one of the first Canadian jurisdictions actually to formally raise the rail line service issue with the federal government. As a result of our work—and I don't want to pat myself too much on the back, but a lot of people worked hard on this to get this done—we have a commitment from Minister Cannon to undertake a special rail service review which was announced April 7 in '08. That's just a couple of weeks ago, a few weeks ago, but I will take the opportunity to say that we really pushed hard on this, and thank you to Minister Cannon.

But, you know, rail line segmentation abandonment is a result of changes, as the MLA knows, made by the federal Liberal government in 1996. We don't relish this at all. The federal government also eliminated subsidies that were really crucial actually to many lines. I think Churchill line actually got—Hudson Bay line, I think, received about a million a year from federal support actually. That does bring me to Churchill, quite frankly.

I know I just recently travelled to meet with Minister Cannon in Ottawa to discuss this issue with our federal counterparts. Without going into a lot of confidentiality about it, I know our fight to protect

single desk and the Canadian Wheat Board is also a fight to protect transportation routes in rural and northern Manitoba.

* (16:00)

The Port of Churchill provides a cost advantage to farmers of, roughly, I understand, \$15 to \$20 a tonne, I think, versus sending grain into the St. Lawrence system. Even though that whole Carrot River Valley or that valley is in Saskatchewan, a lot of what's produced there—actually, they're the ones who are shipping through Churchill. That's really important to us. I'm not a farmer, I've never been a farmer, but I know I've heard a lot from farmers about how important Churchill is.

This is not the time or place to get into the debate of the Canadian Wheat Board, but I know that and the MLA for Arthur-Virden knows the issues well. He was, I believe—I stand to be corrected, maybe he'll correct me when he asks another question—I think he was a board member on the Canadian Wheat Board at one time, I think—*[interjection]* On the advisory board, yes.

I'm just going by memory, but I know that given 75 percent of what Churchill's business is is the Canadian Wheat Board grain. That's 75 percent of their business right now. That's a real concern for me because the loss of the Wheat Board would make it really difficult for Churchill maybe to survive in the short term. I have real concerns about that. That's why if anyone asks me about the Canadian Wheat Board, even though I'm not a farmer, I'm not a producer in the agri-business, my concern is more related to the Port of Churchill because 75 percent of their business is part of that grain business. It's a real concern.

Let me just conclude by saying that this government has helped a number of short lines. If you want to conclude OmniTRAX and the Hudson Bay line is a short line, that's one rail line we've helped. We've helped also the Keewatin rail line system in northern Manitoba or the Sherridon line. Also, to a lesser degree, we're looking at a couple of other lines that really need some help right now. I know there's a line that goes, I think, to Pine Falls that we're talking to the people there that own that line.

So, as a government, you can't do it all, but you certainly can try to do some things like working with the federal government to see, what do we do when we take a look at the rail service provided in this

province. We're really pleased by Minister Cannon undertaking this special rail service review. I think that'll be really helpful. So I'm sorry for the long answer for the MLA, but it's a big question, really. It's an important one.

Maybe I can just summarize by saying we are putting \$16 million into Highway 2 and 3. It doesn't address all the concerns on some shorter road systems that connect to No. 2 and No. 3, but as he knows, this goes back many, many years, the idea of getting rid of grain elevators, closing lines down and the impact on roads. Everyone could see it. The agricultural community and rural communities commented at that time, this is coming. So, as a department, we've tried to prepare for that and tried to budget for that, tried to put monies into those roads because we believe that transportation is an economic enabler. Transportation is really hugely important to this province and to the businesses in this province.

Mr. Maguire: It's certainly an economic enabler, Madam Chairperson, and I quote from the minister's very well aware of their slogan—the *Heavy News Weekly*: transportation and infrastructure are a necessity, not a luxury. If he's ever had any kind of a meeting with Mr. Lorenc from the Heavy Construction Association, and I know he has, he'd be well aware of that and his whole department is aware of their slogan. It couldn't be more true. I wanted to know, just in regard to that, it struck me while I was listening about movement of product. Has the minister looked, rather than a road up the east side of Lake Winnipeg, at rail movement up that area as a means of access for those people on the east side of Lake Winnipeg?

Mr. Lemieux: Maybe others have; I know I, at least to the best of my recollection, have not looked at rail traffic. But the item that you touch on is very important because if we're going to be, and I envision, at least with my vision is, and what Churchill could be in years to come, global warming aside, is that whatever goods are coming into Churchill, you're going to have to transport them to our trading partners or to people who want them. That could be Chicago, Kansas City, St. Louis, Minneapolis. That's where most of those goods from China or Russia or India are headed, to large centres like that, or even going through Manitoba to get to Toronto, but it's how do you move those goods efficiently and cost-effectively that would save those people money.

As I said, I'm not privy to that. I don't know if anyone has looked into rail. I just know that we made a commitment as a Province, as a government to build an east-side road. We're going to do it. If we do it alone, it's going to take much longer. Our preference is to partner with the federal government and do it much quicker. We really think there are huge economic benefits for it.

I personally believe that, in northern Manitoba, whether it's uranium, diamond mines—[interjection]—potash, I'm not sure about potash, but I know in northern Manitoba, there's huge potential on the mineral side; that has to be moved out somehow. The example that the MLA gave is rail, but we're saying we're building a road on the east side and we're going to get it done. It's just going to take us a little longer, if we don't have partnership with the federal government. We'd sooner get it completed much quicker for a lot of economic reasons, as I know the MLA appreciates.

Mr. Maguire: Then I'm assuming, Madam Chairperson, that this road is not going to end at Berens River, that he's considering building this road on through to Thompson, on through to Churchill and on through to Nunavut.

Mr. Lemieux: That's what is important. I would ask him to talk to his federal cousins, Mr. Tweed, who is the chair of the standing committee on transportation for Minister Cannon and the federal government, and speak to individuals like that. He has his own member of Parliament; I'm sure he's had conversations with him. I would strongly request that he stress upon the federal government how important a route selection study is.

We're talking a lot of money to do this, but you have to do it right. You have to plan it; you have to know where you're going; you have to lay it out. You have to take a look at all the environmental challenges that you have, because you're going to be crossing a lot of rivers and lakes. If we're talking about an all-weather road— it's not like a winter road where, even though we've taken more than 25 percent of those roads off the ice—they have to be on land. They're going to be crossing rivers, and you're going to have to have Navigable Waters involved, Fisheries and Oceans, even our own Conservation people.

So this is a huge, huge project. We need the federal government to work with us to do this. We need INAC working with us. We need transportation; we need many, many different arms

of the federal government working with the Province to do this. Of course, all of this will have to be done in consultation with First Nations people, working with First Nations people to see what their aspirations are, what their views are. Then, after that's all completed, we will take a look at where the road runs on the east side. Right now, we know the study's been done with regard to the Nunavut study, heading north of Gillam; that has been completed. So we have one piece completed on the east side.

I believe our future, certainly in part, lies in the north. We have to connect the north, not just by air or by rail; the roads are important.

Mr. Maguire: Obviously, I appreciate your time in these Estimates. I know that the vision there of—we've talked about roads and we've talked about rail somewhat. There's, of course, air and there's the expansion of the international airport here in Winnipeg, a great project as well. We are a hub. I only want to put on the table today that I'm worried about us losing the grip on that. As Edmonton thinks they're a hub, as Saskatoon puts out reports now thinking they're a hub, we are a mid-Canada continental trade corridor for the world here, not just North America. I would urge him to move forward and the federal government too to come to the table, but they are in these other areas as well.

That's why I asked my questions on the international strategy, that sort of thing. We need to come forward and move as quickly as we can before we lose the opportunity. We won't lose it totally, but we could lose the potential to these other areas. With the expansions that are going on, I would encourage the department, through yourself, to do as much as we can. I know they're working very diligently and very hard with these individuals, the department, as I said earlier, great work being done, but we need to move forward on those areas.

I may have another opportunity before the end of the spring to ask the minister more questions, whether it's in concurrence, or just where, but two quick ones to finish. One is the discussion we had on bridges the other day. I don't know where the minister is at with being able to provide me with a list of those bridges, that sort of thing, if he could. As well, I know that they're prioritizing bridges across the province of Manitoba and that he will have a report that does that. Can he provide me with a condition report of the bridges in Manitoba?

* (16:10)

Mr. Lemieux: I don't think I can do that. Certainly, I know that I can provide the list of those contractors we talked about for on the floodway. We talked about the bridges that we're going to be working on over the next five years, and we have different inspections, of course, taking place. We're working with, I believe, UMA was one and, I believe, Stantec is the other to do the inspections. There are, of course, a number of different levels of inspections, one, two and three. But we do have an RFP out, of course, looking to hire a bridge specialist to help us out with regard to our inspections and which I mentioned yesterday.

Let me just also respond quickly to his last statement with regard to—and I won't be long on this—the vision on making Manitoba this multi-modal hub. He's absolutely correct in the sense that Manitoba used to be known as the gateway to the west. We want to be known now as the gateway to the world and the gateway to North America. We believe we can do it, but we need partnerships to do it, and the reason why Edmonton is saying, you know, inland port seems to be the flavour of the year now, or the month, or the week. Everybody wants an inland port. Everybody wants, you know, to—*[interjection]*—and so, but all politics aside, if there were strict criteria that said, well, which makes the most sense? A community that has both rail companies, rail lines running through it, one of the largest cargo airports in Canada. You take a look at all the advantages; we have the largest and some of the best and most effective trucking companies in North America. We have it all. We just need a partnership, and we believe we can do it. Thank you.

Mr. Maguire: One last question, and that is in regard to the Highways and Transportation programming budgets, and that is the percentages. I noticed it's dropped a couple, or a point, you know, just a very small fraction, 1.2 percent this year as opposed to the six—*[interjection]* Page 11.

You know, the Highways and Transportation Programs budget has dropped 0.2 percent there. I know that's an administration, a number of other things, 6.9 percent overall and 9.9 percent increase in costs related to capital assets. Can the minister just confirm for me what's all included in that \$201 million of his \$527-million budget? It's 10 percent of the budget, and I'm assuming that that's interest on capital projects that the minister has ongoing.

Mr. Lemieux: On the part (a) side, we have amortization costs and that's where we pay our costs related to the capital assets we have and that's really what that amount is. That is \$201,000? *[interjection]* Sorry, we have got so many millions and millions of dollars now in Transportation. At one time, it might have been thousands, but now we're talking in millions, millions, and millions; thousands and thousands of dollars; \$201,574.5 *[interjection]* That was my feeble attempt at a French accent, but, anyway, as a Francophone, but those are the amortization costs.

Mr. Maguire: Move forward with passing the Estimates, Madam Chairperson.

Madam Chairperson: Resolution 15.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$73,368,100 for Infrastructure and Transportation, Highways and Transportation Programs, for the fiscal year ending March 31, 2009.

Resolution agreed to.

Resolution 15.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$47,143,900 for Infrastructure and Transportation, Government Services Programs, for the fiscal year ending March 31, 2009.

Resolution agreed to.

Resolution 15.4: RESOLVED that there be granted to Her Majesty a sum not exceeding—I'm sorry, I would like to reword that. A sum not exceeding \$178,292,400 for Infrastructure and Transportation, Infrastructure Works, for the fiscal year ending March 31, 2009.

Resolution agreed to.

Resolution 15.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,981,100 for Infrastructure and Transportation, Manitoba Water Services Board, for the fiscal year ending March 31, 2009.

Resolution agreed to.

Resolution 15.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,639,700 for Infrastructure and Transportation, Canada-Manitoba Agreements, for the fiscal year ending March 31, 2009.

Resolution agreed to.

Resolution 15.7: RESOLVED that there be granted to Her Majesty a sum not exceeding

\$201,564—*[interjection]*—\$201,574,500 for Infrastructure and Transportation, Costs Related to Capital Assets, for the fiscal year ending March 31, 2009.

Resolution agreed to.

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

At this point we request that the minister's staff leave the table for the consideration of this last item. The floor is open for questions.

Mr. Maguire: Just before the staff leaves, I would like to thank them for their attentiveness in the Estimates process and all of the fine work that you're doing. I want you to pass that on to all of your departments throughout Manitoba and all the regional offices because it is very much tremendously appreciated the work that you do and the efforts that go into trying to keep the system that we have in Manitoba for the safety of Manitobans as well as the competitiveness of our industries in Manitoba. From our side of the House as well, I certainly want to appreciate all of the work that you do and ask that you pass that on from our side of the House.

I only wanted to say earlier that I've appreciated the minister's time, his ability to bring these Estimates forward to us, and so look forward to passing at us.

Madam Chairperson: Thank you.

Resolution 15.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,011,400 for Infrastructure and Transportation, Administration and Finance, for the fiscal year ending March 31, 2009.

Resolution agreed to.

We thank the minister and the critic.

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

The next set of Estimates to be considered by this section of the Committee of Supply is for the Department of Advanced Education and Literacy.

Shall we briefly recess?

An Honourable Member: I think we're fine.

Madam Chairperson: You're fine? All right. Thank you.

ADVANCED EDUCATION AND LITERACY

* (16:20)

Madam Chairperson (Marilyn Brick): Does the honourable Minister for Advanced Education and Literacy have an opening statement?

Hon. Diane McGifford (Minister of Advanced Education and Literacy): Madam Chairperson, I think in the interests of brevity I will not make an opening statement unless, of course, the member wishes me to.

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

Mrs. Myrna Driedger (Charleswood): I will go along with the minister as well. In the interest of brevity, I will bypass that, and, just ask at this point, if it will be in the customary routine of asking global questions before we pass the Estimates?

Madam Chairperson: Under the Manitoba practice, debate on the Minister's Salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 44.1.(a) contained in resolution 44.1.

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

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

Ms. McGifford: My critic opposite suggested that we proceed globally and that's fine with me. I'm sure that will work out.

Madam Chairperson: The floor is open for questions once the minister's staff comes forward and she introduces them.

Ms. McGifford: Madam Chairperson, I'd like to apologise to the critic because unfortunately my deputy minister is in Brandon today because we had understood we were going to not proceed until tomorrow morning. She will be with us tomorrow, but unfortunately, she is in Brandon right now doing her good work.

Let me introduce the staff who are with me. I have Ray Karasewich from the Council on Post-Secondary Education, and your title, Ray-Manager, college and University Relations. I have Tom Glenwright. Tom is the Director of Student Aid

and also of Adult Learning and Literacy. Behind Tom is John Sawchuk, and John is the Registrar of Adult Learning and Literacy. Then I have, since our regular finance person is in the House, it's Claire Breul. Claire, would you tell me your title, please—Director, Comptrollership for finance and admin.

Mr. David Faurshou (Portage la Prairie): I appreciate my colleague from Charleswood allowing me to ask a couple of questions because of expediency and scheduling on my behalf. The question was asked last year in regard to the availability of post-secondary educational opportunities in rural Manitoba. The entity known as Campus Manitoba is one operating in Portage la Prairie and a number of other sites around the province and personally have had very, very good results and high recommendations from individuals that have had the opportunity to take courses under the umbrella of Campus Manitoba.

The minister did announce, though, that this entity was under review as it had been 10 years since the Campus Manitoba began operations. Can the minister update the committee as to the progress of this review?

