#### Fifth Session - Thirty-Ninth Legislature

of the

# Legislative Assembly of Manitoba

## DEBATES and PROCEEDINGS

Official Report (Hansard)

Published under the authority of The Honourable George Hickes Speaker

## MANITOBA LEGISLATIVE ASSEMBLY Thirty-Ninth Legislature

ALTEMEYER, Rob ASTITON, Sieve, Hon BJORNSON, Peter, Hon, BJORNSON, Peter, Hon, BJORNSON, Peter, Hon, BJORNSON, Peter, Hon, BLADY, Shroon Kirkfield Park N.D.P BLAUKIE, Bill, Hon, BLAUKIE, Bill, Hon, BRICK, Marilyn St. Norbert N.D.P BRICK, Robert N.D.P B	Member	Constituency	Political Affiliation
ASHTON. Steve, Hon.	ALLAN, Nancy, Hon.	St. Vital	N.D.P.
BJORNSON, Peter, Hon.	ALTEMEYER, Rob	Wolseley	N.D.P.
BLADY, Sharon	ASHTON, Steve, Hon.	*	N.D.P.
BLAKIE, Bill, Hon.	BJORNSON, Peter, Hon.	Gimli	N.D.P.
BOROTSIK, Rick   Brandon West   P.C.	BLADY, Sharon	Kirkfield Park	N.D.P.
BRAUN, Ema   Rossmere   N.D.P   BRICEK, Marilyn   St. Norbert   N.D.P   BRIESE, Stuart   Ste, Rose   P.C.   CALDWELL, Drew   Brandon East   N.D.P   CALDWELL, Drew   Brandon East   N.D.P   CULLEN, Cliff   Turtle Mountain   P.C.   DEWAR, Gregory   Selkirk   N.D.P   DERKACH, Leonard   Russell   P.C.   DEWAR, Gregory   Selkirk   N.D.P   DERLEGER, Myrna   Charleswood   P.C.   DEWAR, Gregory   Selkirk   N.D.P   DIELEGER, Myrna   Charleswood   P.C.   DYCK, Peter   Pembina   P.C.   DYCK, Peter   Pembina   P.C.   ECHILLER, 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.   GRAYDON, Cliff   Emerson   P.C.   HOWARD, Jennifer, Hon.   Fort Goary   N.D.P   HOWARD, Jennifer, Hon.   Fort Garry   N.D.P   HOWARD, Jennifer, Hon.   Fort Garry   N.D.P   HOWARD, Jennifer, Hon.   Radisson   N.D.P   HAB, Bidhu   Radisson   N.D.P   MOERNINSSEN, Gerard   Flin Flon   N.D.P   HAB, Bidhu   Radisson   N.D.P   MACKINTOSH, Gord, Hon.   St. James   N.D.P   MACKINTOSH, Gord, Hon.   Wellington   N.D.P   MACKINTOSH, Gord, Hon.   Riel   N.D.P   MACKINTOSH, Hond, Hon.   Riel   N.D.P   MACKINTOSH, Hond, Hon.   Riel   N.D.P   MACKINTOSH, Hond, Hon.   Si. Johns   N.D.P   MACKINTOSH, Hond, Hon.   Riel   N.D.P   MACKINTOSH, Hond, Hon.   Riel   N.D.P   MACKINTOSH, Hond, Hon.   Si. Johns   N.D.P   MACKINTOSH, Hond, Hon.   Riel   N.D.P   MACKINTOSH, Gord, Hon.   Si. Johns   N.D.P   MACK	BLAIKIE, Bill, Hon.	Elmwood	N.D.P.
BRICK, Marilyn  BRIESE, Stuart  Ste, Rose  P.C. CALDWELL, Drew  Brandon East  ND.P  BRIESE, Stuart  Ste, Rose  P.C. CALDWELL, Drew  Brandon East  ND.P  CHOMIAK, Dave, Hon.  Kildonan  ND.P  DERKACH, Leonard  Russell  P.C. DERKACH, Leonard  P.C. EICHLER, Ralph  P.C. EIGHLER, Ralph	BOROTSIK, Rick	Brandon West	P.C.
BRIESE, Smart	BRAUN, Erna	Rossmere	N.D.P.
CALDWELL, Drew         Brandon East         N.D.P. CHOMIAK, Dave, Hon.         Kildonan         N.D.P. CHOMIAK, Dave, Hon.         Kildonan         N.D.P. CHOMIAK, Dave, Hon.         N.D.P. CHOMIAK, Dave, Hon.         N.D.P. CLOWAR, Gregory         Selkirk         N.D.P. DRIEDGER, Myrna         Charleswood         P.C. D.P. C. D.P. C.		St. Norbert	N.D.P.
CHOMIAK, Dave, Hon.         Kildonan         N.D.P           CULLEN, Cliff         Turtle Mountain         P.C.           DEWAR, Gregory         Selkirk         N.D.P           DRWAR, Gregory         Selkirk         N.D.P           DYCK, Peter         Pembina         P.C.           EICHLER, Ralph         Lakeside         P.C.           EICHLER, Ralph         Lakeside         P.C.           FAURSCHOU, David         Portage la Prairie         P.C.           GERRARD, Jon, Hon.         River Heights         Lib.           GOERTZEN, Kelvin         Steinbach         P.C.           GRAYDON, Cliff         Emerson         P.C.           GRAYDON, Cliff         Emerson         P.C.           HOWARD, Jennifer, Hon.         Fort Rouge         N.D.P           RUN-ROSS, Kerri, Hon.         Fort Rouge         N.D.P           RVIN-ROSS, Kerri, Hon.         Fort Garry         N.D.P           JIRA, Bidhu         Radisson         N.D.P           KORZENIOWSKI, Bonnie         St. James         N.D.P           LEMIEUX, Ron, Hon.         La Verendrye         N.D.P           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P           MARCELINOS, For, Hon.         Wellington	BRIESE, Stuart	Ste. Rose	P.C.
CULLEN, Cliff         Turtle Mountain         P.C.           DERKACH, Leonard         Russell         P.C.           DEWAR, Gregory         Selkirk         N.D.P           DRIEDGER, Myrna         Charleswood         P.C.           DYCK, Peter         Pembina         P.C.           EICHLER, Ralph         Lakeside         P.C.           FAURSCHOU, David         Portage la Prairie         P.C.           GERRARD, Jon, Hon.         River Heights         Lib.           GOERTZEN, Kelvin         Steinbach         P.C.           GERAYDON, Cliff         Emerson         P.C.           HICKES, George, Hon.         Point Douglas         N.D.P           HOWARD, Jennifer, Hon.         Fort Rouge         N.D.P           IRVIN-ROSS, Kerri, Hon.         Fort Garry         N.D.P           IRVIN-ROSS, Kerri, Hon.         Fort Garry         N.D.P           IRVIN-ROSS, Gerard         Fin Flon         N.D.P           IRVIN-ROSS, Gerard         Fin Flon         N.D.P           KORZENIOWSKI, Bonnie         St. James         N.D.P           KORZENIOWSKI, Bonnie         St. James         N.D.P           MACKINTOSH, Gord, Hon.         La Verendrye         N.D.P           MARCELINO, Flor, Hon. <td>CALDWELL, Drew</td> <td>Brandon East</td> <td>N.D.P.</td>	CALDWELL, Drew	Brandon East	N.D.P.
DERKACH, Leonard         Russell         P.C.           DEWAR, Gregory         Selkirk         N.D.P           DFCK, Gregory         Charleswood         P.C.           DYCK, Peter         Pembina         P.C.           EICHLER, Ralph         Lakeside         P.C.           FAURSCHOU, David         Portage la Prairie         P.C.           GERRARD, Jon, Hon.         River Heights         Lib.           GOERTZEN, Kelvin         Steinbach         P.C.           GRAYDON, Cliff         Emerson         P.C.           HICKES, George, Hon.         Point Douglas         N.D.P           HOWARD, Jennifer, Hon.         Fort Rouge         N.D.P           HOWARD, Jennifer, Hon.         Fort Rouge         N.D.P           IRVIN-ROSS, Kerri, Hon.         Fort Rouge         N.D.P           JENNISSEN, Gerard         Hin Flon	CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
DEWAR, Gregory         Selkirk         N.D.P           DRIEDGER, Myrna         P.C.           DYCK, Peter         Pembina         P.C.           EICHLER, Ralph         Lakeside         P.C.           FAURSCHOU, David         Portage la Prairie         P.C.           GERRARD, Jon, Hon.         River Heights         Lib.           GOERTZEN, Kelvin         Steinbach         P.C.           GRAYDON, Cliff         Emerson         P.C.           GRAYDON, Cliff         Emerson         P.C.           HICKES, George, Hon.         Point Douglas         N.D.P           HOWARD, Jennifer, Hon.         Fort Garry         N.D.P           IRVIN-ROSS, Kerri, Hon.         Fort Garry         N.D.P           IRVIN-ROSS, Kerri, Hon.         Radisson         N.D.P           JENNISSEN, Gerard         Filn Flon         N.D.P           JHA, Bidhu         Radisson         N.D.P           MCREZNIOWSKI, Bonnie         La Verendrye         N.D.P           MACRELINO, Flor, Hon.         St. Johns         N.D.P           MACRINTOSH, Gord, Hon.         St. Johns         N.D.P           MAGUIRE, Larry         Arthur-Virden         P.C.           MACELINO, Flor, Hon.         Wellington         N	CULLEN, Cliff	Turtle Mountain	
DRIEDGER, Myrna         Charleswood         P.C.           DYCK, Peter         Pembina         P.C.           EICHLER, Ralph         Lakeside         P.C.           FAURSCHOU, David         Portage la Prairie         P.C.           GERRARD, Jon, Hon.         River Heights         Lib.           GOERTZEN, Kelvin         Steinbach         P.C.           GRAYDON, Cliff         Emerson         P.C.           HICKES, George, Hon.         Point Douglas         N.D.P           HOWARD, Jennifer, Hon.         Fort Rouge         N.D.P           HOWARD, Jennifer, Hon.         Fort Rouge         N.D.P           HENIN-ROSS, Kerri, Hon.         Fort Garry         N.D.P           JENNISSEN, Gerard         Flin Flon         N.D.P           JENNISSEN, Gerard         Flin Flon         N.D.P           JHA, Bidhu         Radisson         N.D.P           MCRZENIOWSKI, Bonnie         La Verendrye         N.D.P           LEMIEUX, Ron, Hon.         La Verendrye         N.D.P           MACKINTOSH, Gord, Hon.         Wellington         N.D.P           MACRUTINGEL, Larry         Arthur-Virden         P.C.           MACFILLE, Larry         Arthur-Virden         P.C.           MARCTILLE, Doug	DERKACH, Leonard	Russell	P.C.
DYCK, Peter         Pembina         P.C.           EICHLER, Ralph         Lakeside         P.C.           FAURSCHOU, David         Portage la Prairie         P.C.           GERRARD, Jon, Hon.         River Heights         Lib.           GOERTZER, Kelvin         Steinbach         P.C.           GOERTZER, Kelvin         Steinbach         P.C.           GOERTZER, Kelvin         Steinbach         P.C.           HICKES, George, Hon.         Point Douglas         N.D.P           HOWARD, Jennifer, Hon.         Fort Gary         N.D.P           RWIN-ROSS, Kerri, Hon.         Fort Garry         N.D.P           JENNISSEN, Gerard         Filn Flon         N.D.P           JHA, Bidhu         Radisson         N.D.P           KORZENIOWSKI, Bonnie         St. James         N.D.P           KORZENIOWSKI, Bonnie         St. James         N.D.P           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P           MARCELINO, Flor, Hon.         Wellington         N.D.P           MARTINDALE, Doug         Burrows         N.D.P           McFADYEN, Hugh         Fort Whyte         P.C.           McGJIFFORD, Joine		Selkirk	N.D.P.
EICHLER, Ralph         Lakeside         P.C.           FAURSCHOU, David         Portage la Prairie         P.C.           GERRARD, Jon, Hon.         River Heights         Lib.           GOERTZEN, Kelvin         Steinbach         P.C.           GORATDON, Cliff         Emerson         P.C.           HICKES, George, Hon.         Point Douglas         N.D.P           HOWARD, Jennifer, Hon.         Fort Rouge         N.D.P           HOWARD, Jennifer, Hon.         Fort Garry         N.D.P           JENNISSEN, Gerard         Flin Flon         N.D.P           JENNISSEN, Gerard         Flin Flon         N.D.P           JENNISSEN, Gerard         Radisson         N.D.P           MCRZENIOWSKI, Bonnie         St. James         N.D.P           KORZENIOWSKI, Bonnie         St. James         N.D.P           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P           MARCELINO, Flor, Hon.         Wellington         N.D.P           MARTINDALE, Doug         Burrows         N.D.P           McGiff-FORD, Diane         Lord Roberts         N.D.P           McGiff-FORD, Diane         Lord Roberts         N.D.P           MELA	DRIEDGER, Myrna	Charleswood	
FAURSCHOU, David   Portage la Prairie   P.C.   GERRARD, Jon, Hon.   River Heights   Lib.   GERTARD, Jon, Hon.   Steinbach   P.C.   GRAYDON, Cliff   Emerson   P.C.   GRAYDON, Cliff   Emerson   P.C.   HICKES, George, Hon.   Point Douglas   N.D.P.   HOWARD, Jennifer, Hon.   Fort Rouge   N.D.P.   HOWARD, Jennifer, Hon.   Fort Garry   N.D.P.   IRVIN-ROSS, Kerri, Hon.   Fort Garry   N.D.P.   IRVIN-ROSS, Kerri, Hon.   Radisson   N.D.P.   JHA, Bidhu   Radisson   N.D.P.   KORZENIOWSKI, Bonnie   La Verendrye   N.D.P.   MACRINTOSH, Gord, Hon.   La Verendrye   N.D.P.   MACRINTOSH, Gord, Hon.   Wellington   N.D.P.   MACRINTOSH, Gord, Hon.   Wellington   N.D.P.   MACRINTOSH, Gord, Hon.   Wellington   N.D.P.   MAGUIRE, Larry   Arthur-Virden   P.C.   MARCELINO, Flor, Hon.   Wellington   N.D.P.   MARTINDALE, Doug   Burrows   N.D.P.   MARTINDALE, Doug   Burrows   N.D.P.   METATYEN, Hugh   Fort Whyte   P.C.   McGIFFORD, Diane   Lord Roberts   N.D.P.   MELNICK, Christine, Hon.   Riel   N.D.P.   MITCHELSON, Bonnie   River East   P.C.   NEVAKSHONOFF, Tom   Interlake   N.D.P.   MITCHELSON, Bonnie   Carman   P.C.   NEVAKSHONOFF, Tom   Seine River   N.D.P.   PDEDERSEN, Blaine   Carman   P.C.   REID, Daryl   Transcona   N.D.P.   ROBINSON, Eric, Hon.   Assiniboia   N.D.P.   ROBINSON, Eric, Hon.   Assiniboia   N.D.P.   ROBINSON, Eric, Hon.   Springfield   P.C.   SCHARA, Mohinder   The Maples   N.D.P.   ROBINSON, Heather   Tuxedo   P.C.   SCHAN, Hon.   Sundrale   N.D.P.   SCHULER, Ron   Springfield   P.C.   SCHAN, Hon.   Sundrale   N.D.P.   SCHULER, Ron   Springfield   P.C.   STRUTHERS, Stan, Hon.   Minto   N.D.P.   STEFANSON, Heather   Tuxedo   P.C.   STRUTHERS, Stan, Hon.   Minto   N.D.P.   STEFANSON, Heather   Tuxedo   P.C.   STRUTHERS, Stan, Hon.   Minto   N.D.P.   STEFANSON, Heather   Tuxedo   P.C.   STRUTHERS, Stan, Hon.   Minto   N.D.P.   STEFANSON, Heather   Tuxedo   P.C.   STRUTHERS, Stan, Hon.   Minto   N.D.P.   STEFANSON, Heather   Tuxedo   P.C.   STRUTHERS, Stan, Hon.   Minto   N.D.P.   WIEBE, Matt   Concordia   N.D.P.   WOWC		Pembina	P.C.
GERRARD, Jon, Hon.         River Heights         Lib.           GOERTZEN, Kelvin         Steinbach         P.C.           GRAYDON, Cliff         Emerson         P.C.           HICKES, George, Hon.         Point Douglas         N.D.P.           HOWARD, Jennifer, Hon.         Fort Rouge         N.D.P.           HOWARD, Jennifer, Hon.         Fort Garry         N.D.P.           JENNISSEN, Gerard         Flin Flon         N.D.P.           JENNISSEN, Gerard         Flin Flon         N.D.P.           JHA, Bidhu         Radisson         N.D.P.           KORZENIOWSKI, Bonnie         St. James         N.D.P.           MACKINTOSH, Gord, Hon.         La Verendrye         N.D.P.           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P.           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P.           MACKINTOSH, Gord, Hon.         Wellington         N.D.P.           MARCELINO, Flor, Hon.         Wellington         N.D.P.           MARCELLINO, Flor, Hon.         Wellington         N.D.P.           McGIFFORD, Diane         Lord Roberts         N.D.P.           McGIFFORD, Diane         River East         P.C.           McGIFFORD, Diane         River East         P.C.	EICHLER, Ralph	Lakeside	P.C.
Steinbach   P.C.   GRAYDON, Cliff   Emerson   P.C.   HICKES, George, Hon.   Point Douglas   N.D.P.   HOWARD, Jennifer, Hon.   Fort Rouge   N.D.P.   HOWARD, Jennifer, Hon.   Fort Garry   N.D.P.   IRVIN-ROSS, Kerri, Hon.   Fort Garry   N.D.P.   JENNISSEN, Gerard   Flin Flon   N.D.P.   JENNISSEN, Gerard   N.D.P	FAURSCHOU, David	Portage la Prairie	P.C.
Emerson	GERRARD, Jon, Hon.	River Heights	Lib.
HICKES, George, Hon.   Point Douglas   N.D.P   HOWARD, Jennifer, Hon.   Fort Rouge   N.D.P   HOWARD, Jennifer, Hon.   Fort Garry   N.D.P   JENNISSEN, Gerard   Flin Flon   N.D.P   JENNISSEN, Gerard   Flin Flon   N.D.P   JENNISSEN, Gerard   Flin Flon   N.D.P   JHA, Bidhu   Radisson   N.D.P   KORZENIOWSKI, Bonnie   La Verendrye   N.D.P   LEMIEUX, Ron, Hon.   La Verendrye   N.D.P   MACKINTOSH, Gord, Hon.   St. Johns   N.D.P   MACKINTOSH, Gord, Hon.   Wellington   N.D.P   MAGUIRE, Larry   Arthur-Virden   P.C.   MARCELINO, Flor, Hon.   Wellington   N.D.P   MARTINDALE, Doug   Burrows   N.D.P   MCFADYEN, Hugh   Fort Whyte   P.C.   MCGIFFORD, Diane   Lord Roberts   N.D.P   MELNICK, Christine, Hon.   Riel   N.D.P   MITCHELSON, Bonnie   River East   P.C.   NEVAKSHONOFF, Tom   Interlake   N.D.P   MOXALD, Theresa, Hon.   Seine River   N.D.P   PEDERSEN, Blaine   Carman   P.C.   REID, Daryl   Transcona   N.D.P   ROBINSON, Eric, Hon.   Rupertsland   N.D.P   ROBINSON, Eric, Hon.   Assiniboia   N.D.P   RONDEAU, Jim, Hon.   Assiniboia   N.D.P   RONDEAU, Jim, Hon.   Southdale   N.D.P   ROWAT, Leanne   Minnedosa   P.C.   SARAN, Mohinder   The Maples   N.D.P   SCHULER, Ron   Springfield   P.C.   SELBY, Erin, Hon.   Southdale   N.D.P   SCHULER, Ron   St. Boniface   N.D.P   SCHULER, Ron   St. Boniface   N.D.P   SCHULER, Stan, Hon.   Dauphin-Roblin   N.D.P   SWAN, Andrew, Hon.   Minto   N.D.P   SWAN, Andrew, Hon.   Minto   N.D.P   SWAN, Andrew, Hon.   The Pas   N.D.P   WOWCHUK, Rosann, Hon.   Swan River   N.D.P   WOWCHUK, Rosann, Hon.   Inkster	GOERTZEN, Kelvin	Steinbach	P.C.
HOWARD, Jennifer, Hon.	GRAYDON, Cliff	Emerson	P.C.
RVIN-ROSS, Kerri, Hon.	HICKES, George, Hon.	Point Douglas	N.D.P.
JENNISSEN, Gerard		Fort Rouge	N.D.P.
JHA, Bidhu         Radisson         N.D.P           KORZENIOWSKI, Bonnie         St. James         N.D.P           LEMIEUX, Ron, Hon.         La Verendrye         N.D.P           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P           MAGUIRE, Larry         Arthur-Virden         P.C.           MARCELINO, Flor, Hon.         Wellington         N.D.P           MARTINDALE, Doug         Burrows         N.D.P           MARTINDALE, Doug         Burrows         N.D.P           McGIFFORD, Diane         Lord Roberts         N.D.P           McGIFFORD, Diane         Lord Roberts         N.D.P           MELNICK, Christine, Hon.         Riel         N.D.P           MELNICK, Christine, Hon.         Riel         N.D.P           MELNICK, Christine, Hon.         River East         P.C.           NEVAKSHONOFF, Tom         Interlake         N.D.P           NEVAKSHONOFF, Tom         Interlake         N.D.P           NEWAKSHONOFF, Tom         Interlake         N.D.P           NEDEDERSEN, Blaine         Carman         P.C.           REID, Daryl         Transcona         N.D.P           ROBINSON, Eric, Hon.	IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
KORZENIOWSKI, Bonnie         St. James         N.D.P. LEMIEUX, Ron, Hon.         La Verendrye         N.D.P. M.D.P. M.D.P. M.D.P. M.G.KINTOSH, Gord, Hon.         St. Johns         N.D.P. M.D.P. M.D.P. M.D.P. M.D.P. M.G.KINTOSH, Gord, Hon.         St. Johns         N.D.P. M.D.P.	JENNISSEN, Gerard		N.D.P.
LEMIEUX, Ron, Hon.         La Verendrye         N.D.P.           MACKINTOSH, Gord, Hon.         St. Johns         N.D.P.           MAGUIRE, Larry         Arthur-Virden         P.C.           MARCELINO, Flor, Hon.         Wellington         N.D.P.           MARTINDALE, Doug         Burrows         N.D.P.           McFADYEN, Hugh         Fort Whyte         P.C.           McGIFFORD, Diane         Lord Roberts         N.D.P.           MELNICK, Christine, Hon.         Riel         N.D.P.           MITCHELSON, Bonnie         River East         P.C.           NEVAKSHONOFF, Tom         Interlake         N.D.P.           OSWALD, Theresa, Hon.         Seine River         N.D.P.           PEDERSEN, Blaine         Carman         P.C.           REID, Daryl         Transcona         N.D.P.           ROBINSON, Eric, Hon.         Assiniboia         N.D.P.           ROMEAT, Leanne         Minnedosa         P.C.           SARAN, Mohinder         The Maples         N.D.P.           SCHULER, Ron         Springfield         P.C.           SCHULER, Ron         Southdale         N.D.P.           SELINGER, Greg, Hon.         St. Boniface         N.D.P.           STRUTHERS, Stan, Hon.	JHA, Bidhu	Radisson	N.D.P.
MACKINTOSH, Gord, Hon.         St. Johns         N.D.P. MAGUIRE, Larry           MAGUIRE, Larry         Arthur-Virden         P.C.           MARCELINO, Flor, Hon.         Wellington         N.D.P. M.D.P. M.D.P		St. James	N.D.P.
MAGUIRE, Larry MARCELINO, Flor, Hon. MARCELINO, Flor, Hon. MARTINDALE, Doug MARTINDALE, Doug MARTINDALE, Doug MEFADYEN, Hugh MEFADYEN, Hugh Fort Whyte P.C. McGIFFORD, Diane Lord Roberts N.D.P MELNICK, Christine, Hon. MITCHELSON, Bonnie River East P.C. MCYAKSHONOFF, Tom Interlake N.D.P OSWALD, Theresa, Hon. Seine River N.D.P PEDERSEN, Blaine Carman P.C. REID, Daryl Transcona N.D.P ROBINSON, Eric, Hon. Rupertsland N.D.P RONDEAU, Jim, Hon. Assiniboia N.D.P ROWAT, Leanne Minnedosa P.C. SARAN, Mohinder The Maples SCHULER, Ron SCHULER, Ron Springfield P.C. SELBY, Erin, Hon. Southdale N.D.P SELINGER, Greg, Hon. STEFANSON, Heather Tuxedo P.C. STRUTHERS, Stan, Hon. Minto N.D.P SWAN, Andrew, Hon. Minto N.D.P TAILLIEU, Mavis Morris P.C. WHITEHEAD, Frank The Pas N.D.P WOWCHUK, Rosann, Hon. Swan River N.D.P WOWCHUK, Rosann, Hon. N.D.P WOWCHUK, Rosann, Hon. Inkster		· · · · · · · · · · · · · · · · · · ·	N.D.P.
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#### LEGISLATIVE ASSEMBLY OF MANITOBA