Ms. McGifford: I thank the Member for Portage la Prairie for the question. Like the member opposite, I, too, understand the value of Campus Manitoba. I know it is a very important part of education in rural Manitoba and, indeed, earlier this week, I was talking with people from Turtle Mountain and we made the same point. So, yes, as I said to the member last year, we were beginning a review of Campus Manitoba. It was 10 years, and, of course, we think it is important to renew our programming so that we're able to do any fine-tuning, et cetera, that we think is necessary.

The review is now with the Council on Post-Secondary Education. We are working on the review, but I do want to take this opportunity to assure the member that this government is committed to education in rural Manitoba, and we're committed to Campus Manitoba.

Mr. Faurshou: Does the review engage current and former students on their observations of the operations?

Mr. Doug Martindale, Acting Chairperson, in the Chair

Ms. McGifford: Could the member be a little bit more specific? Are you asking whether the persons who conducted the review had consulted with

students who had taken courses with Campus Manitoba so that, in other words, those who are immediately involved—*[interjection]* I can confirm for the member that the reviewer did attend a number of sites, a number of classes, spoke with students, and I think the answer to his question is, yes, the reviewer did consult with students.

Mr. Faurischou: Mr. Acting Chair, I do appreciate a student perspective because they offer sometimes-overlooked observations by others, such as myself or those in government.

The actual review, how encompassing is it? Is there a scope, a mandate, that was laid out by your office, Madam Minister, or how is this being structured, shall I say?

Ms. McGifford: I got quite an extensive answer. The member was talking about the student perspective and he would be interested to know that yesterday I attended a law school graduation, and the guest speaker there talked about students as being his greatest teachers. As a former university professor, I think I can concur. I learned a lot from my students. To back up to his last question, yes, the student perspective is so vital, and I'm pleased to tell him that we did canvass students.

I'm told that the overall review was broad, that it did include consultations with the colleges and universities which, of course, are the sponsors of the various Campus Manitoba courses, that it encompassed all of Campus Manitoba's operations. He has a longer memory than me because I'm older than him. Some of the specific focuses were on governance and on the overall delivery model.

Mr. Faurischou: I certainly know that there is room for improvement, and this will not just hold true for Campus Manitoba but other government services. The review, was it initiated by you, Madam Minister, or was it the Council on Post-Secondary Education, or was it Brandon University, or the collective universities engaged in the programming? Who initiated the review?

Ms. McGifford: As the member knows, we review things carefully; it was 10 years since this had been looked at. The Council on Post-Secondary Education recommended to me that, since it had been some time, it may be a good idea to review Campus Manitoba, as we do review things. So I agreed.

* (16:30)

Mr. Faurischou: Will the review, once completed, be published? Can committee have access to the information, or how is this review going to be accepted and reacted to?

Ms. McGifford: Well, the review will, of course, come in the form of advice to the minister, and you know that there is FIPPA legislation that covers advice to ministers.

Mr. Faurischou: Well, I think it's always wise to consult and allow people to comment in the broadest of sense. Having members of the Legislature have that opportunity, I think it would be fruitful, and I encourage the minister. I'm trying to glean her last response; I think it was a no that I understood from the verbiage to my question.

Ms. McGifford: I didn't hear a question.

Mr. Faurischou: I was suggesting that there is value in making this review public, and I had gleaned from the minister's response that that was not going to take place. So I wanted to re-ask the question. Is it yes or is it no available to members of the Legislature and this committee?

Ms. McGifford: Well, I'm actually just teasing. It is going to the institutions, so it will be available.

Mr. Faurischou: Is there a time line as to its availability?

Ms. McGifford: Well, as the member knows, the process is to table it with the Council on Post-Secondary Education where the review really began. It is courtesy to our Council, so we expect to table it with the Council in about a month. Then it will go to the institutions after that.

I think I should be able to share copies with my colleagues sometime after that.

Mr. Faurischou: Yes, well, I appreciate that. So it'll be going to the member institutions of Campus Manitoba, and those being the University of Winnipeg, University of Manitoba, and Brandon University?

Ms. McGifford: Yes, those institutions, but, as well, the member probably knows the colleges are also part of Campus Manitoba, so they will also receive copies of the report.

Mr. Faurischou: Thank you ever so much. I do appreciate that. Hopefully, one way of improvement is by— within Campus Manitoba, it was quite difficult to make a donation to the entity. It had to go into the Brandon University Foundation and then be

internally transferred through their administration before Campus Manitoba or any particular site that received that donation could actually, in fact, benefit by it. I hope that's an area that was looked at within the review.

Ms. McGifford: Well, I can't comment on that particular point right now because I, of course, haven't seen the review. It goes to the Council first, and it really does go to the Council first. I haven't seen the review.

Mr. Faurshou: Was there an opportunity for school divisions to offer comment because many school divisions now are looking for advanced placement courses for their students that are wanting to attend post-secondary education institutions? I know the Portage Collegiate Institute is one that does have the advanced education courses available. I know that at other sites students have been able to make use of Campus Manitoba assets, shall I say, in order to benefit from this programming. For instance, the biology lab at the Portage Collegiate Institute was upgraded to university level, and the students of Portage Collegiate benefited from that enhancement to the biology lab, for instance.

Ms. McGifford: Well, I'm advised that there were consultations with adult learning centres. But, I can't, in all honesty, tell you today whether or not there were consultations with school divisions. But, we can look into that information and get back to the member.

Mr. Faurshou: I appreciate the minister's openness in this regard, because I do believe that school divisions do have a very active interest in Campus Manitoba and the activities that it undertakes.

Turning more to the interaction with the school divisions, and that being dual accreditation of selected programs by the colleges. Currently, the Portage Collegiate Institute has undertaken a dual accreditation. I speak of dual accreditation being the high school diploma plus a certificate from Red River College in the area of health-care aide.

I'm wondering if the minister is actively looking to support the colleges in efforts to expand and broaden this type of course offerings throughout the province.

Ms. McGifford: Could the member clarify as to what he means by the colleges? Does he mean Red River, ACC? Then I can assure the member that, certainly, one of the main priorities of our department has been to encourage programs like dual

credits, like PLAR. We recognize that in the 21st century there will be, increasingly, different ways of learning, credentialing, weighing and measuring knowledge. We are all aware that we will, probably, all at one point, maybe not all of us, but most of us have to go back and update our credentials, that learning is indeed lifelong. So, no, we definitely encourage the kinds of practices that the member has cited.

Mr. Faurshou: Yes, and I do appreciate that we have to look at being as innovative as possible and to allow for as many people to continue that learning process. Once again, we are limited within our school division to the age 21 as having persons within the school. I don't know whether this is the opportunity to suggest to potentially re-evaluate that age limitation. But, I do believe our schools are well equipped. Hopefully, we'll see further capital expenditures on the high schools to make more course offerings available.

As I was mentioning earlier—I don't know Madam Minister whether you heard—I was speaking of the 21 years of age as being the limitation of having persons in the school.

Ms. McGifford: Well, I think that that is under the purview of my colleague, the Minister of Education, Citizenship and Youth (Mr. Bjornson), who, I know, actively is committed to dual credits, and that his Estimates are going on in the House right now. So the member opposite may wish to speak to Minister Bjornson.

Mr. Faurshou: Well, I will go and ask the question there as well. But I hope that there's an interaction between the ministers on a regular basis, because, as a member of the Legislative Assembly, I'm starting to get confused as to whom I talk to on various issues, because we just had the program announced that there are going to be grants available to enhance vocational opportunities in the high schools. But it's not handled by Education; it's not handled by Advanced Education; it's handled by competitiveness, industry and trade. Yes, which meant another stop on my way around the building here.

* (16:40)

So I just encourage that there is co-operation, understanding and a free flow of information between the various departments, because we only have one taxpayer's pocket for one thing. Also, too, students get confused as to where, and teachers get

confused as to where their applications are going and what department they should be looking to for support.

Ms. McGifford: Mr. Acting Chairperson, I'd like to assure the member that the Minister for Education, Citizenship and Youth (Mr. Bjornson) and the Minister for Competitiveness, Training and Trade (Mr. Swan) and I do co-operate very regularly, and, you know, this government has really dispensed with the silo mentality when it comes to the work we do. I think Healthy Child Manitoba is just a model across the country.

With regard to the Technical Vocational project, that is spread across the three departments, and my department supplies a small amount of money to it. It is more rooted in the other two departments, but we do work together co-operatively on that project. The person who knows the most about that in my department isn't with us today, but if the member wished to have that person attend so that we could find some specific information, that certainly could be arranged.

Mr. Faurschou: I thank the minister for her response and definitely will look forward to that opportunity because I truly believe that in—as the minister has already noted, that is life-long learning, and we have to make certain that our institutions and the availability to those institutions do allow for life-long learning, regardless of where we live within the province.

Ms. McGifford: Just on a point of clarification, to what is the member looking forward to? Does he want me to tomorrow have the person in our department who knows the most about technical-vocational education present?

Mr. Faurschou: No, I've asked the question and believe the minister has answered to it. So I thank my honourable colleague for Charleswood for allowing me the opportunity to attend committee.

Mrs. Driedger: I'll just pick up a little bit on what my colleague was saying because he was the one that had raised this issue before. It was about the differential costs between education in rural Manitoba and that same program in the city. After we had forwarded the information to the minister, the minister did indicate and advise that the government did commit an additional \$300,000 to offset the costs of offering college programming in rural areas. The funding, according to the letter, will enable the

college to eliminate the differential tuition fees charged at regional campuses.

It appears that that is for just this next budget year, and I'd ask the minister what the intent would be going beyond this budget year in terms of addressing these differential tuition fees between rural Manitoba—the same course that is offered at Red River, as an example, and then offered also in rural Manitoba.

Ms. McGifford: Well, just a couple of preliminary remarks. Of course, this is the system that we inherited. As the member knows, because I brought it up last year, most of the courses that were offered in rural Manitoba, which had begun under a previous government, were continuing education courses, and continuing education courses are traditionally offered on a cost-recovery basis. I think it is important for some institutions to have that opportunity because it's one way for institutions to offer courses that may be of interest to people but are not necessarily related to credentialing or career advancement, or maybe they're related to career advancement, et cetera.

So I think there is a place for continuing education. However, I agreed with the Member for Portage la Prairie (Mr. Faurschou) and the Member for Charleswood, and I think there was another member, perhaps the Member for Steinbach (Mr. Goertzen) and, indeed, the Member for Turtle Mountain (Mr. Cullen) and all of the members brought to my attention the fact that some of the courses offered in regional centres in Manitoba under Red River College were—the costs for some of those courses were far in excess of what similar courses were in Winnipeg. So I asked the staff to do a study. In fact, I asked for the study before it came up in Estimates. Consequently, we made a decision in this year's budget to devote this \$300,000 to equalizing the differential fees. I want to assure the member that, on a going-forward basis, we are working with the institution, and we will solve this problem permanently.

Madam Chairperson in the Chair

Mrs. Driedger: Thank you. I appreciate that answer from the minister. To revert back now to looking at the Estimates book and looking at org charts and political staff, I wonder if the minister could indicate who the political staff in her office are and, while she's doing that, how long they've been with her, if any have changed since the last Estimates and, if some left, where they might have ended up—

[interjection]—I'm not. This is just your political staff to start with.

Ms. McGifford: I have two political staff working with me. In my constituency office, the staffperson, the executive assistant is Patrice Miniely. In late 2006, Patrice had a baby and so she was off on maternity, then returned to work. She basically had 2007 off, returned in early January 2008 and has now assumed her former position.

In my office, my special assistant last year at this time was Christi Frittaiw and Christi has gone back to school. She went back to school almost—I think her last day in my office was July 1, 2007. A couple of weeks later, I hired a new special assistant, Jeremy Read, who is with me. So I have two people, Patrice Miniely and Jeremy Read.

Mrs. Driedger: Does the minister have a special adviser as well?

Ms. McGifford: No, I don't have a special adviser.

Mrs. Driedger: That seems to be unique because I've been noticing in OICs that are coming out that there are a lot of ministers that have set themselves up to have special advisors. It's almost becoming unusual, now that we see—so it's interesting to find that the minister does not have one.

I know that it's adding additional staff into a lot of offices. I wonder if the minister has noticed that amongst her colleagues too, that there seems to be more political staff being added to a number of Cabinet colleague's offices.

Ms. McGifford: I can't really comment on the hirings in other offices. My responsibility is my office, and I can assure the member I have a special assistant, Jeremy Read, and executive assistant, Patrice Miniely, and that I don't have a special adviser.

Mrs. Driedger: I note that there is a new deputy minister, Heather Reichert. I believe, but I guess I should ask appropriately here, is this the same Heather Reichert that came from the Department of Health? If it is, is she still on secondment from the WRHA?

Ms. McGifford: It was July 1, 2007, that Dwight Botting and the former deputy left. We had an acting deputy minister until the beginning of March of 2008. At that time, Heather Reichert, who is the Heather Reichert from Health, assumed the position.

I can't say whether she's on secondment because I don't know, but she will be with us tomorrow and we can take up that matter with her.

* (16:50)

Mrs. Driedger: I'll switch gears at this point, and would like to discuss a little bit more about the tuition freeze with the minister.

I would ask the minister, because I guess I had heard that there was going to be a removal prior to the budget—or in this budget—of the tuition freeze. There, certainly, seemed to have been every indication that that tuition freeze was going to be lifted.

I wonder if the minister could give some indication. I know we've asked the Premier (Mr. Doer) this in his Estimates, and he had an interesting answer. I'd like to ask the minister why that tuition freeze was left in place for another year.

Ms. McGifford: Well, the tuition freeze, as the member knows, has not been left in place. Indeed, the tuition freeze is over. Starting in September 2009, students will pay a different tuition than they did in September—than they will in September 2008.

So we have announced the end of the tuition freeze.

Mrs. Driedger: I compliment the minister on her choice of words in all of that. That was pretty good actually.

This budget stated that university enrolments are up by one-third since 1999 in large part because of the tuition freeze.

Can the minister explain why, then, enrolments are also significantly up in other provinces that did not have a tuition freeze?

Ms. McGifford: Well, thank you. It's a really complex question, isn't it?

I know that enrolments are up across the country, but they aren't up across the country to the same degree that they are in Manitoba with, perhaps, the exception of Ontario, which is kind of an anomalous—it's kind of anomalous, because in Ontario there is a double cohort. So, therefore, there was quite a bump in the increases.

The budget may well say that the reason for tuition increases is the freeze. I think the freeze is part and parcel of it, but I think it's a much more complicated matter. I think there are a number of

student supports that we've put in place, and that those student supports together have encouraged enrolments. I can cite the Manitoba government bursary, for example, which is now over \$8 million. When we came into government there was no bursary at all. So I think students finding that they can alleviate their debts in this way is a great incentive to go to school.

So, then, of course, there are the Millennium Scholarships, which has been absolutely wonderful to us. We thank the federal government for that program and regret that the program is being phased out by the current government.

There is also the Graduate Scholarship, of which I'm very proud, a \$2-million Graduate Scholarship, which is encouraging graduate education in Manitoba, which is so important to our economy.

So I think there's a number of supports, and a number of reasons. I like to think that our young people have got it, that they understand that living in a knowledge-based economy means, if they're going to succeed in the workplace, means, if they're going to succeed economically, that they go to school.

So I think that there are a number of reasons. I think the tuition freeze is one. I think some of the other student supports are another. I think the students perceptivity and realization that education is extremely important for their personal success is another.

I'm sure there are other reasons that I haven't mentioned. So I think all of these things are important. I recognize, as the member has said, that there have been increases in enrolment in other provinces, but they haven't been as great as Manitoba. I'm very proud of our record and very proud of the fact that we've increased enrolment so dramatically.

Mrs. Driedger: If the minister is indicating that the tuition freeze was such a draw to encourage students to attend university, can she explain, then, why last year, there was a drop at the University of Manitoba by 2,000 students from the previous year?

Ms. McGifford: Well, it's really simple: demographics.

Mrs. Driedger: Could demographics also have been the reason—and I know it's cited in a lot of other documents across the country that demographics is exactly the reason for the increase in numbers of

students all across the country and it had absolutely nothing to do with tuition freeze.

Ms. McGifford: Well, I'm advised that the spike in enrolments that we saw in Manitoba was much greater than could be accounted for by demographics. There was a definite decision on the part of students to increase their enrolment at our universities and colleges.

Mrs. Driedger: This tuition freeze issue, certainly, has probably been the biggest issue in post-secondary education. When I got the portfolio, I started to look at what was happening across the country and actually even across North America just in terms of who was putting in freezes and who wasn't and why they did and why they didn't and sort of the effects in some of the areas as to what happened after, you know, a certain period of time. It appears that Québec and Manitoba certainly have had the longest freezes in Canada. Is that the same understanding that the minister has?

Ms. McGifford: Currently, Québec and Manitoba have had the longest. The member cites her research, so she probably knows that British Columbia had, at one point, a fairly long tuition freeze as well. I'm not quite sure how long Newfoundland has frozen its tuition. But in Newfoundland the tuition didn't drop by 10 percent as it did here but by 25 percent. We can find out how long the freeze has been in place in Newfoundland, but it also has been for a considerable period. I think currently Newfoundland has the second lowest tuition in Canada, between Québec and Manitoba.

Mrs. Driedger: The interesting thing that I point out to the minister, in Newfoundland the president of Memorial University there said that the government fully funded, backfilled the tuition freeze. So, while the government there put in the tuition freeze, it fully backfilled, which is not what happened here.

Also, I found it interesting because Québec did have tuitions frozen for quite some time—it was interesting what some of the comments were by heads of four Québec universities. I'd like to point out to the minister that heads of four Québec universities in February '07 were calling on the Province to lift the tuition freeze to ensure the future vitality of post-secondary education. This was coming from the heads of universities.

The head of McGill, which, I think, the minister would certainly acknowledge as a fairly prominent university, said that the freeze created the appearance

of enhanced accessibility, but did not, in fact, enhance access. You know, pretty reputable person that was coming forward. She said that, if the government didn't reinvest in universities, the quality of education would continue to deteriorate. She also said that what started out as a subsidy and grew into an article of faith led to undermining their commitment to quality education. She urged legislators to, in her words, I quote, rise above partisan political considerations and do what is in the ultimate best interests of our students.

So this president of McGill University was really, I think, quite concerned about what the tuition freeze was doing and the motivation behind it and how, in fact, it actually was not done in the best interests of students.

I'd like to ask the minister if she's ever heard any similar comments from the, you know, the head of McGill University.

Madam Chairperson: Prior to recognizing the honourable minister, I wanted to ask the Member for Charleswood, is that a public document you're quoting from?

An Honourable Member: No. It's my own notes.

Madam Chairperson: Okay.

Ms. McGifford: I thank the member for the question, and thank you, Madam Chair. I think it's worth putting on the record that the province of Québec, of course, has the lowest tuition in Canada, considerably lower than those in Manitoba. Their freeze has been in vogue considerably longer than Manitoba.

Also, I think, the member inadvertently asked me if I'd ever heard from the president of McGill. She probably meant, had I ever heard from the president of the University of Manitoba or the University of Winnipeg.

Yes, Madam Chair, we've had considerable discussions about the tuition freeze, considerable discussions about operating grants and, indeed, considerable discussions about all matters relevant to post-secondary education.

Madam Chairperson: The time being 5 p.m., committee rise.

AGRICULTURE, FOOD AND RURAL INITIATIVES

* (15:10)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to order. This section of the Committee of Supply, meeting in Room 255, will now resume and will be considering the Estimates of the Department of Agriculture, Food and Rural Initiative.

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

Mr. Ralph Eichler (Lakeside): Maybe we can talk about Bill C-517 that's being proposed in the federal Parliament right now. It has to do with the labelling as to the private member's bill that's been brought forward, and there are some members that are certainly lobbying to get this bill passed.

I was wondering if the Province has taken a stand on labelling as far as supporting this bill or looking at this type of initiative for the province or where the minister's departments recommend that they go.

Hon. Rosann Wowchuk (Minister of Agriculture, Food and Rural Initiatives): My staff indicate to me that the bill has not been reviewed and, actually, I can't make any comment on it.

Hon. Jon Gerrard (River Heights): To the minister, Manitoba's providing to the cattle industry something like 3 percent of previous net sales. Ontario is providing 12 percent of previous net sales.

Why is the Manitoba government putting us so far behind Ontario?

Ms. Wowchuk: There is a difference and it varies across the country on what level of support is provided in each province. Manitoba is more dependent on export than Ontario producers. They have much more of a domestic market. The concern is, and this is a concern that was raised by the industries with us as well, that, if we are putting supports in, we have to be careful that we didn't put it in at a level that would cause a trade challenge. If there was a trade challenge, it would be a lot more costly for the producers than what they would get out of this program. Based on that, we made the decision to set it at 3 percent of eligible net sales. There are variations of support right across the country. Different support in Ontario, different support in Saskatchewan, than in Manitoba.

* (15:20)

Mr. Gerrard: In the last election campaign, the minister and the government promised farmers EcoFund, which would have helped to support cattle producers. It was province-wide. What's happened to that promise?

Ms. Wowchuk: The member is right. We did make a commitment. A government runs for a four-year term, for a five-year term. A certain number of the election commitments can be met in the first year. Some of them are met in another year. We have the ALUS program, which is in the Blanshard municipality. It's a three-year pilot project. We're in the second year. So we want to see the results of that pilot project, and then make decisions as how we would move on further. But, yes, it was an election commitment and one that will be fulfilled.

Mr. Gerrard: The ALUS program hasn't worked all that well for cattle producers. Is the minister committed to making changes that would make it effective for cattle producers?

Ms. Wowchuk: There are some parts of the program that do work for cattle, and, as the member said, some that might not work as well. That's the purpose of doing a pilot project. You do a pilot project, look at how it's worked, and when the pilot is complete, you review what has been done and then you consider what changes can be made.

Mr. Gerrard: I think it's too bad the minister missed a major opportunity this budget year to do something province-wide, but that was the minister's choice.

The minister has talked about a production insurance program to include cattle producers. A pilot program was to run this year at an estimated cost of \$10,000, but there was nothing in the budget. What's happened to this?

Ms. Wowchuk: With regard to the ALUS program and the fact that it doesn't work for all producers, what we have to remember is that this is an environmental program. What we have to look at is what kind of environmental goods and services does it provide. It's not about what does it provide to the cattle producers, what kinds of goods and services, and they are part of delivering that.

With regard to the livestock insurance, the member is correct, there has been discussion about a pilot project. There's been discussion across the country on a pilot project for livestock. No province was ready to move forward on that pilot. We

continue to have discussions, continue to monitor, but there are many issues that have to be worked out on this before we could move forward with the pilot. It would have been a small pilot. At this time we felt it was better if we continued to work out some of the details with other provinces so that we could have some continuity, and at this point no one is ready to move ahead.

Mr. Gerrard: The minister has, over the last months and years, made a variety of promises with regard to the hemp plant in Dauphin. I wonder if the minister could give us an update on the hemp plant in Dauphin.

Ms. Wowchuk: Mr. Chairman, I, first of all, want to recognize the people in Dauphin who have worked long and hard to establish a hemp industry in that area. They've done very well in introducing varieties and growing the crop. The next step was to build a processing plant, and that, indeed, has been a challenge. Last spring they were trying to raise the capital, but they were not able to raise sufficient capital to build the size of facility that they were wanting to build. So what we did was link the group with the Composites Innovation Centre so that the two could work together to do some development work, work on a business plan. The Composites Innovation Centre is completing the current Parkland Industrial Hemp Growers and the CIC project assessment. The initial report allowing the project to proceed was presented on March 5, 2008. The decision was made to proceed with the development of a business plan. So we've offered support in that way, and have been working to bring the two together. They're now working towards development of a business plan.

Mr. Gerrard: I'm personally disappointed that Manitoba hasn't done as well as Ontario, and that the initial payment is going to be 2 percent, not even the 3 percent that was promised. I'm disappointed that the reduction insurance program is not moving forward. The minister is providing excuses, I think. I'm disappointed that the farmers' EcoFund is not moving forward province-wide this year and that the hemp plant is still in a business-planning, instead of having moved faster as we had hoped. That's my question, so thank you.

Ms. Wowchuk: If I could just respond, I would say to the member that he may be disappointed, and, of course, I'm disappointed, too, that the hemp plant isn't proceeding at the pace they wanted. But, certainly, government has been working with them.

It has been a challenge in starting many businesses to raise the required amount of capital.

* (15:30)

With regard to the livestock, I want the member to recognize as well that it wasn't just the 3 percent payment that was made to the producers. The producers asked us for several things. They asked for TB testing compensation. That was something they wanted, and that was \$290,000-\$6 a head. They were very happy with that. Producers asked us to have principal payments deferred for three years on the BSE recovery loans. That amounts to \$10 million. We've put that in place because that's what they asked for. The ruminant assistance, it is a 3 percent payment, but, when you are doing any of these programs, and we've done this in the past, we put out 2 percent first, make the payments, and then the final payments are made after it has been determined as to the number of people who qualify for the program.

I want to say that producers asked us for TB compensation, BSE recovery loans, and they did ask for a ruminant assistance plan. We put that in place.

Every province does something a little different.

Mr. Eichler: Just to come back to the hemp plant that the Leader of the Liberal Party was talking about, the business plan that you had made mention to, what is the next step in this business plan, and could the minister outline whether or not this project will move forward to the next level?

Ms. Wowchuk: Mr. Chairman, again, I will say that there are people who have worked long and hard on this. Yes, the business plan is being developed. As they looked at it, markets were not sufficiently defined in the previous plan. So markets have to be identified. The quality of product coming from the plant has to meet the quality of what is needed out there. The size of the plant has to be determined to ensure it is the right size to meet the demands of the market.

We are working with them. To this point, the provincial government has provided \$100,000 to cover the operating expenses of the Parkland Industrial Hemp Growers and the CIC project. After the initial assessment is complete, government involvement in funding the next steps will be discussed.

Will the project move ahead? It's our hope that the project will move ahead, but the business plan

has to be made, the business case has to be made, and, once that's done, then a decision can be made by the producers, by the people who are involved and the CIC.

I can say to the member that there is a small project in the Gilbert Plains area that has some equipment that has been brought in from China, and they've been working over the winter developing the base fibre that's needed for the plant.

Mr. Eichler: Again, going back to the questions asked by the Leader of the Liberal Party on the pilot livestock program for livestock insurance, my understanding is that, under the APF program, it is talking about covering some of that. Would that be a split cost, or would that be borne by each province based upon their numbers?

Ms. Wowchuk: The pilot project is a federal-provincial program. It would be cost-shared, just as other programs are shared that are in the insurance program.

Mr. Eichler: The split is 60-40, based on the \$10,000 that was anticipated. So the cost to the Province would be \$4,000 to do a pilot project. Is that correct?

Ms. Wowchuk: Mr. Chairperson, the programs are split 60-40, but producers would be paying 40 percent of the premium. So the balance, the other 60 percent would be split 60-40 between the federal-provincial. The Province's share of that would have been 10,000. So it would have been a bigger project. That's the provincial share of the pilot.

Mr. Eichler: I do want to move on. I have a number of questions, and we would very much like to try and wrap up today. The House Leader's given me instructions to try and get very much done today. So, if I'm rushing, it's because I have to.

Coming back to a question that was proposed, I believe, a couple of days ago in regard to the Stocker Loans program. I believe the Member for Carman (Mr. Pedersen) brought this forward. I've tried to summarize it the best I can.

What I'd like to know is: what amount was written off by the department for years 2002-'03, 2003-'04, '04-'05, '05-'06? I realize that there'll be still some that will be outstanding for '06-'07 and, of course, '07-'08, but, if we could get the numbers for '02-'03, '03-'04, '04-'05.

Ms. Wowchuk: In 2004, it was \$18,000. In '05, it was \$440,000. In '06, it was \$153,000, and '07-'08, it

was \$193,175. The last one is an estimate, because there could be still payments that would be coming in.

Mr. Eichler: '02-03, did you have those numbers—don't have, that's fine. It doesn't matter.

Thank you, Madam Minister, for that. We'll leave that with us, and we'll move on from there.

Also, I believe I've been jumping from one critic to another and letting other people ask the same questions, but I believe that we had asked that the bankruptcy of the Dauphin plant be put off until the staff was here as far as cost is concerned, if I remember correctly—maybe I'm wrong.

But my question is is that, on the security that's there, what are we at as far as our security is concerned for our investment as far as Ranchers Choice is concerned?

* (15:40)

Ms. Wowchuk: Mr. Chairman, we did discuss this earlier. I would say that the Province and MASC are the only secured creditors, so we have first position with respect to the equipment. The other creditors met this morning. So the process of bankruptcy is proceeding. When that is done, as I said, we have a position on the equipment, so that will come back to us.

Mr. Eichler: Again, forgive me, Madam Minister, if we did cover it. On the cost to store this equipment, I mean, the equipment is paid for. We have a first mortgage on it, is my understanding. So the chances of losing that are probably next to nil. What are we actually paying to store that equipment and keep it possibly for a processing plant?

We don't know what's going to happen with COOL. We don't know what's going to happen as far as processing within the province, and, certainly, we don't know what's going to happen with the Manitoba Cattle Enhancement Council.

Is it viable at this point to keep the equipment based on the cost of what it is to store it and maintain it?

Ms. Wowchuk: Mr. Chairman, we don't have control of that equipment yet. Once we have control of it, then we will have to make a decision on what to do with the equipment. Food processing equipment is very expensive. Given the price of where steel is right now, it could be very valuable. We don't have possession of it yet. So it is in storage. We are paying

\$1,800 a month to store the equipment until such time as we have possession and we can make some decisions as to what to do with the equipment.

Mr. Eichler: Again, for clarification, if the minister would clarify, the \$1,800 per month, has that been paid by Ranchers Choice, or is it being paid by the department? So whether or not there would be a lien put on it as a result of if Ranchers Choice is paying for it.

Ms. Wowchuk: Ranchers Choice has no resources, so since February of last year we have been paying for the storage of that equipment. We thought that was an important investment to make in order to keep the equipment in a reasonable shape and maintain its value.

Mr. Eichler: I would certainly have to concur. For under \$24,000 a year we're able to at least hold on to the equipment. I don't think it's going to cost us a whole lot of money in order to preserve that capital that we have purchased on behalf of, hopefully, one day seeing a proposed slaughter facility in the province.