#### Wednesday, April 27, 2011

#### The House met at 1:30 p.m.

Mr. Speaker: O Eternal and Almighty God, from Whom all power and wisdom come, we are assembled here before Thee to frame such laws as may tend to the welfare and prosperity of our province. Grant, O merciful God, we pray Thee, that we may desire only that which is in accordance with Thy will, that we may seek it with wisdom, know it with certainty and accomplish it perfectly for the glory and honour of Thy name and for the welfare of all our people. Amen.

## ROUTINE PROCEEDINGS INTRODUCTION OF BILLS

#### Bill 20-The Defibrillator Public Access Act

Hon. Theresa Oswald (Minister of Health): I move, seconded by the Minister of Family Services and Consumer Affairs (Mr. Mackintosh), that Bill 20, The Defibrillator Public Access Act; Loi sur l'accès du public aux défibrillateurs, be now read a first time.

#### Motion presented.

Ms. Oswald: Cardiac arrest can strike quickly and without warning, but access to a defibrillator can dramatically increase the odds of survival. That is why we're introducing The Defibrillator Public Access Act, which would not only require defibrillators to be installed and maintained in public places most at risk for cardiac arrests such as high-traffic public schools, airports and recreation centres, but also require signage and registration to support rapid public access to these defibrillators in an emergency situation.