As far as the equipment, is there insurance for theft or fire regarding if there is loss of that equipment?

Ms. Wowchuk: We don't own the equipment yet, but, as soon as we own the equipment, it will fall under government policy and it will be insured.

Mr. Eichler: Certainly, we would like to make sure our investment is covered there. I guess it's awfully hard insuring something that we don't own, but it would be an item that I would try and make sure we get ownership of as soon as possible.

I know that sometimes in bankruptcies these take a number of months and maybe even a year before we get title to it. I would encourage the department to look at any ways that we may be able to ensure the fact that that investment will be protected.

Also, just to the next step then, I did ask this, in regard to the Manitoba Cattle Enhancement Council, if there were any processors in the wind as far as maybe looking at that initiative. If we did have an investor move forward, would we be able to access that, or would we have to wait until such time as the bankruptcy would indeed be finalized?

Ms. Wowchuk: It's my understanding that those bankruptcy proceedings will proceed quickly, and we should have ownership of the equipment within a week. Once that's done, we will be able to consider

what the next steps will be. But it's my view that any or all potential proponents should have the opportunity to look at that equipment. You can't just say you're going to assign it to somebody. If there are people out there that are interested, then we would want to make it available to any and all potential processors.

Mr. Eichler: Then we, certainly, on this side of the House, would encourage the minister and her staff to do so.

The next thing that I would like to talk about in regard to agriculture services is the BSE loans. How many loans are there to date? I know the minister had talked about a cost of approximately \$10 million to waive the interest on those loans. How long a period was that for? So it's a two-part question. How many BSE loans are out, and the actual cost of waiving the interest on those loans?

Ms. Wowchuk: Mr. Chairperson, there are about 1,400 BSE loans, and \$10 million is the cash flow benefit to producers for each of the years that the loans are deferred. They were deferred for three years, so that means there's \$10 million per year that the producers don't have to pay out.

Mr. Eichler: So it's my understanding then that the interest cost of the \$10 million per year for three years, is there a budget line on that, or is that just going to be absorbed in the interest that's been charged in the past as a loss for MASC?

Ms. Wowchuk: The principal is deferred, but the individual is making the payments of the interest each year. They're not paying principal, but they are paying interest. So you don't have to have a line for lost interest in the budget.

Mr. Eichler: So, then, if they're paying the interest, what's the savings then to the actual producer out of this \$10 million, if they're paying interest back?

*(15:50)

Ms. Wowchuk: The issue for the producers was cash flow, the same issue that we had with pork producers. They asked us for a loan program because they had a cash-flow program. For the beef producers—the program—they had their loans already, but they had an issue with cash flow making their payments. So, by deferring the principal, we helped them solve their cash flow problem.

Mr. Eichler: So the interest is still being charged, and the principal is what's been deferred. So, really, the net savings to the producer then is only

temporary. They still have to pay that money back to MASC. It's just that there's no reduction in the interest rate. The only thing they're saving is the payment of the principal, not necessarily an interest-saving cost.

Ms. Wowchuk: That's right. That's what the producers asked us. They asked us to defer payment on the BSE loans for three years to help them with their cash flow and defer the principal payments. That's what was put in place for them.

Mr. Eichler: The \$10-million cost, then, that has been referred to for these three years, that will cost MASC because the extension will be covered by the interest. So, really, it should be a net wash at the end of the day. It really shouldn't be a cost. This could be incurred by the department.

Ms. Wowchuk: What it is is a \$10-million benefit for the producer, because they don't have to have payments of principal. So it helps them with their cash flow. If you look at the size of the BSE loan, and you calculate the amount that they would have had to pay on principal in each of those years, it's about \$10 million, and that's where the \$10 million cash flow benefit to the producer comes.

Mr. Eichler: The total amount of loans outstanding for these 1,400 loans, what's the total amount that's outstanding now at this point in time, or even up till the end of March would be fine?

Ms. Wowchuk: As of January 31, it's \$50 million in loans.

Mr. Eichler: What rate of interest is being charged on these loans?

Ms. Wowchuk: On the average Mr. Chairman, it's about 5.8 percent. Earlier on in the program, there were special concessions and reductions in interest rates that were made for the first couple of years. There was a Young Farmer Rebate. There was a reduction in interest, but now those have completed their term. So the average is about 5.8 percent.

Mr. Eichler: And the cost of borrowing for the Province is what rate?

Ms. Wowchuk: The borrowing rate for the Province is about 1.5 percent lower than what is here, but they all vary. They're all made at different times, and it depends when they're being paid out, but the provincial borrowing rate is about 1.5 percent lower. That's the usual rate with any of our MASC loans.

Mr. Eichler: Just further to that, the minister had mentioned the young farmer's interest rebate on loans. Is it my understanding that those are no longer available on the BSE loans for the young farmers that are paying, on average, the 5.8 percent, or that'll still be into effect for the young farmer loans?

Ms. Wowchuk: When the loans were put in place they had the advantage, and they were in place until they were turned over to part 2 loans. Once they were turned over they were negotiated at the rate that was available at that time.

As I said, it varies from loan to loan. They won't all be the same, but, on the average, they're at 5.8 percent.

Mr. Eichler: If we could talk about collateral, what collateral does the department take in order to ensure that these loans will be covered off? I know at one time we were talking about the home quarter being exempt, and then the next time we talked about it being part of that. Does that require now, when they go to part 2 loans, is the home quarter part of that security for that loan?

Ms. Wowchuk: Mr. Chairman, on the young farmers, I wanted to correct what I had said earlier. They had the reduced interest rate for the first three years. When they turned it over to a part B, they still had the reduction in interest rate. Then after that it went to regular.

With regard to collateral, if they rolled into a five-year agreement then there was a general security agreement. If they went to a 10-year agreement it was real property that had to be put as security. Each case would be different. People would make their decision on what they put in for security.

Mr. Eichler: On the loans that are considered high-risk, are they charged a higher rate? If so, how is that rate determined that's going to be charged on each of those loans that are advanced?

Ms. Wowchuk: Everybody is charged the same rate. There is no extra fee or percentage for high-risk, but it depends on where in the calendar they took the loan and what the interest rate was at that particular point in time.

Mr. Eichler: Following along the same line of questioning, on the number of loans that have actually lapsed and payments not being able to be made, what is the number of loans that have actually been abandoned or walked away from in the last two years?

Ms. Wowchuk: As of January 31, '07-08, there were 16 loans—

An Honourable Member: 16?

Ms. Wowchuk: Sixteen loans.

An Honourable Member: 60?

Ms. Wowchuk: One-six, loans valued at \$528,000 that were written off as of March 31.

Mr. Eichler: Again, just for clarification, this is just in regard to the BSE loans, not the total of the MASC?

Ms. Wowchuk: That's correct. This is just the BSE loans.

* (16:00)

Mr. Eichler: Thank you, Madam Minister.

Just before I do leave this, on the BSE loans, do they get referred to the Farm Mediation Board for review and assessment in order to see whether or not that can be redeemed in any other manner, rather than just walking away from the loan?

Ms. Wowchuk: Using the services of the Farm Mediation Board is the decision of the client. We make them aware of those services, and they have to make the decision as to whether or not they will avail themselves to it.

Mr. Eichler: I would like to talk about the Farm Mediation Board just a little bit longer, moving on to just the total loans in general that are administered by MASC. I believe last year there was a very small number of loans that actually got referred to the Farm Mediation Board, if I remember correctly.

Could we get an update from her department in regard to the number of loans that have been referred to the Farm Mediation Board and the status of the success rate in order to see if there was remedy that was brought forward as by use increased as far as grains are concerned? Land values certainly have skyrocketed. So could we get an update as far as the number of loans is concerned and the success rate there?

Ms. Wowchuk: We don't break out MASC loans versus other loans. In fact, the number of applications has gone down from the previous year. The previous year I indicated to the member that there were 114 applications. There were applications for leave to foreclosure; there were 51, and applications for voluntary mediation, there were 63, for a total of 114. In '06-07, as of March 13, not

quite—'07-08, this existing year that we've just finished, there were a total of 99. So there's a slight decrease.

Mr. Eichler: Certainly, good news for our farming sector. If you look back over the years, by the actual numbers that have been provided to me before—2000 to 2001, we were looking at about 150, about the same for '02, substantially less in '02-03, and then shot back up 25 percent, '03 and '04, and then remain the same for '04-05. So we've seen, definitely, a decline in the number of cases as a result of some of the grain prices coming up.

I'm curious, though, if the department has the access to the figures—if not, you can give them to me later. What percentage of this, or do we have a number breakdown that was actually grains and oilseeds or the number of actually, whether it was beef cattle or the hog sector, which one would be in place here of those 114?

Ms. Wowchuk: While we're waiting for that number, I would say for the member that in '03-04 it was 127; '04-05 it was 124; '05-06 was 116; '06-07 was 114; and '07-08 was 99. So there has been a decline in the number of applications.

With regard to the mediation—these are the ones. I can give an overview of the farms involved in mediation, but they could have more than one source of income. In cattle, it was 54 percent; in hogs, it was 18 percent; other livestock, 6 percent; grains and oilseeds, 15 percent; forage, it was none; other crops, 4 percent.

That's the breakdown of the categories of income for the people who have come to the mediation board.

Mr. Eichler: The total dollar amount that was actually recouped—or net loss, I guess, the question would be—as a result of the mediation and the unsuccessfulness of being unable to come up with that, do we have that dollar amount, and the number of actual applicants that weren't successful?

Ms. Wowchuk: We do not have the amount of defaults that these farmers—payments that they have defaulted on. There is a bit of confidentiality here, that we can't go into those specifics on what the actual amount of losses were per individual farm.

Mr. Eichler: Then could we get the number of actual defaults out of the numbers that have been presented, rather than the total costs?

Ms. Wowchuk: Mr. Chairman, we don't have specifics on each client because the work is done, the mediation is done, and then they and their financial institution work out the arrangements that are necessary for them to continue their operations.

In the areas where the board guarantees the guaranteed liability, in the last year we had a guarantee—there was a liability of 238,859 and 100,000 was paid out on it. That's last year's.

* (16:10)

Mr. Eichler: Thank you for that. That concludes my questions in regard to the farm mediation.

I'd like to move on to the Manitoba hog assistance loans. What is the dollar amount, the number of producers who've actually accessed those loans, and what rate is being charged on those loans? Is it similar to that of the BSE recovery loans, and based on the same formula?

Ms. Wowchuk: Before I get to that answer, I have to clarify my last comment. On the guarantees, there was, I said, 238,856. Of that, there were payments of \$100,000. So the payback was about 41.8 percent.

On the other question, as of yesterday there were \$14 million in loans approved; there is \$13 million that is in process, for a total of \$27 million that is being accessed by pork producers on these loans. That would be for 108 clients.

Mr. Eichler: The criteria that are used to determine the amount of loan, what are those criteria?

Ms. Wowchuk: The criteria are \$35 per slaughter hog, \$10 per weanling, and the producers can go back from October 1 of '07 to May 31 of 2008. There is a maximum of \$2.5 million that's available, and the individuals have to have adequate security for these loans.

Mr. Eichler: The security, how is that determined? Is that based on hog inventories at that point in time, or is it based on a number count similar to that of the Stocker Loan program? Is there a count done on a regular basis?

Ms. Wowchuk: If the loan is up to \$50,000, they can secure it with a GSA. If it is higher than that, it has to be secured by real property, and, generally, that is the book value of the property. So it's probably secured with property that is worth more, with overvalued property.

Mr. Eichler: I'll get into that in a bit on the buildings themselves, which is a real concern for me.

Coming back to the actual loans that are being put out based on the number of animal units, I guess, that are in those, we know that, with the cull program and the number of iso-weanlings being exported to the United States, we've seen a huge increase this year as a result of feed costs being high. I am concerned about the collateral and the method by which that will be protected.

I know that the AgriStability and the agri programs should cover that off, but, based on the advances, is there a margin of error being allowed there based on the actual cash advance for a clawback in order to make sure that you do, in fact, have enough security, rather than a property security as well?

Ms. Wowchuk: Mr. Chairman, the two programs are very separate programs, but, with regard to the targeted advance payment, what has been agreed to is a 60 percent payment provision. This allows for margin of error. But, if your year-end is in the second half of the year, you can get up to a 25 percent payment again a little farther down the road, so you have to allow more for margin of error as well. But, if the member will remember, when there was a targeted advance payment to the cattle producers, there was a concern that they were getting paid too much and then had to pay it back. This is a little more cautious approach and, hopefully, there is less room for error, but there could be some overpayments. If there are overpayments, they will have to pay them back.

Mr. Eichler: Well, that's my fear, because I know a number of producers—in fact, I had two producers this year that have sold off their farms on the advance of the BSE loans. Again, poor management decision where they had access to \$50,000, but they only had 23 head of cattle, took out \$50,000 and, as a result of that, ended up having to sell off their farm. Again, bad management decision. But, sometimes, when we make these advances available without some type of protection in there to have them have a second look at it, it can get them in trouble sometimes when we're trying to help. So we certainly hope that those targeted and advances that are being made don't get him into a financial position that he won't be able to pay it back and have the same results as some of the BSE loans.

Ms. Wowchuk: Well, thank you, Mr. Chairman, and, if a member has individuals that are in that situation it's unfortunate. However, that's the reason for putting in a percentage and, hopefully, there will

be less of a margin of error. But I will also say that I know the industry doesn't want overpayments, and we don't want overpayments, but, when it does happen, the CAIS administration will work with them. They will work out a schedule of payment to pay this money back that should not require anybody to sell their farm. That would be a bit strange to me, if they took out an advance, unless they took it way beyond and felt that they couldn't make their payments, but there is—the administration does take a very—took this very seriously. As a government, we want to see a very balanced approach so that the cash can get into the producers' hands when they need it, but also that we don't end up in this kind of situation where there's overpayment.

* (16:20)

Mr. Eichler: On the cull program, we know that there are a number of producers who are going to be taking advantage of the cull program. There will be no advance to those, or those may already have been applied for. Were there any protections put in place to ensure that they wouldn't be receiving duplicate payments? Again, I know that the minister has stated that they don't want that to happen, but are there any checks and balances in place to, in fact, see that it doesn't so they don't get into that same position?

Ms. Wowchuk: Mr. Chairperson, as the member knows, this is a federal program and it's administered by the Canadian Pork Council. They're doing the work; we don't have anything to do with it. So we're not sure if they are doing any matching that will affect the targeted advance. We're not aware of that. But we also have to remember that, if people are downsizing, they still may be entitled to a significant payment from CAIS or AgriStability, so they could still be getting money, but we aren't aware of any tracking that is going on to prevent any issues with the targeted advance.

Mr. Eichler: So, when the producer comes in, it's more of a measure of good faith based on the producer, so there are no checks and balances put in place by the department? There's no staff that actually goes to verify the animal units that are in place?

Ms. Wowchuk: Our department is not involved in it. I'm assuming that the federal government will want proof of disposable. It is retroactive to October 1, '07. So, in those cases, there would have to be proof of sale. I'm assuming that there will have to be proof of disposal provided when they sign up their animals, but our department has nothing to do with it.

Mr. Eichler: That concludes my hog questions for that particular department.

But, while the department's still at the table, I'd like to talk about wildlife damage compensation. How many claims have been made, and a dollar amount of those claims, and are there any pending changes to the program, especially in regard to predator control?

Mr. Gerard Jennissen, Acting Chairperson, in the Chair

Ms. Wowchuk: Mr. Acting Chairperson, for '07-08, as of January 31, '08, there was a total of 2,278 claims with a compensation of \$1,571,000 in payments. As the member knows, this is a cost-shared program, 60-40 with the federal government at an 80 percent level of coverage. There is no plan to raise that coverage.

Mr. Eichler: The last part of my question, Madam Minister, was in regard to predation and changes there to improve that coverage. Are there any changes that may be recommended there, or are they going to stay the same as what they were in previous years?

Ms. Wowchuk: On predators, there were 1,589 claims, and compensation was \$483,000. This, again, is cost-shared, federal-provincial, 60-40. The federal government will not participate in anything over 80 percent, so there is no plan to change that but, with regard to predators, producers, we have to work with Conservation, and producers have to work with Conservation as well, with control. We don't have any part in the controlling of predators.

Mr. Eichler: I certainly understand that, but it's the method which is used to calculate that loss that has been in question for the past number of years, and that's actually finding the carcass in order to prove, in fact, that that was predator loss. That is a concern which the cattle producers have been raising with me. You have a large wolf problem in your area. Some of these smaller calves and these bigger wolves can actually just have the carcass disappear, so that's the issue that's been brought forward and, certainly, an item of concern for us. That's a concern that I don't how to address but, hopefully, people in your department have figured that out, so, if the minister would care to comment on that.

Ms. Wowchuk: I know that this is a difficult situation for producers, and producers have to take every step that they can to prevent these losses. That's why I say it's important that they work along

with the Department of Conservation. There are efforts made to reduce losses, but, for this insurance program to work, we have to have proof of loss. There has to be part of a carcass. One of the things that the cattle producers have talked about is photographic evidence. The department is willing to work with them, and that's something that's being considered now.

Mr. Eichler: I certainly thank the minister and her department for their efforts in trying to assist in these losses. We know the cattle industry has certainly been in a downturn for the past five years, an area of concern for making sure that they can keep every possible calf alive and healthy. I don't know of a producer out there that doesn't take this very seriously as a result of that.

I had a producer call me last year from the Beausejour area that had a serious wolf problem. He was able to find six out of 10 carcasses, four of which he received no compensation for. Yet Conservation was there, and they actually ended up receiving or obtaining some of these wolves, but, certainly, they didn't get them all. Unfortunately, when you don't get them all, they come back the next year and, sure enough, this year he's losing calves again. They're very territorial and certainly cause a lot of damage. The result of that, the number that's, in this particular case, this producer is out a substantial amount as a result of that loss.

Mr. Chairperson in the Chair

* (16:30)

Ms. Wowchuk: Yes, I recognize that there are some of these situations that can arise and, again, there is a role for Conservation to play. There is a role for the producer to play as well. We've talked about how my department works with producers looking at various methods wolves can be controlled, but I recognize it as a serious problem. There are times when the producer does have losses that are not compensated for, but we have to have proof of evidence before payments can be made.

Mr. Eichler: Again, I thank the minister and staff for their concerns. I know that they'll do everything they can in order to see that the producer is treated fairly. We certainly would encourage them to do so.

The concern that has been raised recently in regard to the crop insurance program that came about, the clipping that was in the *Western Producer* on April 24 suggests that there's maybe not enough money in place in order to make sure that each of

those departments are covered off as far as crop insurance is concerned.

Could the minister or department outline any steps they're putting in place to ensure that there will be enough money in the crop insurance program to meet the needs of our producers?

Ms. Wowchuk: From what I understand of the article, there was concern that people, companies, insurance companies might have their money invested in some place that was not fully guaranteed, and that there would be risk that there wouldn't be enough money in the program to cover off insurance. I want to assure the member all money with MASC is invested with the Department of Finance, and it is fully guaranteed. In Manitoba, if people are looking at this, our insurance program that we offer producers, it is fully guaranteed. So we are not at risk.

Mr. Eichler: I know that in the past the department has off-insured some of their losses. I can't remember the total amount, but could the department outline for us the total of outsourcing of insurance that the Province is tendering out to these other companies?

Ms. Wowchuk: I have to say, Mr. Chairman, that our Minister of Finance (Mr. Selinger) is really happy with the work that the corporation is doing in this area of re-insurance. Last year we bought \$150 million in re-insurance. We've been doing this now since 2001. During that time, we've collected about \$120 million from the re-insurance and have paid in about \$98 million. It is a good investment that we are making here.

Mr. Eichler: Certainly, I wasn't questioning whether or not it was a good investment. I just needed the figures to see if they were still the same, Madam Minister. It was not a reflection that it was not a good investment.

I think that we're probably okay as far as—no, actually, I have another one here for the MASC on the livestock cap, and that has to do with the AgriStability. I know the minister and I have talked about this before. Based on the hogs, I think that the answer I received back, there was only one producer in the province of Manitoba that would be affected if you raised the cap. But what has that to do with the cattle sector and any other sector that's involved as far the cap on livestock, based upon the programs the way it sits today?

Ms. Wowchuk: There would be two producers that would be affected by the cap, and they're both pork producers.

Mr. Eichler: There's none under the cattle side of things that the department's aware of?

Ms. Wowchuk: Not that we're aware of.

Mr. Eichler: We're moving along pretty good. In regard to the Kyoto commitments that have recently been brought forward in regard to the Department of Agriculture, how are we planning to institute this over the next few years, and will there be strategies put in place, and what cost are we going to be looking at that are actually going to be put in by this particular Department of Agriculture?

* (16:40)

Ms. Wowchuk: The goal for the agriculture sector, our target is 0.25 megatonnes of CO₂ equivalent by 2012. Just to meet that, there are several things, three elements in particular that we are working on in this department. We're working with the industry to make adjustments in production practices, both in cropping and in livestock. We're looking at how we can use biomass and agriculture products as a fuel to replace coal and natural gas. We're encouraging the development of agri-woodlots because, through agri-woodlots, you can have a lot of carbon sequestration.

We're working with producers to identify opportunities where greenhouse gases can be reduced. Examples of that: covering of lagoons in the hog industry; with the grain industry, it's placing fertilizer, right place, right time, so we don't have losses of fertilizer, rather it's used up to the utmost.

Mr. Eichler: I want to come back to the actual dollar incentives. I know we offer a lot of advice when it comes to help from the department, but money is what makes things happen, and I didn't hear anything about dollars being attached to these initiatives. Most of it has been offloading it to the municipality or to the farmer. When you talk about covering lagoons, I know the Minister of Conservation (Mr. Struthers) is sitting at the table. I have my time with him tomorrow.

But you know, as a result of some of this, you're seeing an exodus of a number of the farmers. That's certainly not what I would like to see. We need to increase and encourage farmers to take part, not by running them off and putting a moratorium on. So we need a lot more incentives here in order to

encourage investment into our agriculture sector, rather than seeing an exodus of it.

I certainly hope that, as a result of these Kyoto commitments, we don't see that as the exodus of our system.

Ms. Wowchuk: Indeed, in this budget in my department there is about \$4.5 million. I'm very pleased that the member's going to talk to the other departments, because there is also money available in other departments, but there is about \$3 million that's available for the production practices for crops and livestock. There is about 450 for the woodlots program, and the balance, around \$1 million, for biomass and the purchase of the densifier that I talked to the member about earlier with the PAMI project.

Mr. Eichler: Out of the \$3 million that's available, what is the requirement to access that in regard to covering lagoons, or what is the program actually set up to do to enhance the Kyoto Accord?

Ms. Wowchuk: The details of the program are still being finalized, and there will be an announcement in due course.

Mr. Eichler: We certainly look forward to the announcement. I'm sure I don't think the two ministers actually have had a lot of conversation in regard to the moratorium—

An Honourable Member: Which two?

Mr. Eichler: The Minister of Conservation (Mr. Struthers) and the Minister of Agriculture (Ms. Wowchuk).

I hope out of this \$3 million that has been put forward will, indeed, go to relieving some of the pressure that's been put on by this government by your regulations, by the amount of money that's been required to assist these producers in meeting the regulations that have been brought forward by the government. Quite frankly, most of the producers can't afford it. In the livestock sector particularly, we look at the downturn in the cattle for the last five years and the downturn in the hog market. So \$3 million sounds like an awful lot of money, but, when you look at the total number of producers, it's certainly not in line to bring them up to the standards of which the Minister of Conservation wants them to be at, at least at this point in time.

Ms. Wowchuk: I've said to the member that there is change. We are going to meet our Kyoto targets and we have a four-year period to do it in. This is the first

year that we've got this money in and this will continue on. But what we are doing is looking for solutions for producers as we move forward and look for ways for developing a carbon-credit registry. Hopefully, this will be another opportunity for producers, but the member will say that the \$3 million isn't very much money. I've indicated to him that that's the amount that's available here. It's the first year. There will be additional work that will be done over the four years, and we have to work together to find solutions that will benefit the environment, but also benefit producers.

Mr. Eichler: I don't know. Maybe the minister's not responsible for this, and I'll certainly take it as notice if it's not. But carbon credit, the province of Alberta, a number of the producers there have started selling some of those off. In fact, it's become a very active part of the producers there. Is this something that we're looking at here in the province of Manitoba?

Ms. Wowchuk: Mr. Chairperson, first of all, yes, my staff from my department is actively working on this.

The member talks about Alberta being able to get credits or selling credits. It's interesting that the way they're getting their credits is people are moving from traditional tilling to zero till, and that's worked for them. Unfortunately, for us, our producers moved to that zero till a long time ago. They did it before 1990, which was the target date. So then we can't get that credit; however, if there are people who will in addition to that move to zero till, we would still get credits for those. A good portion of Manitoba producers are using zero till.

So we will have to look at different methods, and that's why we are looking at some of the programs that I outlined, the \$4.5 million that I talked about.

I want to also tell the member that there is also \$2.3 million in nutrient management that will be available for producers this year. So there is additional money and, yes, my department is actively looking at how we could have carbon credits as a source of revenue for farmers here in Manitoba as well.

* (16:50)

Mr. Cliff Graydon (Emerson): Mr. Chairperson, my question also has to do with carbon, or with the Kyoto and meeting those targets. But it's more related to the change that the minister has made in the past year or two in the extension offices throughout the province when they removed them

from production-based to value-added based. How does the minister propose to administer these programs when the rural offices now are totally value-added? I think it was a terrible mistake that you did when you removed the production abilities.

Ms. Wowchuk: I'm sorry to hear that the member opposite doesn't like the changes because they are very well received throughout rural Manitoba. I would say to him that we have the largest extension service of anybody in western Canada of people who are on the ground. In fact, 43 of the staff that we have are primary production extension staff. They are out there working with the producers.

Yes, we do have staff that's focussed on business development and on value-added. I think that those are important things, but primary production is very important. You can see how well our production extension workers have been doing their job when you look at the number of environmental farm plants that are done. Those environmental farm plants would not be at the level that they are if we did not have the primary production extension workers out in the field working with them, because they're doing a very important job, but they are also supported by specialists and experts and the additional staff that are there to back them up in the knowledge centre. So you may disagree, but I see primary production as very important. We do have the staff there, and we will continue to work in that area, as well as in the area of economic development, food processing, alternate energies, agri-tourism, immigration—those are all areas that we are working in.

Mr. Graydon: Thanks for that answer. I do disagree with you, however. I agree that the extension staff have done an excellent job in regard to the environmental farm plans; there's no question. There's also a monetary incentive as well in that situation, and I think that's also indicative. However, when you do have your value-added people and your specialists as they were previously, they were always available to the production staff that was in each one of the regional offices, which is not the case today. I have to say to you that what I'm hearing in the country is contrary to what you're putting on the record today. Thank you.

Ms. Wowchuk: I will say to the member I would be interested at some point in having a further discussion with him because we have not reduced the number of people. In fact, I'm very proud of our record of this department because more people are working in rural Manitoba than were working before.

I believe in that because this is a service for rural people, but those staff, the specialist staff know they may not be in every office, and there never were specialists in every office. There weren't. There was production, but all of that is available now with further supports, so I think we bring a broad range. But I guess we will have to agree to disagree on this one, and I would look forward to a conversation with the member at some other time when he might offer some advice as to which positions he would change.

Mr. Eichler: We're just about to wrap up here, Madam Minister. Mr. Chairperson, I do want to take a moment and thank the staff for their patience with us. We have a number of people on our side, as you know, and we have to also let the Liberal people ask a few questions. So I thank the minister, and I thank her staff for their time and effort brought forward. We, certainly, know that you take your jobs very seriously. So, on behalf of our caucus, we thank you very much, and we look forward to moving forward on the final closures.

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

An Honourable Member: I didn't say that. I didn't say there were no more questions. I just said I was done.

An Honourable Member: What is the question?

Mr. Chairperson: You can turn that into a question if you want.

An Honourable Member: No, put that on the record.

Ms. Wowchuk: Well, I thought that the member had had enough on questioning, and had asked my staff to leave. So I'm assuming that's the end of questioning. But I would like to, also, thank my staff for the hard work that they do to provide the supports to me in this department, and I thank my critic for his advice and input.

Mr. Chairperson: All right, seeing no further questions, we will, perhaps, move to resolutions.

Resolution 3.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$140,247,100 for Agriculture, Food and Rural Initiatives, Risk Management, Credit and Income Support Programs, for the fiscal year ending March 31, 2009.

Resolution agreed to.

Resolution 3.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$25,058,900 for Agriculture, Food and Rural Initiatives, Agri-Industry Development and Innovation, for the fiscal year ending March 31, 2009.

Resolution agreed to.

Resolution 3.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$42,878,400 for Agriculture, Food and Rural Initiatives, Agri-Food and Rural Development, for the fiscal year ending March 31, 2009.

Resolution agreed to.

Resolution 3.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$612,800 for Agriculture, Food and Rural Initiatives, Costs Related to Capital Assets, for the fiscal year ending March 31, 2009.

Resolution agreed to.

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

Some Honourable Members: Oh, oh.

Mr. Chairperson: The floor's open for questions.

No? All right.

Resolution 3.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,253,300 for Agriculture, Food and Rural Initiatives, Policy and Management, for the fiscal year ending March 31, 2009.

Resolution agreed to.

That concludes the considerations of the Estimates process for this department.

Is it the will of the committee to see 5 o'clock?
[Agreed]

The hour being 5 o'clock, committee rise.

EDUCATION, CITIZENSHIP AND YOUTH

* (15:20)

The Acting Chairperson (Mr. Daryl Reid): Will the Committee of Supply please come to order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Education, Citizenship and Youth.

Would the minister's staff please enter the Chamber.

As previously agreed, the discussion will be a global one and the floor is now open for questions.

Mr. Peter Dyck (Pembina): I do have a few questions and I know that the minister already knows the direction that I will be heading with my questions.

Before I do ask some of the specifics, I do want to recognize the fact that, in the announcement on capital projects, the Garden Valley School Division is going to be receiving some classroom space. Although the minister and I both know, and his department, that, when some of these comments are made about receiving capital construction, it's a period of time. In fact, it takes anywhere between three to five years until the buildings are actually able to be occupied. I recognize that fact and I know that the department does as well and, as said, I'm appreciative of that fact and Garden Valley School Division, the board, is very appreciative as are the parents, for that added space they will be getting.