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

#### Bill 25-The Inter-jurisdictional Support Orders Amendment Act

Hon. Andrew Swan (Minister of Justice and Attorney General): I move, seconded by the Minister of Family Services and Consumer Affairs (Mr. Mackintosh), that Bill 25, The Interjurisdictional Support Orders Amendment Act; Loi modifiant la Loi sur l'établissement et l'exécution réciproque des ordonnances alimentaires, be now read a first time.

#### Motion presented.

**Mr. Swan:** Mr. Speaker, this bill will enhance the process by which child and spousal support orders are obtained, varied and recognized for enforcement in cases between Manitobans and people in other jurisdictions in Canada and elsewhere.

This bill is another step in helping families to receive the financial support they need and they deserve.

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

#### **PETITIONS**

#### PTH 16 and PTH 5 North-Traffic Signals

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

And these are the reasons for this petition:

The junction of PTH 16 and PTH 5 north is an increasingly busy intersection which is used by motorists and pedestrians alike.

The Town of Neepawa has raised concerns with the Highway Traffic Board about safety levels at this intersection.

The Town of Neepawa has also passed a resolution requesting that Manitoba Infrastructure and Transportation install traffic lights at this intersection in order to increase safety.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Infrastructure and Transportation to consider making the installation of traffic lights at the intersection of PTH 16 and PTH 5 north a priority project in order to help protect the safety of the motorists and pedestrians who use it.

And this petition is signed by G. Kasprick, M. Heureux, J. Holmberg and many, many other fine Manitobans.

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

#### **Auto Theft-Court Order Breaches**

Mr. Kelvin Goertzen (Steinbach): Good afternoon, Mr. Speaker. I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

On December 11th of 2009, in Winnipeg, Zdzislaw Andrzejczak was killed when the car that he was driving collided with a stolen vehicle.

The death of Mr. Andrzejczak, a husband and a father, along with too many other deaths and injuries involving stolen vehicles, was a preventable tragedy.

Many of those accused in fatalities involving stolen vehicles were previously known to police and identified as chronic and high-risk car thieves who had court orders against them.

Chronic car thieves pose a risk to the safety of all Manitobans.

We petition the Legislative Assembly as follows:

To request the Minister of Justice to consider ensuring that all court orders for car thieves are vigorously monitored and enforced.

And to request the Minister of Justice to considering ensuring that all breaches of court orders on car thieves are reported to police and vigorously prosecuted.

And, Mr. Speaker, this petition is signed by V. Nguyen, K. Duncan, C. Xiaoni and many, many others.

#### **Convicted Auto Thieves-Denial of MPI Benefits**

**Mr. Blaine Pedersen (Carman):** I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

In Manitoba, a car thief convicted of stealing a vehicle involved in a car accident is eligible to receive compensation and assistance for personal injury from Manitoba Public Insurance.

Too many Manitoban families have had their lives tragically altered by motor vehicle accidents involving car thieves and stolen vehicles.

It is an injustice to victims, their families and law-abiding Manitobans that MPI premiums are used to benefit car thieves involved in these accidents.

We petition the Legislative Assembly as follows:

To request that the Minister of Justice deny all MPI benefits to a person for injuries received in an accident if he or she is convicted of stealing a motor vehicle involved in the accident.

And this petition is signed by G. Claxton, B. Thompson, E. Janzen and many, many more fine Manitobans.

#### **Bipole III-Cost to Manitoba Families**

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

The background to this petition is as follows:

Manitoba Hydro has been directed by the provincial government to construct its next high voltage direct transmission line, Bipole III, down the west side of Manitoba.

This will cost each family of four in Manitoba \$11,748 more than an east-side route, which is also shorter and more reliable.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to build the Bipole III transmission line on the shorter and more reliable east side of Lake Winnipeg in order to save each Manitoba family of four \$11,748.

And this is signed by E. Dyck, B. Dyck, K. Guenther and many, many other fine Manitobans.

\* (13:40)

#### TABLING OF REPORTS

Hon. Eric Robinson (Minister of Aboriginal and Northern Affairs): Yes, Mr. Speaker, I'd like to table the third quarter internal financial statements for the Communities Economic Development Fund.

I'm also pleased to table the Supplementary Information on the Estimates of the Department of Aboriginal and Northern Affairs, 2011-2012.

**Hon. Rosann Wowchuk (Minister of Finance):** Mr. Speaker, I'm pleased to table the Supplementary Information for the Manitoba Finance Department, 2011-2012.

Hon. Jennifer Howard (Minister of Labour and Immigration): I'm pleased to table the Supplementary Information for Estimates for the Department of Labour and Immigration for 2011-2012.

#### MINISTERIAL STATEMENTS

#### Flooding and Ice Jams Update

Hon. Christine Melnick (Minister of Water Stewardship): I'll provide a very brief update for the House on behalf of the Minister of Infrastructure and Transportation (Mr. Ashton) on the flood situation as it continues to unfold around the province.

Significant water seepage into the crawl space at Wawanesa School has prompted its precautionary closure while an engineering assessment of the building's integrity is conducted. Engineers are on-site today and the Province is working with the community and the school division to assess the facility and ensure disruptions to students and staff are minimized.

I can also advise that the Souris River is now at crest in Wawanesa, but water levels are expected to remain high for a few days.

There have been additional precautionary evacuations, including 20 more people from the RM of Ritchot, bringing the total number of evacuees from that RM to 201.

Three families, totalling nine people in the St-Lazare–in St-Lazare have also been evacuated.

Across the province the number of evacuees is 1,984.

I'd like to take this opportunity to again thank the hundreds of people working for the Province, municipalities and organizations such as the Red Cross for their ongoing hard work fighting this flood and protecting Manitoba families. We do not always hear about their day-to-day efforts, but we know that they continue to work very long hours to ensure flood protection is in place where needed, water levels are calculated and evacuated families have the support they need.

On behalf of the Legislative Assembly and all Manitobans, I would like to, again, pass on our gratitude.

**Mr. Stuart Briese (Ste. Rose):** Mr. Speaker, I thank the minister for the latest update.

We recognize that this is a protracted flood event whose impact will be felt for many weeks. Flood watches and warnings continue in some regions and people must remain vigilant. I know many in western Manitoba are keeping an eye on the operation of the Shellmouth Dam and the impacts on the Assiniboine River. Disruptions continue at a number of levels, be it due to people having had to evacuate due to loss of road access or, in the case of the Wawanesa School, due to the disruption on the classes caused by water seepage under the school.

We know that agricultural producers are waiting to get on their land and start sowing this year's crop and we hope those delays will not be protracted.

Again, I thank the countless staff at all levels of government, with non-government organizations and many, many volunteers for working on the front lines and behind the scenes to help Manitobans cope with this flood. Thank you, Mr. Speaker.

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

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

**Mr. Gerrard:** Mr. Speaker, I thank the minister for the statement and the update, particularly with regard to the situation in Wawanesa and the situation with regard to evacuees, which is now close to 2,000 people.

It would have been helpful if there'd been a little more clarity about the situation and the concerns downstream of the Shellmouth Dam and a little more information about when the evacuees might be able to return and what the expectations are in this respect. I think there's a lot of ongoing concern, particularly among those people who have been displaced, about how long they are going to be away from their homes and what is going to be happening.

Certainly I want to express my concern and sympathy for those who have been displaced and also my thanks to all those who are contributing in one way or another in helping to fight and deal with the situation caused by the flooding.

#### **Introduction of Guests**

**Mr. Speaker:** Prior to oral questions, I'd like to draw the attention of honourable members to the Speaker's Gallery where we have with us today, we have Vera Eriksen from Karasjok, Norway, and also accompanying her is my sister Dorothy Tootoo from Rankin Inlet, Nunavut.

And also in the public gallery we have from Neelin High School 36 grade 9 students under the direction of Ms. Kerri Phillips. This school is located in the constituency of the honourable member for Brandon East (Mr. Caldwell).

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

#### **ORAL QUESTIONS**

#### Manitoba Hydro Bipole III Export Sale Viability (Saskatchewan)

Mr. Hugh McFadyen (Leader of the Official Opposition): Mr. Speaker, for several months now as part of the discussion over the government's decision to build the next power line 54 per cent longer than it needs to be at a cost of billions to Manitobans, the minister and the Premier (Mr. Selinger) have been telling Manitobans that they—that the reason for this decision to go down the long west side is to enable power sales to Saskatchewan.

I want to ask the minister who has been making these statements, as has the Premier, whether they are going to stick with this rationale for the long west-side line or whether they're prepared to acknowledge today that they were mistaken.

Hon. Rosann Wowchuk (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, I can tell the member opposite that what we are doing is building Manitoba Hydro and building the economy of this province.

Mr. Speaker, the members opposite, when they were in power, chose to mothball. They chose to mothball Hydro and ignored the fact that we needed another line for security of supply to Manitobans. They chose to ignore that.

We're moving forward. We are building a line for reliability of supply, and we are looking at—for sales. We're looking for sales south. We're looking for sales west, to the north and to the east.

Mr. Speaker, we have the potential in this province to grow our hydro, to get more revenues and resources from it and employ people. Members opposite just don't get it.

**Mr. McFadyen:** And the problem that the minister has is that she said in a letter to the editor that a major power sale to Saskatchewan can be facilitated by having Bipole III on the west side of Manitoba.

The Premier (Mr. Selinger), Mr. Speaker, on CJOB radio said that it's-there's going to be demands for power in Saskatchewan. A west-side line would facilitate that by being closer to markets, no question about it.

Now, the problem, Mr. Speaker, is that those statements are completely wrong and that the

engineers who have made up the coalition, including Len Bateman, former chairman of Manitoba Hydro, wrote in response to those statements that these statements are wrong. They're without any engineering endorsement. DC is used primarily for point-to-point transmission. Any significant extraction of power from this line for export to Saskatchewan would render the line useless for its intended purpose.

I want to ask the minister if she will now apologize to Manitobans for making such misleading statements about their long west-side directive, Mr. Speaker.

\* (13:50)

Ms. Wowchuk: Well, Mr. Speaker, we know from the comments made by the member opposite exactly where he would go with Manitoba Hydro and where he would go with Bipole and where he would go with the converters. We know that the members opposite would drive Hydro into the ground to the point where it had to be privatized. That's exactly their agenda. They want to privatize that corporation so their friends can make money, just like their friends did with MTS.

Mr. Speaker, we have had discussions with Saskatchewan and we will continue to have discussions with Saskatchewan, as we will with other jurisdictions. There is huge potential for our hydro in the north, but there is potential for green energies as well, wind energy as well as power.

And we will work to build the Manitoba economy, but we will-

Mr. Speaker: Order.

**Mr. McFadyen:** Well, Mr. Speaker, and again the minister is evading the question.

The letter that was written less than two weeks ago was signed by Ken Adam, Ph.D.; Len Bateman, former chairman of Manitoba Hydro; Art Derry, vice-president, Manitoba Hydro; Dave Ennis, executive director of the Association of Professional Engineers. It was signed, Mr. Speaker, by Garland Laliberte, dean emeritus of Engineering, University of Manitoba; Glenn Morris, Ph.D., associate dean of Engineering; Will Tishinski, vice-president of power systems planning, Manitoba Hydro.

And what do they say, Mr. Speaker? What they say is, and I quote: Furthermore, it would be prohibitively costly because of the high cost of

conversion. The minister is spinning a feeble argument to justify the west-side route.

I want to ask the minister: Why does she continue to spin, in the words of these eminent engineers, such feeble arguments in order to put thousands of dollars of unnecessary costs on the people of Manitoba? Why does this minister think she knows more than all these eminent engineers?

**Ms. Wowchuk:** Mr. Speaker, the Leader of the Opposition continues to ignore the real reason for building Bipole III. The real reason for building Bipole III is for reliability of supply and for security of—for Manitobans.

Mr. Speaker, the members opposite know this. They choose to put all kinds of numbers out about the cost of it, the numbers that are not true, because they want to inflate those numbers to the point where Manitobans would–might–where we might have to cancel the project as the members opposite want and privatize it. That's what the members opposite want.

You know, Mr. Speaker, those engineers that have talking-he's talking about did hydro in a very different way. They flooded the north. They didn't consult. We are working in-

Mr. Speaker: Order.

#### Manitoba Hydro Bipole III Export Sale Viability (Saskatchewan)

**Mr. Rick Borotsik (Brandon West):** Mr. Speaker, it's obvious the minister responsible for Manitoba Hydro does not have a head for finance or business. She is much more comfortable with smoke and mirrors.

She has been justifying her goofy decision of the west-side Bipole III using power sales to Saskatchewan. Mr. Speaker, power sales to Saskatchewan in 2008 were a grand total of \$6 million.

How can the minister spend \$4.1 billion to generate \$6 million in revenue?

Hon. Rosann Wowchuk (Minister charged with the administration of The Manitoba Hydro Act): Well, let's just run down this corporation a little bit more, Mr. Speaker. Let's keep running down Manitoba Hydro. That's what the members opposite want to do. They want to run down Manitoba Hydro and move it on the way to privatization. That's the agenda of the members opposite.

Ours is very different, Mr. Speaker. We want to build Manitoba Hydro. We want to find new markets, and members opposite don't want to believe that there are coal plants in Saskatchewan that will be—not be licensed again and Saskatchewan is looking for a supply of new, clean energy.

They may have looked at nuclear; they're not looking at nuclear now. They are looking at Manitoba, and in Manitoba we are building the west-side line for reliability of supply, and we are negotiating to get more sales of hydro for Manitoba.

**Mr. Borotsik:** Mr. Speaker, the minister didn't prove me wrong. It's all smoke and mirrors.

Mr. Speaker, in March of this year, in the *Swan Valley Star and Times*, the minister said: If we have the power on the west side of the province and if there is a sale west, we would have a line on that side of the province.

Well, that's obvious.

Well, Mr. Speaker, here's another myth shattered. If they have the sales, if they can sell to Saskatchewan, they would have a line on the west side. Here's another myth shattered. A DC bipole cannot–I repeat, cannot–be used to send power to Saskatchewan without building a \$1.5-billion converter.

How much power would Saskatchewan have to buy in order to justify an additional \$1.5 billion for conversion equipment?

**Ms. Wowchuk:** Well, Mr. Speaker, I'm really pleased that the member opposite now recognizes the importance of converters, because members opposite want to cancel the converters at the north and the end of south Bipole III. But now he recognizes, and he will remember when he was at committee that Mr. Bob Brennan did say—the CEO of Manitoba Hydro said that it was possible to build another converter.

But members opposite, Mr. Speaker, want to run Hydro into the ground. They don't want to build it. They don't want to build any more dams and they don't want reliability of supply for Manitobans.

Our economy is growing. We need power, Mr. Speaker, and we're building it, and we're building a line to get clean power to the Manitobans that need it in order to keep low energy rates.

**Mr. Borotsik:** Mr. Speaker, this minister is destroying Manitoba Hydro and its credibility.

Mr. Speaker, in March of this year we asked Manitoba Hydro to provide us with the export sales to Saskatchewan for 2009 and 2010. We know that they had \$6 million in sales in 2008 but, surprise, surprise, we were refused that information.

Were the sales in Saskatchewan for 2009 and 2010 less than they were in 2008? What's the minister hiding? Why won't she tell us what Saskatchewan is buying right now?

Ms. Wowchuk: Well, Mr. Speaker, I want to—the member may not know this, but I want to remind him that just recently in Brandon we had a joint Cabinet meeting with the Saskatchewan government, and at that meeting we signed an agreement for more power sales to Saskatchewan.

The members opposite, Mr. Speaker, do not want to recognize that Saskatchewan is looking for clean energy, and they don't want to recognize that Manitoba is producing a lot of clean energy. We're producing the energy for Manitobans. We're going to keep them—the rates low for Manitobans and we're going to develop markets, whether they be to the east, to the west, to the north or the south.

We will build Manitoba Hydro, not drive it into the ground and privatize it like the members opposite would do.

#### Manitoba Hydro Bipole III Municipal Concerns

**Mr. Blaine Pedersen (Carman):** Mr. Speaker, the rural municipalities of Westbourne, North Norfolk, South Norfolk, Grey and MacDonald have all passed resolutions opposing Bipole III coming through their respective municipalities.

Why is the Minister of Finance and this government ignoring their concerns?

Hon. Rosann Wowchuk (Minister charged with the administration of The Manitoba Hydro Act): Mr. Speaker, the member opposite went out and told people how they—that they shouldn't have Bipole on their farms, that it was bad for them. The member opposite doesn't seem to recognize that all of us have power lines coming across our farms at some point. That is how we get the energy to the people that need it the most. That's how we did it.

Power is produced in the north. We have to bring it down to where the majority of the population is, and it has to cross farmland. It crosses farmland now, Mr. Speaker. It crosses forests but, you know, the members opposite have this idea that they're

going to put it down the east side, carve out the boreal forest.

**Mr. Pedersen:** Mr. Speaker, the AMM, the Association of Manitoba Municipalities, passed a resolution at their convention last November opposing the western, longer, more expensive and environmentally damaging route.

Why is the Minister of Finance (Ms. Wowchuk) and this government ignoring their concerns?

\* (14:00)

**Ms. Wowchuk:** Mr. Speaker, when the–this government–when–of the day, in 2007, made the decision that we were going to go down the west side instead of the east side of the province, that was before an election. People knew about that.

But I can tell you one thing we did, Mr. Speaker. When we became government, we equalized the rates of electricity across the country-province. Members opposite, when they were in government, charged rural Manitobans more for their power than what we charge now. We equalized the rates, and we will continue to—and Manitoba Hydro will continue to work with those municipalities that have questions, and they will continue to do the consultation to determine the final route of the line, and we will and Manitoba Hydro will build the power line for reliability of supply for Manitobans and to ensure we get power to export markets.

**Mr. Pedersen:** Mr. Speaker, with the proposed western route for Bipole III, this government is creating a 100,000-acre economic dead zone across southern Manitoba. Landowners and municipalities will bear the brunt of this penalty.

Why is the Minister of Finance and this government ignoring their concerns?

Ms. Wowchuk: Well, Mr. Speaker, you know, there's a few things here. First of all, there are—rural Manitobans want to see our economy diversify. They want to see a value added to our agriculture products. For that to happen we need power and we need more power than we have right now. We need that reliability of supply.

Mr. Speaker, the members opposite, he doesn't talk about wind farms either, wind farms that are in southern Manitoba that farmers have welcomed as a way to generate clean energy and add value to theirfor their communities.

There's wind farms, Mr. Speaker. There is the opportunity to diversify our economy and add to the agriculture products and to ensure that Manitoba Hydro rates remain the lowest in the country and that we have the reliable supply, an issue the members opposite should've addressed in the '90s and they ignored.

## Taxation Personal Income Tax Exemptions

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, before 2007, Manitoba's basic personal exemption was competitive with Saskatchewan, and today our basic personal exemption is half of that in Saskatchewan.

I'd like to ask the Minister of Finance: What is the minister's five-year plan to bring us back into being in a competitive position with our neighbour Saskatchewan?

Hon. Rosann Wowchuk (Minister of Finance): The member opposite refers to the Saskatchewan budget. I hope, Mr. Speaker, she will look at the section of the budget where Saskatchewan actually talks about Manitoba and says the cost of living in Manitoba is lower than Saskatchewan's.

And if you look—she looks closely at the budget, she will see that in almost every category Manitoba is in first place. When you take into consideration all of the tax credits we've put in place, our low rates for hydro, our—all of the things, our cost of living is lower in this province than it is in Saskatchewan and the—

**Some Honourable Members:** Oh, oh.

Mr. Speaker: Order.

**Ms. Wowchuk:** –Saskatchewan government has pointed that out.

**Mr. Speaker:** Order. It's getting very difficult to hear. I'm going to ask the co-operation of honourable members, please. We need to be able to hear the questions and the answers.

The honourable minister still has time.

Ms. Wowchuk: Mr. Speaker, I hope the member will look at the whole budget and look at the different tax cuts that we have made, and, in fact, this puts over \$60 million back into Manitobans' pocket. I hope she'll look at the way we fund education, the money we're putting into municipalities. All of those things keep Manitoba—

Mr. Speaker: Order.

Mrs. Stefanson: Mr. Speaker, I was asking about the basic personal exemption, and the fact of the matter is Saskatchewan—we continue to fall further and further and further behind our neighbour Saskatchewan, and that is the policies of this NDP government.

So I'm simply asking the minister: Where is the plan to ensure that we come back into being in a competitive position when it comes to the personal exemption rates in Manitoba?

Ms. Wowchuk: Well, I guess I would remind the member and encourage her to look at the Saskatchewan budget. She's looked at ours and she thinks it's not a good budget. But maybe if she looked at Saskatchewan, Mr. Speaker, then she will see that Saskatchewan does look at Manitoba as a very affordable place to live.

We have made changes in this budget. We are increasing the basic exemption, Mr. Speaker, and we're making those exemptions over four years, but the member opposite should also look at the other exemptions that we're making—for caregivers, recognizing the value of people's work in their homes looking after people, look at all of the other reductions, and that's what she has to take into consideration.

You can't just take one line out. Saskatchewan doesn't do that. They recognize that Manitoba is a more affordable place to live.

Mrs. Stefanson: Well, Mr. Speaker, it's obvious from the minister's responses that, in fact, there is no plan in place to make us more competitive with Saskatchewan, and I think it's incumbent upon a government that has set aside what is a five-year supposed plan to put us back on track in this province to ensure that they have something in place that makes sure that we are competitive with our neighbour Saskatchewan.

I'm simply asking the minister, and I'll ask her again: Where is the plan to ensure that we remain competitive or we are put back into a competitive position once again with our neighbour Saskatchewan?

**Ms. Wowchuk:** Mr. Speaker, we chose a different route than the opposition. The opposition, when we had this economic downturn, wanted to take \$500 million out of the budget. They were going to cut health care. They were going to make all kinds of

reckless cuts. They wouldn't have been able to make the kind-the tax credits that she is talking about if we had-if they had taken out their \$500 million.

Mr. Speaker, we have chosen a different route, and we have put in place a five-year plan that will protect front-line services, that will keep people working, that will give the opportunity for our children to get the education, for people to get apprentice training.

We will make investments in all of those, in police, Mr. Speaker, that the members opposite vote against all the time, and we will move—

Mr. Speaker: Order.

## Taxation Personal Income Tax Exemptions

Mrs. Mavis Taillieu (Morris): Mr. Speaker, Manitoba has the lowest basic personal exemption west of New Brunswick. If this NDP government had indexed our basic personal exemption, we would be at \$8,562 instead of \$8,384 this year. This is at least a little closer to the other provinces in central and western Canada.

Does the Minister of Finance have a plan to index our basic personal exemption to inflation, Mr. Speaker?

**Hon. Rosann Wowchuk (Minister of Finance):** Mr. Speaker, since we have taken office, we have increased the exemption several times, and the members opposite have voted against all the—them every time.

And when you do a comparison of what indexing—moving on indexing versus the exemptions that we're putting in place, and the amendment—and the credits that we've put in place, Mr. Speaker, this budget puts more money into the pockets of average Manitobans than the proposals of the member opposite.

I can assure the member we looked at it very carefully and we made announcements in this budget that keeps Manitoba competitive and puts more money into the pockets of the average Manitoban.

**Mrs. Taillieu:** Mr. Speaker, the fact of the matter is, we're still way behind. Inflation drives up the cost of living every year. It would be only fair if at least basic personal exemptions would follow inflation and increase every year.

The basic personal exemption in Manitoba is, however, not indexed. Why not, Mr. Speaker?

**Ms. Wowchuk:** And as I said in my previous answer, Mr. Speaker, we, when we're putting a budget together, we look at every option that we can to put—to be—to put in place the best opportunities, to put money into the average Manitoban's pockets.

Mr. Speaker, we put in place property tax credits; we put in additional credits in for seniors; we've changed—put more—additional money into education. Every one of those changes, the members opposite continue to vote against them. Instead, their agenda would be come—to come back into balance all in one year.

That's what we've heard from the members opposite. They would take out \$500 million. That would not allow for any increases in credits for Manitobans. We would rather work with the matter—with Manitobans.

\* (14:10)

**Mrs. Taillieu:** Mr. Speaker, indexing the basic personal exemption comes at no cost to this government so desperate for cash.

British Columbia, Alberta, Saskatchewan, Ontario, Québec and New Brunswick all have higher basic personal exemptions, Mr. Speaker. By not indexing to inflation, the minister has allowed us to fall behind British Columbia, Alberta, Saskatchewan, Ontario, Québec and New Brunswick.

Why are members opposite only satisfied when we are among the worst in Canada, Mr. Speaker?

Ms. Wowchuk: And I would remind the member, as well, to look at the Saskatchewan budget, Mr. Speaker, where in the Saskatchewan budget the Saskatchewan government compares Manitoba to Saskatchewan when it comes to our tax advantage, and Manitoba ranks higher than Saskatchewan in the Saskatchewan budget.

So I would encourage members to look at that and to look very carefully of what our costs of living are here in Manitoba and what they are in Saskatchewan.

And I would remind the member also that we were just talking about Hydro, and if they had their way, Mr. Speaker, and they went to market rates, as the Leader of the Opposition (Mr. McFadyen) has talked about, our cost of living would be higher. We would not be in the place we are by keeping Manitoba Hydro as a Crown corporation instead of going to market rates and privatizing.

#### **Provincial Debt Servicing Costs**

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, the governor of the Bank of Canada, economists, Canadian banks are all predicting that interest rates will be on the rise this year.

Mr. Speaker, can the Minister of Finance indicate how much more it will cost to service the debt if there is a one percentage point increase in interest rates in Canada?

Hon. Rosann Wowchuk (Minister of Finance): And I remember the member opposite last year talking about our debt services and the doom and gloom that we weren't planning properly for it, Mr. Speaker, and, in fact, if she looks at the numbers from last year's budget, our debt servicing were—we did not use all the money and our debt-servicing costs under this administration are half of what they were under the previous administration.

And I can assure the member that the people in the Finance Department are very good staff, Mr. Speaker, and they have planned and have built into this budget the possibility of an interest rate, and that's part of this budget. There is prudent management looking at the possibility of an increase in interest rates, and it's built into the budget, Mr. Speaker.

**Mrs. Stefanson:** So I guess there is a plan, Mr. Speaker, in place that will cause a rise in the cost of servicing the debt in Manitoba. Is that what the minister is saying then?

Ms. Wowchuk: Well, Mr. Speaker, the member opposite knows that we do have a five-year plan. It's all projected in the five-year plan of what the anticipated costs will be. We know that we have been, through good management, able to reduce the debt-servicing costs from 13 cents on the dollar to 6 cents on the dollar. That has saved a lot of money and there has been good management.