I do want to also indicate to the minister that where we had thought that we'd be having an enrolment of kindergarten for September of '08 in the numbers of approximately 200 students, we have now found out that 300 have enrolled. This does present a problem and I know also that the minister's has indicated that it is his responsibility to make sure that proper education is received by the students within the school divisions.

I'm just wondering if, in all of this, this has been factored in and what they're going to do about the added space that is going to be required for the 300 kindergarten students that will be added to the premises within Garden Valley School Division.

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): I thank the member for the question and I know we've had this conversation before with respect to the problem of growth, and growth being a good problem to have. I can assure the member that we'll continue to work with the school division to address, in the short term, the immediate needs with high-quality relocatables. That is a short-term fix. We also mentioned in our capital announcement that the Emerado School will have additional classroom space, and there's a meeting scheduled for May 14 with the Public Schools Finance Board to talk to the divisions about the long-term needs and that planning process.

The member did mention the time frame that it takes to build a school. We are trying to streamline the delivery of that service with the current structure of the Public Schools Finance Board, and certainly with some other initiatives that we've taken to the table with the PSFB that will result in a quicker end result with respect to joint planning of facilities, as the communities of Winkler and Steinbach certainly share similar needs in terms of the school capital. It would essentially eliminate a step to have both communities working together to design a school that would meet the needs of both communities, essentially.

That is part of the planning announcement—the capital announcement that we would have joint planning and make more efficient use of that process as well.

I do appreciate that there are tremendous capital needs in the area and the plan includes the bridging with the high-quality relocatables, the four additional classes on the Emerado School, as well as planning for additional schools to be developed in the future.

Mr. Dyck: I want to thank the minister for that answer, and I know that he is aware of this as well. But he's talking about fast-tracking and I think we're still looking at three years on the fast track. I would hope it would be sooner than that. I know that regular time is usually about five years in the building and completion of a school structure, so, if this can be sped up, of course, is great.

The other comment I would want to make, and I know that he indicated that there would be portable relocatables that will be available to the division. I understand that, of course, we do have many of those already. The concern there is—and this is, of course, both elementary and high school—that they don't really have the access to washroom facilities that they need because the schools are full, as you can well understand. So this really makes the situation and the concern that much more complex. So I'm just wondering what the minister is planning in the interim for those students to be able to receive and have timely access to the washrooms, also considering the fact that, in most cases, you're adding more students to an already-existing school and the hallways are not really built to accommodate them. So, consequently, it also involves a safety issue. I will just wait for the response.

Mr. Bjornson: Yes, I thank the member for the question, and with respect to the speed at which we can find construction underway for the new school, I

would assure the member that we will do our best to build the new school facility as fast as we possibly can. I do appreciate the stresses that are put on the system, when you do have a number of high-quality relocatables, and, as such, we're trying to be very strategic with respect to where those high-quality relocatables are placed.

A case in point, the original request, as I understand it, from the division with the Emerado School was to add four more high-quality relocatables, but PSFB, in their assessment of that request, determined that it would be better to put forward an addition to that facility. The facility is also constructed in such a way, with the available properties in terms of the acreage, that additional additions could be accommodated in the near future, if that was indeed the case that it would be needed.

We do recognize the stresses that the system is under with the capital, but we will do our best to build the school as fast as we possibly can. I know it can't be fast enough given the number that we currently have in the high-quality relocatables, but we are aware of the limitations of the high-quality relocatables. We are aware of some of the other infrastructure challenges that go with that, so we'll continue to work with the school division to be strategic in the placement thereof and continue to monitor the impacts of the short-term solutions and look towards the long term in as rapid a manner as possible.

Mr. Dyck: I thank the minister for that answer. I guess, just to add to that, I know that in their submission regarding Emerado School that they did indicate they would like four more classrooms. They also are appreciative of the fact that rather than going to the relocatables, it does make more sense with the cost of these relocatables to put in permanent classroom space. There's no doubt about it that we will be needing that. I mean, the growth certainly is there to substantiate the need for that. No, they're quite aware of that and, of course, they'll be needing another four relocatables anyway. So somewhere within the division they will be used.

I also want to indicate that, you know, we have seen sustained growth, and the more we can go towards permanent structures, I think, is something that we really need to look at because, at the cost of the relocatables, it's immensely expensive. I believe they're around a quarter of a million dollars a piece.

They're nice classrooms, but they don't give you access to any washroom space. I recognize that fact.

There's another issue that I did want to talk to you about and that is the whole area of the high school. We have a problem there as well. There's a number of relocatables already in place and if I could just speak collectively from the Western School Division and from Garden Valley School Division, and I know that Western is starting to be in, I believe next year from the indication that I have, will be in the same situation that Garden Valley is in where they're going to need relocatables as well because their classroom space is all taken.

I'm just wondering if there is any consideration given, when you look at the high school, to having, in fact, a combined high school for the total area, which would look at giving the ability for the two divisions to offer more programs. It's sort of like a community college, except that this would be in the form of high schools and then being able to offer extra programs.

I'm wondering if the department has at all looked at that and whether there have been discussions with the school board on that issue.

*(15:30)

Mr. Bjornson: I thank the member for the question. I know that a project of that nature had been very successful in the community with the communities getting together on the Boundary Trails hospital.

In discussions with PSFB staff, they have indicated that they haven't had that discussion raised with them at the PSFB table, but certainly, as we're interested in more efficient planning and best use of resources, if this was, indeed, something that the two school divisions were prepared to work towards and work together, it's a very intriguing idea. The model for the communities to co-operate, the way they have in the past, exists with the Boundary Trails hospital. I can't see why we can't entertain that idea and raise that with the two school divisions that are enjoying this incredible growth in their communities. So I thank the member for that suggestion, and the PSFB will certainly raise that with the boards when they meet with them. Thank you for that.

Mr. Dyck: Okay, I appreciate the comments there.

I guess, in the short term, especially with the fact that the minister has mandated the physical education program take place within the grade 11 and 12 students, again, looking at the shortage of space

within the high school in Garden Valley specifically, just in my discussions with them, they're having a real problem in trying to accommodate the students in order that they can, in fact, get the credits that they need in order to graduate.

You know this thing, of course, is compounded by the fact that with the number of students, but also the fact that the school is extremely full, and I know that. I believe that they are looking at some more portables to be put on site for this year because they are full, but, of course, this does not give them added space for their gym.

I'm just wondering if the minister and that could just sort of give an idea as to where the department is coming, but specific to, also, in adding more space to the high school, whatever form that may be. Is this going to be short term, is it—are we talking about trying to do a short-term fix or are we talking about looking ahead, and in fact, moving towards a solution that's going to be able to resolve some of these issues long term?

Mr. Bjornson: I thank the member for the question. The community has been extremely innovative, as he knows, with the Garden Valley technical centre. Of course, we've supported them in that endeavour as that was a measure that was attained very rapidly with respect to the housing of that initiative and with respect to the availability and access for the students, which has taken some pressure off the high school with respect to having that space available in a very timely fashion. We do recognize there would be added pressure in schools that are at capacity when it comes to the physical education component, but we did have that in mind when we worked with our team to develop a model that provided a lot of flexibility that would allow for participation outside of school. We know that some school divisions where there's excess capacity, as we have seen, where there's enrolment, and declines have allowed them to have 100 percent classroom instruction in the facility on-site, in the school, if you will.

It's not an issue but we did allow for flexibility where 25 percent could be delivered in the classroom and 75 percent could be delivered in the community. We have, of course, supported that with \$2.1 million for added instruction time for phys ed teachers. We'll certainly monitor how this unfolds throughout the province as this was something that was brought forward by the Healthy Kids, Healthy Futures task force. That all-party committee recommendation was

loud and clear with respect to moving in that direction.

I thank the member for that. I could go back to the last question where he suggested the potential for a combined high school between the two neighbouring communities, where, certainly, once we do build a new school, the new school would come with a substantial gym as the guidelines would dictate for the construction of a high school. So long term, when the need is there, that can be addressed and we hope to do so in a very timely fashion.

Mr. Dyck: I thank the minister for that answer. I guess, and I'm glad that he mentioned the GVC tech, the technological vocational centre, and that one has had very good uptake and I know that the department was very quick in allowing them to proceed with that project and that has worked out very well. I guess that's what sort of twigged my thought process in this whole questioning here. I think that is the part that they're really looking at, combining that together with a high school. Right now it is on a separate campus, which is fine and working out well. I think that, as we look long term, when we look at technical, vocational and high school, looking at having more spaces provided for the students, I think this is something that the department could look at doing it more in a region because the region continues to grow.

I think just on that, just to substantiate what I'm saying, the Garden Valley School Division, then part of Western School Division, make up the R.M. of Stanley, the Rural Municipality of Stanley and, of course, the town of Morden and the city of Winkler are both located in that R.M. As was indicated last year by Statistics Canada, the R.M. of Stanley was the fastest-growing rural municipality in all of Canada. You know, we do have the growth there, as has been indicated, and, of course, both the town of Morden and the city of Winkler are growing very quickly as well.

I think as we look long term, we need to look at the growth within the area, but also the fact that this growth is largely due to the fact that we've got a lot of businesses and manufacturing within the area, which are being able to accommodate the jobs. So it's not something that we see as short term, but something that we see as long term, and, consequently, you know, we certainly feel that there's justification in providing that kind of accommodation for our students in order to give them the education that they need close to home.

Mr. Bjornson: I thank the member for the question and comment, and we do acknowledge that it is the highest growth in terms of year-over-year increases for enrolment at approximately 6.3 percent. We do recognize and acknowledge that that is an area that has the largest need for permanent construction and that we'll certainly be part of that discussion on May 14th with PSFB and with the boards.

Mr. Cliff Cullen (Turtle Mountain): I want to thank my colleague from Springfield for allowing me a few minutes to ask some constituency questions.

First of all, I want to just say that it was nice to see Mr. Farthing out in Carberry last year for the opening of the first phase of that particular school. I know they're busy working on the second phase of the Carberry school. I'm just wondering if we have a pending completion date for that second phase of that school. Is there an expectation of when students might be able to move into the new facility?

Mr. Bjornson: I thank the member for the question. I understand that the success of the first phase was tremendous in terms of how the construction went and how it was received in the community, and the phasing in of the second phase is certainly very much anticipated, as I can appreciate. All things being equal, it is anticipated that the school will be open for September of '09.

* (15:40)

Mr. Cullen: I thank the minister for that response. The other issue in Turtle Mountain was the school in Cartwright. We had a considerable mould issue there, a black mould problem. As a result, we had to acquire a couple of the high-quality relocatables, as the minister refers to them.

We did, eventually, get the relocatables there. I'm not sure that project is completely addressed yet. I guess, the first question I have is: Do you have the total cost for that particular project or is that project complete now or can you kind of give me an update on the status of that particular project?

Mr. Bjornson: I've been advised that the high-quality relocatables are, indeed, in place and that there's a tender process under way. I can't speak specifically to the stage of that tender process as it is the school division that would be engaged in that process right now. But the tender process is under way for renovations to a newer part of the school, and I understand the school division has been given authority to tear down the old part of the school, which, as you can expect, would likely occur over

the summer months, and you can expect to see that as such this summer.

Mr. Cullen: Just to clarify, then, we're in the tender process. There'll be two separate tenders then, one for I believe it was the addition of a roof to that structure, and then the second tender would be for the actual demolition of the old portion of the building. Is that correct?

Mr. Bjornson: Thank you for the questions. I do not have that detail available, but we can get back to you on that.

Mr. Cullen: And further to my first question, would you be able to supply me, then, the cost for those high-quality relocatables? Can you supply me the total value of that project? Could that be made available?

Mr. Bjornson: Each high-quality relocatable on average, once it's built, sited and hooked up, is approximately a quarter of a million dollars.

Mr. Cullen: I guess my question again is, would the minister be able to supply me the total cost for that specific project or is it available somewhere publicly that I can look it up?

Mr. Bjornson: I can provide you with that information; I just can't provide it for you right now, but we will certainly get that for you.

Mr. Rick Borotsik (Brandon West): Thank you, Mr. Acting Chairperson, through you to the Minister of Education, a couple of questions, actually.

The first one, and I have been in contact with his department, and it has to do with a proposed transportation review. There has been, or have been in the past, usage of 15-passenger vans. We recognize that there were some concerns of the 15-passenger vans in eastern Canada, the Maritimes. The school division that is in my riding, in fact, was using those 15-passenger vans, but has since put a moratorium on them with the understanding that there would be a full transportation review taking into consideration all of the costs, all of the ability of transporting students, particularly sporting events, the basketball students and the volleyball students from the different high schools.

Has that transportation review been completed and, if it has, have the recommendations been made public?

Mr. Bjornson: Mr. Acting Chair, I thank the member for the question. Since the tragedy in New

Brunswick, we have been engaged in an information-gathering process with respect to what school divisions had been using the vans, what they had been using them for, and, certainly, as a result of that tragic rollover, we felt it would be appropriate to have the moratorium and the schools to not use these vans during school hours right now. We've discouraged them to use them after school as well.

In The Public Schools Act, they have to transport by bus during the day, and we're still gathering information and having discussions with other agencies that might be using these vans and for what purpose they might be using them. We're having discussions with other provinces as well to see what their policies and guidelines are as far as transportation issues for students is concerned, so it's an ongoing discussion. Of course, Transport Canada was part of that discussion as well. So we're gathering the information, and we're expecting to assess that information shortly.

Mr. Borotsik: Well, thank you, Mr. Acting Chair, through to the minister. I take it from your comments that a directive was sent from your department to all school divisions in Manitoba saying that there should be a continuing moratorium on the use of the 15 passenger vans. That's the first question and, secondly, can you give me some timeline as to when—I assume there will be a full report that is going to be presented. I assume that dealing with all of these other agencies and school divisions that certain recommendations will be outlined in that report.

Can you give me a time line as to when that report could and would be tabled in this House?

Mr. Bjornson: As I mentioned, The Public Schools Act is specific in that school buses are required for transportation for use in the day. We have actively encouraged the school divisions not to use these 15 passenger vans for extra-curricular activities, and with the information gathering that we've been engaged in, the discussions that we've been engaged in with other jurisdictions, we expect to have all the information that we need by the end of May. We'll assess that information once we do receive it.

Mr. Borotsik: I assume when that information is all brought together that—I assume, and I shouldn't put words in the minister's mouth, but I would assume that there will be a report of sorts, at least a document showing all of the comments that were made from other jurisdictions that, in fact, would justify the final decision that's made by the

department. Would that document be made available to the school divisions?

* (15:50)

Mr. Bjornson: Well, I thank the member for the question and for not putting words in my mouth. He has done that before, mind you. We can assure you that, once we do receive the information that we need and assess that information, there will be formal communication with the school divisions on the results of that information.

Mr. Borotsik: Shifting gears a little bit, I'm very pleased that my community has seen a fair influx of new Canadians. It's a multicultural face put on my community right now, and it's very exciting, it's very invigorating, but it's also very challenging. It's very challenging to the school division particularly with respect to EAL, the English as an Additional Language, to the point where I know that the minister is aware that the tax incentive grant was refused in the Brandon School Division simply because they required quite substantial resources to be put into EAL that they could not achieve under the funding arrangement that was put forward by the minister.