But I can also say to the member opposite there is a recognition that interest rates could get—go up, Mr. Speaker, and I can assure the member that when the budget was put together, that was taken into consideration.

**Mrs. Stefanson:** Interest rates are on the rise, and so is the debt in our province because of this mismanagement of this NDP government.

Mr. Speaker, the important thing in putting a five-year plan in place is to predict and make

predictions for interest rates rising. And the bank of the governor of the Bank Canada, economists, major Canadian banks are all saying that interest rates are on the rise.

I'm simply asking the minister if she could indicate, for this House today and for all Manitobans, what it will mean in the upcoming budget if there is a 1 per cent interest rate increase in Canada, Mr. Speaker?

**Ms. Wowchuk:** Well, Mr. Speaker, and I will say to the member again, that since we've taken office we have worked very hard to ensure that our debt-servicing costs were down, and since we have taken office we have reduced it from 13 cents on the dollar in 1999 down to 6 cents on the dollar.

That has been prudent management and I know the member opposite last year was saying that we weren't planning for interest rate increases. We managed well last year, Mr. Speaker. In fact, our debt for-debt-servicing costs were reduced.

We are projecting that there could be an increase in debt-servicing costs. That's part of this budget, but I can also say to the member that we are in better shape than we ever were in the '90s, Mr. Speaker.

#### Water Management Policy Impact on Farmers

Hon. Jon Gerrard (River Heights): Mr. Speaker, almost every year for the last 12 years, farmers in southern Manitoba have suffered large losses because this government has failed to develop and deliver an adequate water management policy. Whether it's failing to clear the provincial drains, failing to build the water retention or drains in the first place or even failing to spend the time planning to develop an adequate management policy, this government has failed to provide the needed security to farmers with the result that losses on farms continue to be very high.

The impact has been devastating to farmers who would rather plant and harvest a crop than have to rely on insurance. Why has the government failed so badly to deliver an adequate water management policy for our province?

Hon. Steve Ashton (Acting Minister of Water Stewardship): Mr. Speaker, I think it's important that the member look at what this province has done. Over the last 10 years we've invested a billion dollars into flood protection, flood mitigation. That includes an investment in the expansion of the floodway, and

I know the member opposite had two positions on that. But we've invested in community ring dikes that in 2009 resulted in only one home in the Red River Valley being impacted directly by water.

We are also investing, after a decade of neglect in the 1990s significantly in capital in terms of our drainage system, including retention, and in terms of maintenance.

I would caution the member, we've got very high flood levels this year, but this government has been committed. We've put our money where our mouth is in terms of those investments.

**Mr. Gerrard:** We're talking here about farmers. The government has failed even to clean up the road—the ditches beside provincial highways, failed to clean many provincial ditches, and farmers in this province have suffered disproportionately.

Mr. Speaker, we live in a world where farming is increasingly sophisticated, where farmers are making very large investments in order to put their crops in the ground, and yet this government has let farmers down, and too many have seen excellent crops waterlogged or washed away. Crop insurance may help a little bit, but it will never replace a good crop and it was never intended to replace a good crop.

I ask: When will this government make sure that farmers are properly considered and supported with a decent water management effort in this province?

Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives): Well, I very much appreciate the Liberal member for River Heights finally, in this House, getting a question on agriculture. That's great, but there's a distinct lack of care from the people who pretend to support rural Manitoba across the way.

Mr. Speaker, I'd like to refer the member for River Heights to an announcement that we made along with the federal minister up in the northern Interlake, an area where—that has been hit very hard by rains and by excess moisture. And don't belittle the amount of good that Excess Moisture Insurance has done in this province, but this government has taken the approach that we want to help farmers to prevent that from the—in the first place.

So the federal minister and myself announced a project in the Bifrost area-

Mr. Speaker: Order.

Mr. Gerrard: Farmers have been sharing their stories with me and I've visited many of them. Whether it's in the Interlake, in southwestern Manitoba, recently in Strathclair, in southeastern Manitoba, the problems of excessive moisture continue to plague farmers because this government has done such a poor job of water management.

The losses, in fact, due to poor water management during the years of this government have averaged more than \$50 million a year. A fraction of that money spent wisely could've made a big difference in decreasing farmers' losses and helping farmers.

There are many countries with wetter climates than Manitoba which do far better than here. Why has this government and this Minister of Agriculture done so poorly for our farmers?

\* (14:20)

Mr. Struthers: Well, the member goes on about the amount of money that we could've been spending and the rest of it, and it's been pointed out that he's got two positions on infrastructure, such as the floodway. I want to point out that all the payments that he was complaining about, that have gone to farmers, he's voted against, Mr. Speaker.

Mr. Speaker, we get the job done when we co-operate with all levels of government and the farmers themselves. And that's what we've done in places like Bifrost. Myself and colleagues from this side of the House have got together with municipalities and with farmers to plan a way forward. We work through the conservation districts on a watershed basis that does provide help for farmers, and every member of this House can point to an example in their own constituencies, rural members especially, of how that is working.

#### Plessis Road Underpass Project Status

**Mr. Bidhu Jha (Radisson):** Since being elected in 2003, I have been listening to my constituents on local issues, then working hard with the city councillor and with our government and have accomplished a lot.

I would like to request the Minister of Infrastructure and Transportation to give some light on the very important project in Transcona and Radisson that is the Plessis Road underpass. Could the minister give us some information on how are we moving forward on this important project?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Mr. Speaker, it's a great pleasure to reconfirm on the public record that this government is committed to the building of the Plessis Road underpass. It was in the budget that the members opposite voted against. We announced it last week formally. It could be funded out of the Building Canada Fund or any federal infrastructure program.

I want to thank the member for Radisson and thank the member for Transcona (Mr. Reid) for their efforts. I also want to put on the public record that I certainly welcome the efforts of the MP for the area, Jim Maloway, who has got a commitment from Jack Layton that an NDP federal government would fund the Plessis Road underpass.

I know the Conservative government has said they can't make a commitment during the election but we look forward to building that underpass. Once again the NDP is committed to northeast Winnipeg. We're committed to all Manitobans.

### Flood Mitigation Program Individual Properties

**Mr. Cliff Graydon (Emerson):** Mr. Speaker, just a few minutes ago I heard the Minister of Infrastructure talk about only one individual being impacted by the 2009 flood.

Mr. Speaker, as we know, the flooding in the Red River has become a regular event in recent years. The severity of the event differs from year to year, and we react accordingly to protect the livestock, people and property. A number of properties received an additional floodproofing after the '97 flood, but there's still some that need to be done.

One such case involves the property of James and Dale Buhler, west of Emerson, and this situation was identified in the 2009 flood. The minister's well aware of it.

Mr. Speaker, will the minister responsible acknowledge that the Buhler property requires flood mitigation work and will he do that today?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): Well, Mr. Speaker, I do thank the member for acknowledging the success that the province of Manitoba—and this is something we should all be proud of—has had in terms of flood mitigation. One of the reasons we've significantly reduced the damage in the Red River Valley is

because of the flood mitigation program that was put in place after 1997.

I want to indicate, by the way, that after 2009 we did engage the federal government and they did agree to a flood mitigation program. We focused north of Winnipeg, on the Red River Valley, which was hard hit in 2009, but it is not geographically exclusively focused only on that area.

And I can assure the member, one thing we will be doing after this flood event, as we've done after every other major flood event, is we will be making sure that we sit down and assess any and all types of mitigation that we can move on, Mr. Speaker.

That's the Manitoba experience. We learn from that experience and we move ahead on mitigation.

**Mr. Graydon:** Mr. Speaker, these are hollow words to the James and Dale Buhler family.

He has acknowledged the importance of the permanent flood protection works, and yet the Buhler family has sought assistance from the provincial government to permanently protect their home but have made no progress. They continue to build temporary dikes and remove their animals temporarily to higher ground every year. The minister talks about that he will do this after every flood, but this isn't what the Buhler family need. They need that work done right now.

So will the minister responsible today commit to reviewing the Buhler file and move forward with some permanent flood protection in a timely fashion?

**Mr. Ashton:** Well, Mr. Speaker, I want to stress, too, that we have moved in terms of community protection, not just post-'97 but with this flood mitigation program.

I can indicate to the member, by the way, that we have not received any federal commitment to individual flood proofing. We have called for a national program in terms of flood mitigation. Again, Manitoba is recognized nationally and internationally as a province that has shown that flood mitigation works.

So we will-and I will undertake to look at the specific circumstances the member has raised. We will, as we have after every major flood event, be looking at ways we can improve things in the future.

But I hope the member will acknowledge a billion dollars worth of investment is making a real

difference as we deal with a very significant flood event taking place right now, Mr. Speaker.

#### Overland Flooding Financial Compensation for Farmers

**Mr. Stuart Briese (Ste. Rose):** Mr. Speaker, cattle ranchers of the Eddystone area experienced hay losses—baled hay losses from overland flooding in September of '09. They were told they would be covered by Disaster Financial Assistance. That was 18 months ago.

I ask: When will this government commitment be honoured?

Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives): Indeed, there's been a lot of challenges that ranchers and farmers have faced for—through excess moisture over a number of years, including 2009.

I'm just glad that this government was in place to put in place the Excess Moisture Insurance program that we've put forward that the members opposite didn't seem to have the imagination to do so when they had their chance, Mr. Speaker.

We also put in place, in that same summer, the insurance plan that farmers could opt into when they have hay bales that get soaked out on the fields, Mr. Speaker. That insurance plan is there and it's available for farmers.

And my encouragement to farmers, not just in terms of bales but across the board, is to participate in insurance programs as one level of defence against the kind of conditions that we've seen over the last number of years. Thank you, Mr. Speaker.

**Mr. Speaker:** Time for oral questions has expired.

#### **MEMBERS' STATEMENTS**

#### **Dominion Exhibition Display Building II**

Mr. Drew Caldwell (Brandon East): Mr. Speaker, during the years between 1879 and 1913, the most prestigious agricultural event in Canada was an annual fair known as the Dominion Exhibition. Each year the Canadian government awarded the honour of hosting the Dominion Exhibition to one of the country's larger fairs, and in 1913 the exhibition was proudly hosted by the Provincial Exhibition of Manitoba in the city of Brandon. A new grandstand was built for the fair; a new racetrack and new display buildings took shape. Over 200,000 people purchased tickets during that 10-day event, which was deemed the best dominion exhibition ever held,

although the outbreak of World War I sadly ended forever this national tradition.

The architectural legacy left by the dominion exhibitions was impressive, but today Brandon is the only community in Canada possessing a building constructed for these national fairs. Dominion Exhibition Display Building II, colloquially known as the Dome Building, is an exceedingly rare architectural echo of the great 19th-century world fairs of Paris and Chicago. Designed in the Beaux-Arts style, this multidomed pavilion bears eloquent testimony to Brandon's historic legacy as the Wheat City of Canada.

\* (14:30)

Display Building II is today being completely transformed under the leadership of the Provincial Exhibition of Manitoba. Designated as a provincial heritage site in 1984 and more recently recognized as a national historic site by Parks Canada, the pavilion is undergoing a multi-million dollar restoration to reflect its former glory. When completed, Dominion Exhibition Display Building II will provide office space for a variety of organizations, including Manitoba 4-the Manitoba 4-H Council, the Manitoba Agricultural Hall of Fame and the Provincial Exhibition of Manitoba. It will also include space for education, classrooms and an interpretive museum for displays and programs. Display-the Dominion Exhibition Display Building II will be a national destination location for agriculture and tourism, a jewel for the Wheat City.

I am proud to be a strong supporter of this most worthwhile initiative and proud that our government is a full-funding partner in the good work being undertaken. Our investment in Dominion Exhibition Display Building II is a celebration of Manitoba's agricultural and cultural history, an investment in the future of our province and a vote of confidence in the vision of the Provincial Exhibition of Manitoba.

#### Week of the Early Childhood Educator

Mrs. Bonnie Mitchelson (River East): This week, April 24th to 30th, is the 20th annual Week of the Early Childhood Educator. I'd like to take this opportunity to recognize the important contribution of early childhood educators to the development of children in Manitoba.

Early childhood is defined as the period from birth to eight years of age. As more and more research has been done on childhood development and learning, we now know that these years lay the crucial foundation for all subsequent learning, because early childhood is a time of significant brain development. The early years of life are critical to the intellectual, social, physical, emotional and creative development that allows individuals to reach their full potential through adolescence and into adulthood.

For this reason, early childhood educators have worked hard to create age-appropriate curricula and inclusive environments designed to support early childhood learning. Teachers work with children to develop independence and problem solving, literacy, math and science skills, to creative experiences and play-based approaches. In addition to cognitive or intellectual skills, play-based approaches are holistic which means they are designed to promote social and interpersonal skills and self-esteem, especially of children from disadvantaged backgrounds. Therefore, early childhood educators face the constant challenge of structuring play to make it more fun and a learning experience.

Early childhood educators are—also consider it vital to establish good relationships with the families of children. They communicate with families to enhance the overall care and education given to a child inside and outside of the home.

We now know that children who experience the benefit of early childhood education have a better chance of succeeding in the school. In addition, research has shown that children involved in education at a young age are less likely to be involved in crime and more likely to be employed in a career of their choice as an adult.

For the amount of expertise and dedication displayed by ECEs, they rarely receive the respect and admiration that they deserve.

Mr. Speaker, I hope that all honourable members will join me in thanking Manitoba's ECEs for the excellent job they do in preparing children for school and responsible adulthood.

I would also like to acknowledge the Manitoba Child Care Association for promoting child care and advocating for early childhood educators.

Thank you, Mr. Speaker.

#### **German Language Contest Winners**

Ms. Erna Braun (Rossmere): Mr. Speaker, I rise today to extend sincere congratulations to the winners of this year's Manitoba German Language Contest, which was held this past February at the

Canadian Mennonite University. This year's winners were: Rebecca Epp, Breanna Koch, Isabela Matusz, Akram Hasanov and Michal Goertzen from River East Collegiate, and Daisy Sawatzky and Claudia Dueck from Chief Peguis Junior High School.

The River East-Transcona School Division has a proud history of supporting this event as well as German language instruction in its schools through the German Bilingual program. The aim of this language program is to get students comfortable communicating in German while also enhancing their own language skills. It is an opportunity for students to develop a deeper appreciation of German culture.

The German Language Contest is held every year by the Manitoba Teachers of German with the aim of promoting and celebrating German language learning by students across Manitoba. On average, 150 to 170 students from grade 7 to 12 participate in the contest.

Once assigned to one of the four skill levels and three age groups, the participants go through a series of comprehension tests to evaluate their proficiency in reading, writing and listening in German. The students then have an oral interview conducted in German.

After an intense morning of tests, everyone reconvenes in the afternoon where the winners in each age and skill category are announced. Winners receive a cash prize and two lucky participants are awarded study trips, one sponsored by the Federal Republic of Germany and the other by the Goethe Institute.

Mr. Speaker, we know that mastering another language is no small feat. I wish to congratulate the students from River East Collegiate and Chief Peguis Junior High on their success at this year's German language contest, and I wish them continued success in the years to come.

Thank you, Mr. Speaker.

#### **Portage Terriers**

**Mr. David Faurschou (Portage la Prairie):** Mr. Speaker, once again I am pleased to rise today to offer congratulations to the Portage Terriers on yet another outstanding victory.

Last weekend, the Portage Terriers defeated the Saskatchewan champion La Ronge Ice Wolves in game 7 to claim the 2011 ANAVET Cup. When the Terriers took to the ice in game 6 of the ANAVET

championship on Saturday the 23rd in front of a sold-out crowd, the team was a powerhouse, shooting 40 times on the Ice Wolves' goalie. However, the Ice Wolves won the game 1-0 to force game 7.

On Sunday the 24th, the Terriers were not to be denied. Inspired by the return of their team captain, Cory More, to the bench, goals by Shaq Merasty, Tanner Harms, Brendan Harms and Kyle Turgeon, and the outstanding goaltending by Jason Kasdorf, who stopped all 24 shots La Ronge sent his way, which resulted in a 4-0 Terrier team win, claiming 4-3 series win over Saskatchewan. The ANAVET Cup win could not be more sweeter as the Terriers did it in front of enthusiastic hometown crowd at the Portage Credit Union Centre.

Tonight, Mr. Speaker, Terrier fans are showing their appreciation of the Terriers' outstanding accomplishments with a free barbecue and some very, very short speeches, including from yours truly. It will be also—to give chance to fans—for fans to take a picture with their favourite player and the Turnbull and ANAVET cups.

On Friday, the Terriers will be off to Camrose, Alberta, to represent Canada West in the national junior hockey league championship. The 2011 RBC Cup tournament will be played April 30th to May 8th.

I would like all my colleagues to join with me in congratulating the Portage Terriers on all their accomplishments thus far, and to wish them all the very best in their quest for the RBC Cup and the national junior league hockey championship.

Mr. Speaker, the last time the Portage Terriers won the national junior league championship, I was in grade 10, and my classmate, Dan Bonar, was a member of that team before he went on to play for the Brandon Wheat Kings and then the Los Angeles Kings of the National Hockey League. I believe this year's team can, indeed, accomplish that same feat. They are a great team. They have great coaches and a great constituency of Portage la Prairie, as well as a great province of Manitoba behind them.

Thank you very, very much, Mr. Speaker.

#### **Water Management Policy**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, since the NDP came to power we've had an inadequate water management policy. The result of this poor water management has been large losses to

farmers because their fields are flooded and their crops waterlogged or washed out. An adequate water management plan could have prevented much of the losses to farmers due to excess moisture that we've seen over the 12 years of the NDP.

To get some idea of the size of the losses to excess moisture, which are preventable by much-improved water management, we've only to look at the reports of the Manitoba Agricultural Services Corporation and its predecessor, Manitoba Crop Insurance Corporation. These reports show that the total payouts because of crop losses and the proportion of the loss attributable to excess moisture which results in large part from poor provincial water management.

The losses to excess moisture, most resulting from poor water management, were as follows: in 2000, the payout was \$25.6 million; in 2001, the payout was \$64 million; in 2002, \$32 million; in 2003, \$5.7 million; in 2004, \$106.9 million; in 2005, 2006. \$1.7 \$145 million: million: \$72.4 million; 2008, \$10.6 million; 2009, \$47 million. We're still waiting for the final report for 2010. The total for the years that I have mentioned is \$511 million, averaging more than \$50 million a year.

Of course, the actual crop losses were much more than this, as crop insurance payouts only cover part of the farmers' losses. Poor water management has cost Manitoba farmers hundreds of millions of dollars. Investing just a fraction of this could have given farmers a much better chance to grow an excellent crop. It would have improved agricultural revenue. It would have been of major benefit to farmers and to all in our province.

\* (14:40)

## ORDERS OF THE DAY GOVERNMENT BUSINESS

#### **House Business**

**Hon. Jennifer Howard (Government House Leader):** On House business, Mr. Speaker. I'd like to advise the House that it's the intention for the three sections of the Committee of Supply to meet this Friday. And we'd be prepared for you to call the Committee of Supply.

And for the information of the House, and as discussed with the House leader for the opposition, it's my understanding that Estimates in the Chamber

will be starting around 3:30 today. Estimates in the Chamber will be starting around 3:30 today.

**Mr. Speaker:** For the information of the House, the House will be sitting in Supply on Friday, and also we will now go into Committee of Supply, and in the Chamber will be Executive Council and it will be starting around 3:30. But in room 255 will be Education, and room 254, Advanced Education and Literacy will start immediately.

So will the respective Chairs please go to the rooms that they will be chairing.

### COMMITTEE OF SUPPLY (Concurrent Sections)

#### ADVANCED EDUCATION AND LITERACY

\* (15:00)

**Mr.** Chairperson (Mohinder Saran): Order. Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates of the Department of Advanced Education and Literacy.

It had been previously agreed, questions for the department will proceed in a global manner. The floor is now open for questions.

Mrs. Mavis Taillieu (Morris): I'm just looking forward to the answers to the questions from yesterday so perhaps the minister can read those into the record.

Hon. Erin Selby (Minister of Advanced Education and Literacy): Sure, I can do that. I can start with the first one that we have.

The minister-or the member, rather, asked if we supported funding to the Helen Betty Osborne Awards Dinner. We do not provide any funding for the dinner itself. We do buy a table at the dinner so that we can also take part in the community celebration of these hard-working learners. But, oh, no, the member asked if we support the dinner itself; we do not fund the dinner other than buying a table.

**Mrs. Taillieu:** Just on that point, then, when you purchase the table, that comes out of the department—it comes out of which fund in the department?

**Ms. Selby:** That would come from the Aboriginal education direction–directorate branch. It's considered a hospitality grant and is about a thousand dollars to purchase a table.

Did the member want me to just to go through the questions that she had and answer, or did she want me to stop and let her control that?

**Mrs. Taillieu:** I was just looking for confirmation on something. So, yes, perhaps it would maybe be quicker for the minister to go through the questions, and I'll jot down notes and then we'll go back for questions later. How's that?

Ms. Selby: I can do that.

I also should point out, as well, the member was asking for more specifics within the loans and bursary line. We do provide \$15,000 within that loans and bursary line for direct scholarships through the Helen Betty Osborne awards and the Aboriginal Education awards. Sorry, I've been corrected—to the Helen Betty Osborne awards.

I'm just going through-the member was asking for a breakdown of the loans and bursaries and I have that for her. Mr. Chair, the ACCESS bursaries for the ACCESS program students is 2,000-no-\$2 million one hundred-\$2.195 million. The Prince of Wales/Princess Anne Awards is \$211,000; the Large Animal Veterinary Retention bursary is \$50,000; Winnipeg the Education Centre Endowment is \$100,000. As I said earlier, the Helen Betty Osborne foundation is \$15,000 and Career Trek is \$160,000, and that would be in regards to the question about the breakdown of the loans and bursaries line in the Estimates.

Mr. Chair, the member also had some questions in regards to the new Student Aid program that's going in, and the Equifax credit bureau in November, as explained yesterday. We changed the system from what was originally the credit union banking system to the new public sector collection and disbursement model.

After the conversion, the member asked how many students had been affected by an error in the program, and it was–1,500 files were affected. The department was not informed of this problem within it until–we are grateful that one of the people affected brought it to our attention. This was brought to our attention, and the error occurred in early March with the 1,500 files. They had been recorded–reported delinquent. In fact, that was an error, and when we were notified of the problem, it was immediately fixed within the system.

Also, we informed Equifax of the error so that the students would not be unduly affected, and that their credit rating would be restored to being what it had been before the error. And the information was purged by–from all the client credit histories, as of March 25th, through equinox.

The member was looking for more details on—of the timing and I think I just explained that, but I'll just make sure that that was clear, that the system transaction transferred over in November. The information was erroneously given to Equifax in early March, and I believe it was March 14th we were notified of the situation and—this—both the students, Equifax and the problem had been fixed by March 25th.

Mr. Chair, the member had asked what personal information does the department collect on the student's financial data. This is, of course, as we explained yesterday, there's a long form that students are expected to fill out, but I can break it down, that students do provide their legal name, their mailing address, the residence address if different from the mailing address, their date of birth, their social insurance number, their bank, the bank account number, the branch, the balances in the bank. They need to disclose their income, their dependants, their immigration residency documents, whether they have a spouse or parent living with them—that they're living with and, if so, that person's social insurance number and income.

Mr. Chair, the member also asked about the security mechanisms within the new Student Aid program, and I can let the member know that the new system is secured by firewalls and other network security controls to prevent unauthorized access to information and services from internal sources, external sources and between system components. The system is physically secured by government data centre. User access controls within the system limit individuals to information, function and data manipulation actions that are needed to perform a specific job function. The system change, control, auditing and logging functions have been improved to future comply with information protection acts.

Internal business users and maintenance and support staff access is logged and restricted based on role or need. Business users are required to make an interactive—interaction note detailing when and why they accessed a client's records.

External business partners are required-will require two-factor authentication to establish a VPN to access limited information about their clients. External business partners will have limited access via VPN to internal screens to prevent

common-client awards—to view, sorry—let me correct that—to view common-client awards documentation outstanding and update institution client-specific information. External business partners will locate client records via name, and results will be filtered to only return information for the current application revision for clients who have indicated that they are attending the institution on the most current application.

Applicants have the choice of applying and corresponding with Manitoba via traditional methods or modern methods. If the applicant client chooses to use the web internet portal, they will be required to create a portal account by providing their email address, legal name, social insurance number and date of birth to establish a new portal account or link the portal account to their existing student aid application. Once the account and linkage is created, the applicant client will be provided—will be required to provide the username and password to access the internal portal and the account online.

The system and access controls are being used—being used are based on pan-Canadian security standards, as per the Manitoba Information Protection Centre.

Mrs. Taillieu: Yes, perhaps I could just do some questions now just on that part that you've just given me. You did give me the information on the ACCESS, Prince of Wales/Princess Elizabeth veterinary fund, the Winnipeg Endowment, the Career Trek.

Can you confirm that all of these come out of the Manitoba Bursary Fund, then?

**Ms. Selby:** Yes, I can confirm that all of those are within the Manitoba loan and bursary fund.

**Mrs. Taillieu:** Thank you very much, and in regard to the Equifax error that occurred in March, you indicated 1,500 students were affected by that.

What attempt was made to contact those students and inform them that their personal information may have been compromised?

Ms. Selby: Unfortunately, Equifax never contacted us that this situation had occurred, and we are grateful that is was brought to our attention by someone that was affected by it. When we learned of it, we repaired the system and also contacted Equifax to ensure that they purged the incorrect information to be sure that the students were not affected unduly by this error of—that occurred in the system. We did

contact students who had raised the issue during the period and confirmed that this, indeed, was a mistake that was fixed and did not unduly affect their history of their credit rating.

\* (15:10)

**Mrs. Taillieu:** Then would it be true to say, then, that the department is not-does not know which students were affected?

**Ms. Selby:** Yes, we do know which files were impacted.

However, the majority of students during that 11-day period would not have been directly affected in that this is a credit rating bureau, so unless that somebody was specifically applying to have a loan or a mortgage that someone would—a bank or other loaning institute would be checking someone's credit rating then, of course, that could affect the person, and in those cases we definitely made sure that the bank that the student was dealing with and that Equifax was very clear that this was an error and not an accurate representation of the student's credit history.

However, during that 11-day period, the issue was brought to our attention and those files were purged from the Equifax database.