I know that the minister realizes and recognizes that there are different requirements in different divisions, that there are different resources that are needed, and this is one with respect to the immigration in my city. Has the minister looked at the requirements that are necessary with bringing English as an alternative language to the Brandon School Division, and is there an ability to have some flexibility with respect to a funding arrangement from the provincial government and his department to assist in that one particular area, because it's not going to get any better very quickly. In fact, it's going to exacerbate itself over the next numbers of months and perhaps years because of the influx of the immigration.

If I can, Minister, we need help and we need help desperately in order to put that resource in place.

Mr. Bjornson: Well, I thank the member for the question. I do recall visiting Gordon Bell school where they have, I believe, about 63 different languages spoken when we announced our EAL strategy a couple of years ago. Now, Mr. Acting Chairperson, that was an EAL strategy based on 11 recommendations, and we have followed through on those 11 recommendations.

In fact, we've gone a step further. We have enhanced EAL programming. We have increased funding two years in a row for English as an Additional Language—pardon me, three years in a row for English as an Additional Language supports.

We put more money at the front end for the first year of a learner coming into the system who does not speak English, and we've increased the funding by a full year. Previously, it had been three years' funding; now it's four, and we continue to work with communities on initiatives such as the Intensive Newcomer Support grant. Now, that was something that was specifically designed to address children who not only came with language barriers but came with psychological barriers and other barriers that would be consistent with children who are exposed to very violent circumstances as refugees in refugee camps or affected nations. That's part of the EAL strategy, is these learners are challenged both in terms of their language barriers and the other social variables, as I said, social challenges that would be consistent with their experiences.

So, as far as the member's suggestion of a specific arrangement with Brandon School Division, I know that we have funded all EAL students on a per pupil basis throughout the province. The funding has been increased, as I said, over the last three years and it's substantive.

I know the member did mention the tax incentive grant. It was a significant amount of money that, unfortunately, Brandon didn't see fit to take, to levy an additional revenue that would amount to less than half of 1 percent of the division's entire budget. We had tried to work with them to—we listened to their concerns and moved from an initial tax incentive grant of just over a million dollars to a tax incentive grant of close to \$1.4 million.

So it was a pretty significant effort on our part to address those needs. Regrettably, the Brandon School Division didn't see fit to take that. We do realize that divisions do have programs that they'd like to tailor specifically for their students' needs, and they work to that end. However, with the English as an Additional Language, the funding that is being provided on a per pupil basis is fair and equitable throughout the province, and we'll continue to look at ways to improve that delivery.

Mr. Borotsik: Well, there are substantially more resources that are needed for one student with an EAL. The per-pupil grant that the minister has indicated certainly is not sufficient on a one-on-one.

As I said, we are having a substantial influx of students who require very special training and, certainly some special one-on-one service. The per-pupil grant is not sufficient and, as I hear the minister, he is not prepared to use any flexibility at this point in time and try to deal with the school division that's running into a very difficult situation with EAL.

The comment about the tax incentive grant, as much as the minister put on the table, and I believe it was \$1.3 million was the final number. It was up from \$1 million. As I understand it, there was \$1.7 million—no, it was 1.3 million. They needed 1.7 so the school division says. They are autonomous enough to be able to set their own budgets, but there was a shortfall of about \$400,000 which would have impacted the ability to hire three additional EAL teachers, and that's where the funding went to.

So I go back to the minister and suggest that perhaps, if it's not in this budget year, at some future budget years, that they could look at some exceptional circumstances, when, in fact, you do have an influx in one school division of this type of need, but are asking the local ratepayers to fund that need and not have any assistance from the department itself.

My question is, will the minister certainly look at an additional funding for EAL in a very specific, very special requirement?

Mr. Bjornson: Yes, thank you for the question. Just to clarify with respect to the tax incentive grant, it was originally just over a million dollars, as I said. We responded very significantly in a significant way to address the needs that they originally outlined when they contacted us and advised us that they would not be prepared to accept that, including \$160,000 for special circumstances which included EAL as part of that recognition, I believe, or the anticipated needs of English as an Additional Language supports as well as the transportation issue that was raised by all school divisions on the bus depreciation side. Actually, we came very close to meeting the original request that was made to address their special circumstances. We came very close to that, if not meeting it. Regrettably, the request suddenly was increased even more; the difference being approximately \$400,000, as I said, less than half of 1 percent, or not quite half of 1 percent of the entire operating budget.

We do recognize when divisions approach us and ask us for special consideration every year.

Certainly, I thought that we had made significant efforts to meet the needs of the Brandon School Division when given the numbers that they presented to us. It's regrettably that they chose not to accept the tax-incentive grant.

That being said, the member should also know that the per-pupil funding for EAL, of course, is in addition to the per-pupil base funding that they would receive for those students. So it is a significant amount of money that they would receive to support each of those learners and their individual needs. The other efforts that are being made on the 11-point plan for EAL is going to enhance the learning for those children. The other part of that, again, being children from war-affected areas are going to have more community and school supports to enhance their learning opportunities.

* (16:00)

Mr. Borotsik: On the tax incentive grant, I do appreciate the fact that there was a shortfall of about \$400,000 is the number that I had heard. But it wasn't just simply the shortfall of the 400,000. It was the lack of long-term commitment. Can the minister tell me today that that tax incentive grant would have been available on a long term, a period of some years as opposed to just the one-off? Was there a long-term commitment made in that tax incentive grant?

Mr. Bjornson: Yes, thank you. There have been two questions that came back to us frequently over the course of the budget announcement. The first I've already referenced. That was the bus depreciation grant and how that would have impacted—not the bus depreciation grant, but the bus depreciation cost stream that the division has identified.

The second deals with precisely what the member's raising, the long-term notion of the sustainability of this program. On February 26 a letter was sent to the school divisions with our commitment to move to 80-20 funding, with our commitment to long term and that the tax incentive grant would be available next year.

Mr. Borotsik: Thank you. Obviously, some of the school divisions didn't agree with the commitment that the minister had made with respect to the 80-20. One more year of commitment certainly doesn't allow them any flexibility in trying to prepare budgets for three and four years out.

The last question I have is with respect to the mandatory physical education program that was put in by the division, however again limited resources

being put into the schools. There have been some programs that have been affected by it, and I'm not going to ask the minister about EcoOdyssey. We've already had that go-around.

My question is: The school divisions themselves with programs out of class, with this physical education mandate and having students have the ability to use out-of-class sporting activities as being a part of it, is there a liability at that point and time with out-of-class activity. Is there a liability to the school divisions themselves or to the schools themselves?

Mr. Bjornson: Thank you, Mr. Acting Chairperson. This question had been raised throughout the process of consultation with the stakeholders and, certainly, there's been due diligence undertaken to, first of all, provide guidelines, vetting this through legal counsel, vetting it through the department. The Brandon School Division has actually gone above and beyond, from what I understand, in terms of the policy that they've developed; it goes beyond what most school divisions have developed thus far. It's actually been held up as a model for other school divisions. I commend Brandon School Division for that effort that went into developing that policy.

As far as liability, my understanding is that when there's been reasonable effort and reasonable precautions taken that that would be factored into any—that is how you minimize liability that would be incurred in such exercise. Of course, we have done so with rewriting of our manual for field trips. There's been a tremendous amount of discussion and, as mentioned, it has gone through legal counsel and has been vetted through repeatedly to ensure that the concerns that were raised by the stakeholders were addressed.

Mr. Borotsik: One more question, and thank you very much for that answer. Again, rather than have the courts at some time, at some point, decide the liability issue as to whose responsible, whether it be the school divisions, whether it be the department or whether it be the stakeholders, is there an opportunity to amend the act itself to, in fact, stop or at least make sure that the liability is not held with the particular school divisions?

Mr. Bjornson: We did look at that and you cannot legislate away liability.

Mr. Borotsik: Well, as I understand, there is a waiver of liability at the present time under the act

for certain school trips, I believe. Is there not certainly a waiver under the act at the present time?

Mr. Bjornson: No, there is not.

Mr. Borotsik: Thank you very much. I will now turn it over to the honourable Member for Springfield. Thank you.

Mr. Ron Schuler (Springfield): On April 14, 2008, of this year, if the minister has his *Hansard* with him, which I'm sure he does, page 590, I asked the question: "As a result of some school divisions not accepting the tax-incentive grant, \$5 million in the Education budget is currently unaccounted for." In fact, he had just been on a local radio show. I don't know if the minister remembers this interview, so I'll just read it for the record.

Cloutier, that would be Richard Cloutier from CJOB: Thank you. You said something. I appreciate that. Speak your mind, sir. Now, what happens to the 5 million of the TIG that wasn't spent? Minister: Well, that's money that's been left on the table. Cloutier: What does that mean? Does it go back to general revenue? Minister: Well, it's—right now it's money that is not spent and I'll—I'll have to leave it at that. Cloutier: So you don't know what's going to happen to the 5 million. Minister: Well, again, that's—the school divisions have, have turned it down and it's money that's unspent and I'll—I'll just have to leave it at that, Richard.

The minister got up that fateful day and answered, this is a budget line for the Department of Education. That money will be spent for the education of our students here in Manitoba. Can the minister indicate to this committee where in the *Supplementary Information for Legislative Review 2008-2009 Departmental Expenditure Estimates*, green book, where can we find that 5 million?

Mr. Bjornson: That would be under the budget line Support to Schools.

Mr. Schuler: Wonderful, and can the minister tell the committee what page that would be on?

Mr. Bjornson: The member will find that on page 101 under the Support to Schools. It's part of the \$904,327,700 figure.

Mr. Schuler: I thank the minister for that. Can the minister tell us what that orphaned \$5 million will be spent on?

* (16:10)

Mr. Bjornson: First of all, I should let the member know now that the figure is not over \$5 million as a result of the adjustments that had been made—as a result of the school divisions that accepted versus the school divisions that rejected. The figure's actually approximately \$4.2 million. I'll reaffirm my commitment that that money, as it is under the school supports budget line, or Support to Schools, I should say, that that money will be expended for educational purposes.

Mr. Schuler: Like, for instance, for what?

Mr. Bjornson: There are certainly a number of items that we are considering right now. Once we determine exactly what those items would be, that would reflect some of the priorities that we have in the department, then that will be announced at an appropriate time. In the not-so-distant future, I might add.

Mr. Schuler: Thank you, and so the minister has the little \$4.2-million slush fund in the department. I guess it's what we would call wiggle room in the department.

Can the minister tell us of the school divisions that exist, how many decided to opt into TIG?

Mr. Bjornson: First of all I would like clarify the preamble to the question that, indeed, this is not a slush fund as the member calls it. This is money that will be expended to support educational objectives of the Province, of the department. You know, we certainly have been looking at a number of issues, whether it's technical-vocational, whether it's issues around transportation, whether it's issues around capital improvements. We'll certainly let the member know, when the time comes, how that money will be expended to support the educational needs of our students.

Now, with respect to the number that opted in to take the tax incentive grant, there were 17 school divisions.

Mr. Schuler: Seventeen school divisions decided to opt in. Is that correct?

Mr. Bjornson: That's correct.

Mr. Schuler: When the minister met with CJOB on March 18, it was 20 of the 35 school divisions chose to opt in. The minister's saying the end result was 17.

Mr. Bjornson: There were 20 school divisions that didn't raise taxes.

Mr. Schuler: It's also some of the school divisions just simply didn't even qualify for TIG, is that correct?

Mr. Bjornson: That's correct. The tax incentive grant was based on a four-year rolling average in the expenditure growth for the divisions. Some school divisions, based on the base funding that they would receive this year, actually met or exceeded that four-year rolling average and, accordingly, were not eligible for the tax incentive grant.

That was the formula that was used to determine who would be eligible and who would not be eligible.

Mr. Schuler: Did River East Transcona School Division qualify?

Mr. Bjornson: They were eligible for one, but chose not to accept the tax incentive grant.

Mr. Schuler: Seven Oaks School Division. Did they qualify?

Mr. Bjornson: No. As I mentioned, the calculation was based on a four-year rolling average of expenditure growth. Based on the formula, funding for Seven Oaks School Division, they received 5.6 percent increase in the base funding, which was in excess of the division's four-year average expenditure growth rate.

Mr. Schuler: So, in the case of both River East and Seven Oaks, they had to go to the ratepayers?

Mr. Bjornson: Actually, they didn't have to. They chose to.

Mr. Schuler: What was the increase in River East and Seven Oaks? Does the minister know the mill-rate increase?

Mr. Bjornson: Yes, the River East school division increased the mill rate by 0.89; Seven Oaks School Division increased their mill rate by 0.97. However, when you factor in the increase in the property tax credit of \$75 this year, the impact on the average assessment of a 125—or an average home assessed at \$125,000, you'll see a net reduction in River East of minus 2.8 percent or \$25, and a reduction in Seven Oaks School Division of minus 2.1 percent or \$20. So, even though the divisions chose to raise taxes, the additional increase in the property tax credit has resulted in a net decrease in taxes for the communities of River East and Seven Oaks.

Mr. Schuler: That would be for people who own a house that's assessed at \$125,000.

Mr. Bjornson: That's correct.

Mr. Schuler: I wish to bring the minister to another issue, and that has to do with the amalgamation of Silver Heights Collegiate with Sturgeon Creek. I understand that the school division was allowed to keep the profits from the sale of Silver Heights Collegiate building. Is that correct?

Mr. Bjornson: That's correct.

Mr. Schuler: Has the school been sold?

Mr. Bjornson: Not yet, no.

Mr. Schuler: So, as of yet, the school division hasn't realized any money from that school yet.

* (16:20)

Mr. Bjornson: No, they have not sold the old Silver Heights Collegiate, but they have sold the Brooklands School, and that was part of the agreement that had been reached that the profits from Brooklands would be forwarded to the amalgamation of the current Sturgeon Heights Collegiate.

Mr. Schuler: And how much was the Brooklands School sold for?

Mr. Bjornson: We'll have to get that information for the member.

Mr. Schuler: And who bought the Brooklands School?

Mr. Bjornson: I can't tell the member that right now. We can get that information.

Mr. Schuler: And for what use is the new owner going to use the Brooklands School for?

Mr. Bjornson: I don't know the specific name of the organization but it's a cultural organization who'll be using the facility for cultural and educational purposes. That's my understanding.

Mr. Schuler: How will the school division place that income into their books? Obviously, other income. Then is it designated specifically for the costs of renovating the new school which is now named Sturgeon Heights. Is it that they must use that money for renovations that were done to the school?

Mr. Bjornson: That is correct.

Mr. Schuler: Public Schools Finance Board did, in fact, not do the renovations to that high school.

Mr. Bjornson: It's incumbent on the Public Schools Finance Board, when there are renovations to a school that are self-financed, which is what was

happening in this particular example, and, of course, what made the self-financing possible was our agreement that the surplus buildings that they had were to be sold for the purpose of funding the renovations.

We did, however, contribute to the construction with an elevator and, of course, the standards that are required under the PSFB's regulations with respect to the design and the integration of the renovation into the existing structure. So PSFB was involved in that way as far as the funding was concerned. The proposal was for self-financing of the project by the St. James-Assiniboia School Division and, ordinarily, they would have received half of the proceeds of the sale of the school but we agreed that this made sense in this process to amalgamate the two schools and proceed with the self-financing proposal as presented.