Mrs. Taillieu: Well, Mr. Chair, there's significant sensitive personal information-all of the things that the minister identifies, such as name, social insurance number, date of birth, bank account informations, the balance in the bank account, income, immigration documents, and then all linked into the Manitoba Bursary Fund-that knowledge, that information was out there and the department became aware of that and made no attempt then to get in touch with the 1,500 students that-I mean, you know-you say there was 1,500, so to know how many, you must have an indication of who these people were-and you made no attempt to notify them, to let them know that personal information may have been compromised and maybe they should be watching their bank accounts?

Ms. Selby: Mr. Chair, I just thought I should clarify to the member how a credit agency works. They do not receive all that information that the member just put on the record. A credit agency would only receive the name of the person, the balance of their loan—not anything more specific than that—and how many months that that loan would've been in arrears. They would not have information such as the member has put on the record.

**Mrs. Taillieu:** How does Equifax get that information that the loan is in arrears?

Ms. Selby: When the student signs an application for a student loan they also have to sign a declaration and are made aware that the information will be shared whether they do pay their student loan on time and whether they maintain those payments with a credit rating agency. This is usually seen as a favourable thing for students because they're new and they're starting out in life and they want to establish good credit, because in the next few years, most understandably, students will be graduating, and perhaps at that point buying a home, starting a family in the next few years. So, having a favourable credit rating is actually-it's a good first step towards a student making some of those bigger life decisions. So this is something that upon signing the loan application, they do sign the declaration knowing that the information on whether they're maintaining their loan will be shared with the credit rating

But, again, I would just like to point out that the detailed information that Student Aid collects is not shared with the credit rating agency. The only information shared is the name, the balance on the loan and how many months that they may be in arrears.

Mrs. Taillieu: You know, it's interesting. I happened to be listening to a radio program a while back where a similar thing happened to a fellow and it took him 10 years to clear his credit rating with an agency that was-had false information about his true credit rating; and, as soon as he would get it purged and think everything was fine and he'd go and try and do something, it would come up again and again. And he was distraught, as you can understand, 10 years of having to deal with this. So it is a serious issue, although I don't think it's being taken as seriously as I think it should be. But it is a serious issue, and with students that have had this particular report made on them, nothing may happen right now, but something could happen in the future, and I really do think it would be advisable to notify these students that an arrow-error has occurred with their credit rating so that they are aware of it should something come up in the future.

I'm wondering why the minister wouldn't think that would be prudent to notify the students that this had occurred, and even though nothing happened to most of them, that it had occurred.

**Ms. Selby:** I agree with the member that nothing did happen to most of them, and I and—the story that she tells of a gentleman with another situation is definitely a disturbing story, and I feel for the individual that had to go through that.

But I would point out to the member that we were notified of this problem within 11 days, certainly not 10 years, as the member speaks of, within 11 days this problem was corrected. Unfortunately, Equifax did not notify us of this situation. I'm very grateful that is was brought to our attention by a student who during that particular time period, for whatever personal reasons that that student had, was able to find out that their credit rating had been erroneously affected.

In that time, of course, we fixed the system. We notified Equifax. They purged the file. So, as it stands, the majority of students who would not have had to inquire about their own credit ratings or had a loan or bank or credit union imply—inquire about their credit ratings, as the member has said, were not affected, and, luckily, those files have been purged and their credit history is now back as it should be as it was before the error occurred.

\* (15:20)

Mrs. Taillieu: First, I just want to correct the minister that this was not something that was reported 10 years later. It was reported immediately and kept reoccurring every time the person went for a credit assessment over a period of 10 years. So, just to clarify that.

But, Mr. Chair, I'd like to ask the minister exactly what happened and what guarantees can she give that it's not going to happen to other students.

**Ms. Selby:** And, again, I'd just like to send my, you know, my thoughts and empathy to the individual that the member is speaking of—that I'm not sure what that individual's situation was.

But, of course, in this situation, when we were notified of the error, within 11 days, the error had been fixed and we had notified Equifax and ensured that they have purged their files so that these students' credit history is reflective of their accurate student—their credit history is accurately reflected now.

And I'd also just like to remind the member that this did happen in the transition period when we were bringing in phase 1 of the new Student Aid program. That issue has been corrected, and we have notified—as I said—we have notified Equifax and ensured that they have purged those files so that the students' credit history is now reflected accurately.

**Mrs. Taillieu:** I'll–I think we should move on. So, if the minister has other comments from my questions yesterday, we'll move on to those.

**Ms. Selby:** The member asked yesterday about the tendering of the contract for the new Student Aid program, and I can read some more information into the record of how that process went about.

November of 2008, ICT Procurement Services issued a request for proposals for an integrated student financial aid information solution. The RFP was issued on behalf of the Service Transformation Manitoba and Manitoba Student Aid, and the closing date was December of 2008. This RFP was comprised of three phases: phase 1 being the solution design; phase 2 being the proof of concept; and phase 3 being the blueprinting and implementation.

The purpose of the RFP was to solicit proposals from qualified proponents to provide a solution designed for phase 1 of the Manitoba Student Aid integrated student financial aid information system. And, due to the critical nature of this business solution, the government of Manitoba wanted to make sure that we engaged a proponent with the capacity and proven experience to plan and carry out the final solution, which would be, of course, phases 2 and 3.

As part of phase 1, the proponent was to submit a fixed-price proposal to carry out phase 2 and phase 3. And the successful proponent was also required to carry out the work in two parts: part 1 was a fixed-price engagement to complete phase 1, which—as I said earlier—was the solution design; and following satisfactory completion of this work and approval of the resulting business case, the government of Manitoba reserved the right to, and its sole discretion, enter into negotiations with the successful proponent for an agreement to complete phase 2, which was the proof of concept; and phase 3, blueprinting and implementation.

The evaluation committee determined that Deloitte and Touche proposal had the highest score and was given the successful proponent. It was done within accordance of—[interjection] Okay. It was the contract value for phase 1 was not to exceed \$350,000; that was met on time and on budget. And the total external SAP implementation resources are estimated at 11.845 million.

The member also asked if the lowest bid was selected. In this particular case the lowest bid was not selected for the project. The lowest bidder was deemed not to have the experience, knowledge or technical resources to complete the project, and the cost difference was less than \$50,000 between the bids.

The member also asked how many people—how many companies had bid. There was a total of three bids but only two were qualified to present, and only one was deemed qualified to do, as you can imagine, a very detailed—and required to have a certain experience and expertise in order to do this particular work.

Mr. Chair, the member also asked about the criteria for the evaluation, and I can read that into the record as well: The proposed solution management approach criteria was understanding the scope and objectives, specific areas of interest to Manitoba, project organizational structure and responsibility, project management and control, risk management, meetings and reportings, quality assurance.

There was also sections on proponent history and future commitment, related experience, personnel and other resources. As well, consideration was taken into the points of Aboriginal business content and Canadian small- and medium-size enterprises and, of course, price was also one of the elements. But as you can see from what I've read into the record, there was a number of other important criteria as well. A certain expertise and experience were also weighed quite heavily in the—in total evaluation of which company would be best suited and awarded this contract.

The member had also asked about the original budget, and the scoping phase was put to the tender maximum amount of 350,000, as stated in the tender.

That would be the information on that particular section that the member asked. I wonder if the member would like me to continue with some other questions she had or to allow her some time for questions.

**Mrs. Taillieu:** I just wanted to clarify: What phase are you at with this information system right now?

**Ms. Selby:** We are currently in the second part of phase 3.

**Mrs. Taillieu:** And at what phase did the Equifax error occur?

**Ms. Selby:** That occurred at the first stage of phase 3.

\* (15:30)

One of the questions that the member asked was she was looking for how much was in the Training Completion Fund. I can let the member know that there is \$1.4 million in the Training Completion Fund. There has only been a payment—the payment total ever taken from that was just one time and it was \$34,000 and that came out this year. That's the only time that that fund has needed to be accessed, because, of course, we know that that fund is there should a private vocational school go out of business and leave the students with some of their training incomplete. And so that has only had to happen one time and it happened this year and the total of payout was \$34,000.

**Mrs. Taillieu:** In regard to the Training Completion Fund, then, you indicated that this year was the only time that money was paid out.

Were there any requests previously for money that wasn't paid out?

Ms. Selby: This Training Completion Fund, of course, is there for students; it's there to support students should something happen, such as unfortunate and untimely closure of a private vocational institution. Should that happen, as it did this year, the students were helped in terms of transitioning to a new program so that they can complete their studies or they have the option of being reimbursed for the amount of classroom hours that they have paid for but not been able to attend because of the untimely closer.

So, no, this hasn't been a situation where students have asked before. As you can imagine, it doesn't happen all that often that this situation comes up, but should it occur, the students are not out of pocket and this year was an example of the system being there to support them when an unfortunate situation did happen.

Mrs. Taillieu: I just want to go back to a question in regard to the Bright Futures fund under Manitoba Bursary. I believe that yesterday I asked if the money was all from the—well, I think the minister indicated the money all came from the Department of Advanced Education and Literacy, although this seems to be a program that, in part, is perhaps more appropriate under Education. And I believe I asked the question about whether funding came from the Department of Education.

I'm going to ask that question again: Does funding for the Bright Futures fund come only from Advanced Education and Literacy or is there money coming from the Department of Education? And, if so, where would I find that in the Estimates book?

**Ms. Selby:** The \$4 million for the Bright Futures fund is, of course, shown in the Manitoba Bursary line within Advanced Education and Literacy's Estimates. Half of that is recovered from the Education Department, K to 12, because, as we said earlier, we do share this, 50 per cent, and the recovery would be shown in Education's budget as being paid out to Advanced Education and Literacy.

**Mrs. Taillieu:** Thank you. Then is it also shown as an intake into the Estimates in the Advanced Education and Literacy book?

**Ms. Selby:** No, it's not shown as an intake; it is just shown as a total expenditure within this department.

Mrs. Taillieu: I note on page 9–I just asked the question. There's transfers of functions–reconciliation statement, there's a transfer of functions–Healthy Living, Youth and Seniors; transfer of recovery authority from Family Services and community–or Consumer Affairs, sorry; allocation of funds to Innovation, Energy and Mines; but there's nothing in there in regard to Education. Would this–would that not show in this area?

Ms. Selby: I'm sorry, I need to correct something that I put on the record. I had indicated that we shared it with Department of Education, which we did. It has been transferred over to the Department of Healthy Living, Youth and Seniors now. So it would show up on their Estimate line as a transfer to us, and I apologize for that error. It changed recently and we were thinking of the old department.

But I'm sorry, if you could restate your question on the section 9.

**Mrs. Taillieu:** It's on page 9 of the Estimates book, at the bottom, reconciliation statement. I was looking for something from Education in there.

**Ms. Selby:** The section on page 9 that the member is referring to, the reconciliation statement, is reflective of particular programs or responsibilities that have moved from the Department of Advanced Education and Literacy to another department. They are a different variety of programs that have moved, portfolios that would have showed up in our budget at the beginning of last year that now would show up

in terms of the budget of these other various departments. These are one-time transfers.

The Bright Futures program that the member is speaking of is an ongoing program and an ongoing cost-shared agreement with the Department of Healthy Living. So it would not show up in this particular section.

**Mrs. Taillieu:** Under the Bright Futures program, which helps children graduate grade 12 and is intended to mentor them or enrol them in post-secondary, what does the Peaceful Village program do?

Ms. Selby: This is a really-not just an interesting initiative, but something that this government feels really strongly about and the work that the folks do at the Peaceful Village. The Peaceful Village program minimizes the loss of immigrant and refugee students from the education system between junior high and high school by providing culturally relevant and targeted programming. Programming operates out of Gordon Bell High School for grades 9 to 12 and Hugh John Macdonald School from grades 7 to 9. It includes tutoring, mentoring, elders, family caregiver involvement-really, the entire community, cultural mentorship in the arts, passion projects, and other components designed to facilitate the success in the education system. And we know that the influence of the program has extended as families and caregivers of the participants are regularly also engaged in the community activities connected to the program.

\* (15:40)

So it's really a great program for connecting, as it says, not just the students to the community, but their extended family as well, and we know that that can be a concern for people who are new to Canada and perhaps, you know, experiencing some change and adjustments to a new culture and perhaps even at risk of feeling isolated. So this program goes beyond just making sure that kids stay in junior high and high school, and, hopefully, of course, we hope that they go on to a post-secondary education if that's in their future as well. But the fact that it sort of encompasses the whole family and community, just a great program for making people feel more welcome once they've come to Canada and recognizing that supports are there to succeed and to reach people's potential.

**Mrs. Taillieu:** I'm not questioning the program as it—what it does for the immigrant children. I think my

question is more to—is it appropriate to be funding it here under the Manitoba bursaries fund, which is intended—a mandate of that fund is to pay down student debt.

So, although the program is laudable and we're not criticizing the program, I'm just wondering what the mandate for that—where did the mandate for this program come from, and what are the qualifications for an organization to apply for funding from this Peaceful Village fund?

Ms. Selby: One of the commitments of both this government and, of course, of the Manitoba Bursary Program is accessibility and—for students, and that, of course, is—the goal is to make sure that there are—that students who face barriers, whether that be financial barriers or other barriers, are supported and given the tools that they need in order to reach their full potential, and if that be—and we hope that be a post-secondary education.

So Bright Futures and the Manitoba Bursary Program both have a similar goal in mind in that accessibility being a key component to both their mandates, and to helping every child in Manitoba reach their potential.