Mr. Schuler: How much was the entire renovation of the new school?

Mr. Bjornson: As the member might know, that is still under construction, so we don't have a final number. But the estimate would be in the neighbourhood of \$6.3 million.

Mr. Schuler: So the renovation and all additions will be approximately \$6 million?

Mr. Bjornson: Mr. Acting Chair, the estimate would be approximately \$6.3 million, but, as I said, it is still under construction so, until such time that all the final invoices are in and the project is complete, I can't provide the member with a figure any more specific than that.

Mr. Schuler: I thought the students were in the new school already.

Mr. Bjornson: The students are already in the school, but part of the project included additional space. I believe it's a theatre that's under construction. I'll check if that is indeed the case. But the students are currently accommodated in the school. There's more instructional space that is being added as part of the phase of the renovation.

Mr. Schuler: So the school division is paying for the \$6.3 million minus an elevator and I take it it's expected that they make up the \$6.3 million by selling the two schools. Is that correct?

Mr. Bjornson: The self-financing model is very well structured in that the division had some capital reserve that was expended for this purpose, that the sale of the schools, that we agreed to, would account

for a portion of that. If there are excess costs, I believed they've scheduled costs above and beyond those two revenue streams to be debentured.

Mr. Schuler: So the school division was prepared to take a leap of faith that they could actually sell those two schools for enough to basically cover the construction.

Mr. Bjornson: I think the member must realize that we certainly have a very hot real estate market here in the city of Winnipeg. So I'm not sure if it was entirely a leap of faith per se. They have, as I said, sold one of the properties. The agreement was actually for three properties: Deer Lodge school, Silver Heights Collegiate and Brooklands School were the three schools that we agreed to let the school division take all profits from the sales for the purpose of funding a funding stream for the renovation.

I should also point out to the member that the elevator component of the renovation was a very significant contribution by Public Schools Finance Board. It was approximately \$450,000 for that particular project in the school. So, agreeing to allow them to keep full profits from the sales, the \$450,000 contribution, those are all pretty significant investments by the PSFB for the purpose of the renovation.

Mr. Schuler: Wow. The minister is building the school a \$450,000 elevator. That's going to be one incredibly unique elevator because the minister just had previously said that the participation by PSFB was to pay for the elevator and when I have the opportunity I will certainly have to check out this \$450,000 elevator.

I thank the minister for clearing the cobwebs in his mind and remembering that Deer Lodge was also a part of this. So it's Deer Lodge, Brooklands and the former Silver Heights high school. I have to be careful because they've made a hybrid name, Silver Heights Collegiate. So all three of them, then, are supposed to make up the 6.3 million.

*(16:30)

Mr. Bjornson: No, I've already mentioned to the member there are a couple of revenue streams for the purpose of the renovation. There would be the capital reserve that the school division had set aside for the capital project, there would be the sale of the three schools, and applying to debenture the remainder. So there would be three revenue streams.

Mr. Schuler: How much was the capital reserve?

Mr. Bjornson: I don't have that information.

Mr. Schuler: Well, perhaps he can ask the chair of the Public Schools Finance Board, who is sitting right next to him, if he has that number.

Mr. Bjornson: I still don't have that information, but we will get that information for the member.

Mr. Schuler: If the capital reserve, the sale of the schools, the \$450,000 elevator cost, doesn't cover all of this, then basically the school division will go into debt and get a debenture and the taxpayers will pay for it. For how long?

Mr. Bjornson: We have absolute faith in the school division that their plan to self-finance is sound. There's due diligence done by the department when school divisions submit proposals for self-financing of major projects, and we do that with every school division, so we're confident that their plan is sound and that this will not be a hardship for the school division.

Mr. Schuler: Yes, and I understand this school has been on the market since at least January 29, because there's a CBC news article dated January 29. It says bids on the former school located at 350 Lodge Avenue are being accepted until June.

The building has an assessed value of \$2.172 million, according to the city's Web site, and that date is coming soon.

Does the minister have any indication—have there been bidders to this school? Are there bids on the table?

Mr. Bjornson: I understand there's been ongoing discussion with real estate agents and people who are interested in the property since it was brought on the market. As the member indicated in his question, he indicated that there was a time frame within which the bids would be accepted, and I would suspect part of that discussion with the individuals that are currently engaged in the dialogue with real estate agents.

Mr. Schuler: Now, I take it this is not a common practice to allow schools to sell the school and keep all the money, or, is it?

Mr. Bjornson: We do have a policy framework in place for school divisions that might be interested in pursuing capital improvements and have the luxury of being in possession of surplus space, but we do that on a case-by-case basis. It doesn't guarantee that,

if the school division makes its proposal to the Public Schools Finance Board, it would be approved. Prior to that, it was not possible, but, in certainly recognizing that they would make investments in capital improvements, that made sense to the school division and to the educational needs of their community. This one was approved on that basis and also a very sound financial plan to address the \$6.3-million expenditure.

Mr. Schuler: So I take it then, has this ever been done before?

Mr. Bjornson: Apparently, there may have been some instances where this had been the case, but that would have been more the exception than the rule. But the policy, we recognized the need to be flexible. School divisions have been asking for this in the past, and we recognized the need to be flexible, especially when you consider the capital needs and their commitment to improving their capital within their community.

So, again, it is something that is considered on a case-by-case basis. The policy framework doesn't mean that this is going to happen every single time a school division asks that question, but now it's flexible and responsive to the school divisions as opposed to being very stringent and that only happening on very rare occasions.

Mr. Schuler: So this is a new policy?

Mr. Bjornson: I believe it's been in place for approximately two years.

Mr. Schuler: Are there any other school divisions currently trying to negotiate this same kind of a deal whereby they sell the school and use the money to improve other facilities?

Mr. Bjornson: My understanding is that Winnipeg School Division has benefited from this practice, as we also anticipate a request from Portage la Prairie School Division on the sale of the surplus building that they've recently undertaken, a consolidation of schools, and are anticipating the sale of another property.

Mr. Schuler: Has Sir Sam Steele school and property been sold?

Mr. Bjornson: Yes, I understand that it has been sold, and it's been sold to Habitat for Humanity.

* (16:40)

Mr. Schuler: Would that be the building and the land, or is that just the land? If they've bought the

building, what are they planning on doing with the building itself?

Mr. Bjornson: My understanding is that they have purchased, indeed, both the land and the school. On the land itself they're going to be developing between 18 and 23 Habitat housing units. As for the building itself, that is yet to be determined what the plan would be for the building itself, but, of course, being Habitat for Humanity, you can expect that there'd be likely some community-use component attached to that, but that's a decision that they have yet to determine.

Mr. Schuler: Just to close off on that particular issue, I think housing in that community is really warranted, part of my old stomping grounds. I used to know a lot of people who lived on the street facing the school grounds and lived around that community—very nice, very nice housing in there, surprising what a nice neighbourhood you'll find in that sort of nook. I think when they do build houses sort of in that playground will actually be a little bit of a barrier to the noise coming from the traffic off of Nairn, and I think the residents will appreciate that. It's a nice little nook in there, if you will, of residences, very nice houses and my fond memories of people who have since to go on—gone to be with the Lord, who used to live on that street and had just beautiful homes and the most beautiful gardens and all the rest of it.

Anyway, I just think it's very fitting that Habitat—and I saw the article in the newspaper where they're talking about what their plans were, and I think that that is very fitting—bring new families in.

Again, the building is always a concern. It is not a heritage building. It looks like one and you want to make sure that it's maintained. One thing that school divisions do exceptionally well, exceptionally well, is maintain their buildings. You want to make sure that that building doesn't fall into disrepair because then that could start affecting the neighbourhood.

Mr. Bjornson: I thank the member for the comments. I know I don't say it very often, so I will seize the opportunity to say so. I agree with the member.

Mr. Schuler: Well, now I have the minister agreeing with me on one issue and the minister's wife agreeing with me on one issue. You know the minister's wife agrees with me with a fair COLA for retired teachers because she knows some day she's going to be married to a retired teacher and hopes that his

pension is fair, as it should be for all retired teachers, and this minister agrees with me that that's an appropriate place to be building homes. So now I'm glad to see we've got marital harmony in the member's family. They both agree with me now.

I want to move on to another issue and that has to do with instructional time, and I have a question for the minister: Are school divisions required to report to the minister or his department about the number of instructional hours students are getting in each course?

Mr. Bjornson: Mr. Acting Chair, the school divisions are not required to report the instructional time. However, the school divisions are very much aware of the fact that the expectation is that each course, as per the act, would be required to be close to 110 hours of instruction. We certainly recognize that on occasion there are barriers to that, whether it's a number of snow days or other variables that might impact the ability to deliver a full 110 hours, but the expectation is clear that school divisions are expected to be close to 110 hours of instruction.

Mr. Schuler: Give or take: Is that give or take 20 percent either side, 50 percent either side? Where has the department put it that there's give and take? Mr. Acting Chair, 110 hours, if they eke in 30 hours, is that fair? Is 85 hours fair? Is 101 hours fair? What does the minister view, give and take?

Mr. Bjornson: I don't think you can be as precise as the member is suggesting. You can possibly be given the number of variables that might contribute to the time that is dedicated to the instruction, but it's quite clear that the expectation is that the divisions will be—and the divisions do understand—that they are expected to be close to 110 hours.

Mr. Schuler: Does that include the new physical education credit?

Mr. Bjornson: With the physical education credit, the hours are mandated.

Mr. Schuler: So we can have 88 hours instruction per course in the school division, and that's an actual, an actual 88 hours per course and, let's say for instance, science, mathematics, reading. You know, three of the things that we're doing abysmal at on a national level, and that's fine by the minister, but 110 hours minimum is the mandatory for physical education.

Mr. Bjornson: Well, if the member is aware of situations where the instructional time is 88 hours, I'd

appreciate if he could bring that to my attention, because we would be concerned if there was a substantial difference between the recommended 110 and the actual hours of instruction. So I'd appreciate it if the member could bring that to my attention. If he is talking about a specific school or a specific school division where that's taking place, obviously, we would be concerned given the depth and breadth of the curricula that's been developed and designed to be delivered within that time frame. So I'd appreciate it if the member could specifically raise that school or division that he is suggesting is only providing 88 hours of instruction.

Mr. Schuler: Actually, I can, and it's a *Winnipeg Free Press* editorial dated December 26, 2007, in which it states clearly, the Brandon, and I quote. I'll quote the whole paragraph: "The department's curriculum guidelines expect schools to spend 110 hours per course. The Brandon School Division estimates its high school students get 90 to 95 hours of instruction per course. In 2005 the Mystery Lake School Division said its students got an estimated 88 hours per course." Skip down. "Ironically, the province's 110 hours per course is a guideline for all but the new physical education credit. For that course, the 110-hour minimum is mandatory." That is all a direct quote from the *Winnipeg Free Press*. I do not wish to be accused of plagiarism, especially considering we're in Education Estimates.

* (16:50)

Mr. Bjornson: Certainly, the department is aware of these situations and have had some discussions with the school divisions on these situations. We are certainly following up on those situations that the member has identified.

Mr. Schuler: Can the minister tell this House how many school divisions are in compliance with the department's curriculum guidelines of 110 hours per course?

Mr. Bjornson: Well, I would expect that all school divisions are compliant and, as I said, the 110 hours is an expectation and it is an expectation that the schools would be close to 110 hours, as we do account for some variables in situations that might arise that might prevent 110 hours of instruction. But I would expect that school divisions would be compliant.

Mr. Schuler: And I take it, the minister does spot, through his department—does spot audits, and can he

tell us what the last spot audit found out? Was everybody in compliance?

Mr. Bjornson: I'm sorry. Could he repeat the question?

Mr. Schuler: Again, I'll put the question one more time. I'm, of course, under the assumption the minister does spot audits, and has he found, when his department has done spot audits, that schools are in compliance with the 110 hours per course?

Mr. Bjornson: Well, I'd like to assure the member that we don't do spot audits. When issues are brought to our attention, if the member is aware of situations that would suggest that school divisions are not compliant, then—or if any member of the community would bring that to our attention, that school divisions are not compliant we would investigate that and we would investigate that thoroughly.

Mr. Schuler: But wasn't that the whole issue that the Brandon School Division was talking about lengthening the day so that they could comply with the 110 hours per course? Wasn't that what the debate was about so that every course would be taught 110 hours so they could comply with the minister's request? Wasn't that—and then—I understand that fell apart.

Mr. Bjornson: Yes. I'm certainly aware of that particular situation as it certainly generated a lot of debate in the community, and it was a very divisive issue. That was a proposal to address the requirements, and the board voted against it, as the member likely knows.

That being said, there are other school divisions that have certainly worked through the requirements of timetabling based on the compulsory physical education component, and there are other models that are able to work and are flexible enough to deliver that curriculum and meet the expectations of 110 hours, not only for the mandatory phys ed hours, but also for the academic and, of course, optional courses that are available.

Mr. Schuler: Is the minister confident that the mandatory 110 hours for the new physical education credit will not cut into the 110 hours needed for other subjects?

Mr. Bjornson: The intent of the—the model that was established, I should say, for the compulsory physical education component is flexible enough that it should not take away from other options in the schools. We are going to monitor it very closely. As

this is something new, we expect that with something new there might be some issues that we would have to address and resolve, in terms of the delivery of that model. But we introduced the model that was extremely flexible that would allow school divisions to provide as many educational opportunities for students as possible, whether that is in the compulsory credit offers, or in the elective credits that are offered to schools divisions as well, or through schools as well.

Mr. Schuler: Has the minister sent to the school divisions what he or the department feels qualifies for the physical education component? For instance, he had mentioned other sports, et cetera. Has the minister sent out the guidelines for what's acceptable?

Mr. Bjornson: The policy and the resource manual is on the Web site, and this is developed through extensive consultations and, certainly, in terms of developing curricular supports, we had hired an additional staff member to expedite the delivery of that curriculum, so the ducks are in a row for lack of a better expression. Everything is lining up for the delivery of a new curriculum for our physical education compulsory requirement.

Mr. Schuler: All of that is available on the Department of Education Web site, which lays out very clearly what qualifies for the 110 hours, for instance, does walking to school half an hour one way, and half an hour back, does that qualify? Is that laid out on the Web site?

Mr. Bjornson: Some of the credits that can and will be awarded are also dependent on the divisions and the schools to recognize them as such. That's the flexibility of the model that makes this deliverable in areas where they might have space constraints and other challenges around the delivery of the program. So the schools and the divisions can decide on what credits can and will be awarded for physical activity. We do provide guidelines though.

Mr. Schuler: So, in the case of a grade 11 student who's actively involved in soccer, it's then up to the student and the parent to monitor how much time is spent—practices, clinics, games, et cetera, and then submit that to the school.

Mr. Bjornson: This has been discussed with our stakeholders with a number of strategies in place: forms that would be required to be filled out by the

students, by the parents, by the teachers; a process that the students would be allowed—or a process that has been engaged to allow school divisions to ascertain the credit that can and will be awarded for that purpose of activity that students choose.

The whole idea is that students will take more ownership for their physical education and students will work together to make the credit work for them.

The Acting Chairperson (Mr. Reid): The hour being 5 p.m., committee rise.

Call in the Speaker.

IN SESSION

Mr. Speaker: The hour being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 30, 2008

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