The member also wanted to know about the criteria for the Bright Futures fund, and, of course, you can imagine that this is again a very detailed process that also includes site visits. To be eligible for funding, the organizations will be required to meet a number of criteria that is specific to both the organization and the program. They must be a non-profit community based organization or a school can also partner with an eligible non-profit based community organization. They accept applications for new and expanded programming. If a program wants to expand they do need to demonstrate success in the current programs. New programs need to show that they have the capacity to deliver comprehensive programs. The programs must demonstrate a few components as well. They must be community-based organizations. They must be strongly connected to a school. They need to seek active parent-parental participation, which is what I speaking of earlier, that the mandate is to include the entire community, the caregivers, the family, as well.

The programs must access three specific needs: social support, academic support and financial support. And, in terms of that, that includes long-term support, such as RESPs and bursaries. So, of course, we know that those can only be used if a student attends a post-secondary education; that's the

only way that a student would have access to an RESP, which is part of what the program must address.

The programs also need to be aligned with the work of other community agencies and, where possible, we encourage the programs to work with other community agencies. They need to provide short- and long-term goals, and incentives for the participants, and the participants need to understand that there are multi-year commitments because, of course, the goal of this program, like any other program within Bright Futures, is to have students go to post-secondary education. We want them to not only continue through high school but to go on to post-secondary education. That is the goal, to be accessible and to support students.

The organizations also need to indicate how they plan to measure success over the short- and long-term. There are several different things that are going to be considered, in terms of assessing the applications. The socio-economic status and current needs of the students that the organization wishes to target, they need to have secured support, both in non-government support and financial contributions. There need to be connections between the proposed program and some existing programs, as mentioned earlier.

And opportunities, as well, for older youth and community members to be involved both as leaders and elders and mentors because, again, this going back to the fact that this is a program that although, of course, supports students to get through high school and to go on to a post-secondary education, it also supports the whole community and gets everyone involved and it really, really helps with preventing isolation amongst families and the students that it's there to support.

**Mrs. Taillieu:** How many applications do you get yearly for this fund, for the Peaceful Village fund? I think you said that there was two schools that run it, but are there more people apply?

Ms. Selby: Mr. Chair, I just want to be clear that I understand the member's question. I believe the member was asking about, specifically, the Peaceful Village-Manitoba School Improvement Program, and there is just the one program. It's offered at two different schools, the Gordon Bell High School and the Hugh John Macdonald School, but it is still run through the one program.

**Mrs. Taillieu:** I don't want to belabour the point, but just one more question. Then, are other schools eligible to do this, or is it only these two schools?

\* (15:50)

**Ms. Selby:** As we discussed yesterday, these are the Bright Futures programs—and there are a variety of them—are cohort-based, so, of course, as the students move on to the next level, more students come in to the level—the initiation level.

Applications were received in the inaugural year of Bright Futures, which was four years ago, and the funds were divided among the qualified programs. And just perhaps to give the member more clarity, I could read into the record some of the programs that the Bright Futures fund supports if the member would like that. The Bright Futures fund supports a program coincidentally called Bright Futures at the Seven Oaks School Division; a program through SEED Winnipeg; through Career Trek; through the Boys and Girls Clubs of Winnipeg; the Medical Careers Exploration Program at the Pan Am Clinic; Pathways, Community Education Development Association; Peaceful Village at Manitoba School Improvement Program; Power Up, which is also through the Boys and Girls Clubs of Winnipeg; and the You Can Do It, which is the Winnipeg Poverty Reduction Council.

**Mrs. Taillieu:** Can the minister indicate if the Department of Advanced Education and learning does any polling, surveys, opinion polls, or participates in any conducted by any other department or organization?

**Ms. Selby:** This department does not do polling, although we will have a survey coming this year. We will be doing an early-leavers survey in this fiscal year.

**Mrs. Taillieu:** Well, it begs the question: What is an early-leavers survey? When is it going to be done?

**Ms. Selby:** The challenge, of course, is just to be able to say early-leaver survey.

The survey is for people who have left a post-secondary institution before completing the program that they were enrolled in. It is planned for this year, but we haven't set the date yet.

**Mrs. Taillieu:** Is this an internally generated survey, or are you going to tender this out to other companies to do the surveyor for you?

**Ms. Selby:** Yes, we will be tendering out for this early-leavers survey.

**Mrs. Taillieu:** Who develops the questions on the survey?

Ms. Selby: We will work with the company to develop the questions. We will let them know what it is that we want to learn and what we're hoping to find out and the information that we would like to collect, and we will use their expertise as to how to best approach that situation to get the most clear answers on the survey.

We also work with the institutions to see if they have specific information on the same concern of why early leavers have left post-secondary institutions. We work with them to see if they have any particular expectation or expertise that they can also provide as to what they would be interested in knowing in this particular survey.

Mrs. Taillieu: Just for clarification, is the minister, then, saying that the polling company that they're going to hire has an interest in this and wants to answer some—find some information as well? Okay, just for clarification.

**Ms. Selby:** I was referring to the post-secondary institutions that also have an interest in why students are leaving without completing.

**Mrs. Taillieu:** So what other post-secondary institutions would be involved?

**Ms. Selby:** We have seven post-secondary institutions in Manitoba. We would consult with any and all of them.

Mrs. Taillieu: Is this, then, a survey–I'm going to call it a survey, if that's the correct term–the survey, it's being conducted by AEL. Are there any other government departments that might, kind of, I'll use the word piggyback on to this survey to ask other questions, as well, about other things?

Ms. Selby: We may have some apprenticeship questions that would also-might be relevant to this particular situation, because, of course, apprentices are trained at our post-secondary institutions. However, apprenticeship, itself, is not under the jurisdiction of this department, so ETT would be contributing the questions in terms of apprenticeship.

**Mrs. Taillieu:** Is this going to be conducted, then, as a dedicated educational survey, or sometimes polling companies or survey companies will do the questions from one organization and lump them in with

another organization and put them all together. So, is this dedicated, or is it going to be part of a larger survey?

Ms. Selby: It will be a dedicated survey.

**Mrs. Taillieu:** Will the questions be publicly available?

**Ms. Selby:** Yes, they will be made available, either posted on the website or available to anyone who has an interest in them.

Mrs. Taillieu: Okay, I think I just asked this question. Yes, the question I have is—I have it under COPSE, but I suppose that's the correct place for it to be in regard to the students leaving college or university early. And I was going to ask at what stage that was at, but I think that was just covered. Right? Okay.

**Ms. Selby:** I'm just wondering if the member might be finished with, perhaps, the student aid questions that we did earlier, and just if she thinks she's finished with a particular section, perhaps we could let the staff go.

Mrs. Taillieu: Yes, I think I'm finished with that line of questioning, and thank you very much for coming back today. I just want to clarify, in case I'm thinking that there's two different surveys. But is COPSE doing a survey, a different survey than the one we were just speaking of? Okay, this is the same survey. Okay.

\* (16:00)

**Ms. Selby:** No, you've—it's the same one you're referring to.

Mrs. Taillieu: Mr. Chair, and I'm looking at something that I printed off the website. It is so small I'm having a hard time reading it, but it is in regard to the tax rebate. And I want to ask—I know that it's been—I think that there's a significant rebate allocated to students who can complete their post-secondary and stay in Manitoba. But what is the criteria around receiving this tax rebate?

**Ms. Selby:** The tuition rebate, of course, being a tax credit, is under the Department of Finance. So it would be under their authority, their jurisdiction and probably better put towards the Minister of Finance (Ms. Wowchuk).

Mrs. Taillieu: That's interesting because I did print this off the AEL website. So I'm just curious as to whether the rebate only applies to students should they gain employment in their chosen field, or is it any employment in any field?

**Ms. Selby:** We can answer generally because, of course, students benefit greatly from this tax incentive, but it is, of course, under Department of Finance. But I can tell you that it's any employment; the students just need to be finding employment to be eligible.

Mrs. Taillieu: In regard to the funding for post-secondary institutions, I'm sure that, as the minister knows, they've been asking for a multi-year funding for quite some time. And now they've been promised 5 per cent every year for three years. I'm wondering—if that is to the universities—so I'm wondering if this is going to be provided to the colleges as well.

**Ms. Selby:** Yes, this year Budget 2011 did announce a multi-year funding for universities: 5 per cent this year, 5 per cent increase in operating grants for the next three years. But I also would like to point out this isn't the first year that multi-year funding has been allotted to the universities. They also received it for 2006, 2007, 2008 as well. And this year's budget does allocate 2 per cent increase operating for our colleges.

**Mrs. Taillieu:** Is this a 5 per cent increase for three years to the colleges then?

**Ms. Selby:** The 5 per cent increase for the next three years is for the universities. And, again, I'll point out that this isn't the first year that universities have received multi-year funding. They also received it 2006, 2007 and 2008.

Budget 2011 does increase operating grants to colleges 2 per cent.

**Mrs. Taillieu:** In regard to tuitions, the minister has indicated earlier in releases that tuition will be pegged to inflation. Will this apply equally to colleges then as well?

Ms. Selby: Yes, the member is correct that tuition to universities is frozen to the rate of inflation, offering predictability for both students and their families and the ability for universities, also, to do some long-term planning. Tuition this year being frozen to the rate of inflation puts it at 1 per cent; as for colleges, there will be \$100 increase in college tuition for Budget 2011.

Mrs. Taillieu: Will this tuition then, that's tied to inflation—will it be applied to each faculty equally or

what if a faculty feels it needs a greater increase than the rate of inflation?

**Ms. Selby:** Yes, it would be applied 1 per cent to each tuition is the way that that is explained.

**Mrs. Taillieu:** I was asking if it was applied equally to each faculty. Is that what the minister meant to say?

**Ms. Selby:** Yes, that's correct. So to-1 per cent this year because tuition is tied to-is frozen to inflation would be to each faculty, yes.

**Mrs. Taillieu:** So, if the faculty feels that that's not enough, they have no recourse. That's it. Is that correct?

Ms. Selby: And we really feel that Budget 2011 found a good balance between meeting the needs of students and of the universities. Certainly, the university presidents have spoken very favourably of the operating grants and the funding that they can rely on over the next three years. David Barnard, President of University of Manitoba, says that they are very pleased with the support being provided to the university.

Lloyd Axworthy, the president and vice-chancellor of the University of Winnipeg, also says that this will help them to do better long-term planning. So, in terms of finding the needs and the balance of both the universities to be able to plan and provide the excellent quality of education that we know that they do and are committed to doing, and for students to make sure that university is affordable and accessible, certainly feel comfortable that Budget 2011 finds a balance and has seen both students applaud and the universities, as well, the funding that was laid out in Budget 2011.

Mrs. Taillieu: How long will this continue?

**Ms. Selby:** I'm assuming that the member is talking about the tuition. This is government policy that tuition is frozen to inflation. As for the operating grants, it's 5 per cent increase every year for the next three years for our universities.

Mrs. Taillieu: Okay. Thank you.

**Mr. Chairperson:** Member for Fort Garry–or River Heights, sorry.

**Hon. Jon Gerrard (River Heights):** Just, thank you, and just to follow up just for some clarification—what I'm hearing from you is that for a faculty like medicine or dentistry or law that the tuition fees will

rise at the rate of inflation and not more and not less. Is that it?

**Ms. Selby:** Our government policy going forward is that tuition would be frozen to the rate of inflation. This year it will be increase of 1 per cent.

**Mr. Gerrard:** And just for clarification that that does apply to medicine and dentistry and law?

Ms. Selby: Yes, that's correct.

Mr. Gerrard: Yes, I'm looking at this discussion paper on adult literacy in Manitoba, and literacy is one of your significant responsibilities, and this is a 2008 discussion paper, and it says approximately 40 per cent of working-age adults had prose literacy scores below the level considered the minimum for full participation in a knowledge-based economy and society. And I'm just wondering, in terms of–first of all, what are the latest figures for literacy in Manitoba?

\* (16:10)

**Ms. Selby:** The survey that the member is referring to occurs every seven years. The next survey will be done in fall of 2011 and the results will not be available until 2013.

**Mr. Gerrard:** And so my follow-up question is: Does the minister do any tracking of this from year to year or are we waiting seven years to know whether things are, you know, better or worse?

Ms. Selby: As the member can imagine, this is a very extensive survey, and just in the answer that I gave earlier that the next survey is being conducted in fall 2011 with the results not being compiled and ready for us to review till 2013. So, with the level of detail required, you can see that it actually takes some time to conduct the survey, and, in a couple of years, between conducting and compiling the results, of course, within individual programs, individuals are evaluated and assessed within those programs. Certainly, that is done.

Mr. Gerrard: It must be difficult on a provincial basis, then, to know just where we are. Can the minister indicate more on the effort that is being taken to try and make sure that, you know, this rather high level of poor prose literacy scores is addressed? What measures have actually been taken to try and reduce this level?

**Ms. Selby:** I would like to-just to inform the member that, in 2009, The Adult Literacy Act came into effect to guide the efforts to improve adult

literacy level in Manitoba. This is the first of its kind in Canada. Manitoba, as a government, we fund 41 different agencies that provide literacy programs; 46 adult learning centres are also registered; 41 providing high school programming to students, as well, in that. And we know that about 12,000 adult learners attended one of Manitoba's adult learning and literacy programs.

We also use the Manitoba Stages Framework to provide agencies with common instruction and assessment framework of the underlying principles and skill competency levels for instruction and assessment while accommodating the diverse goals and needs of adult literacy learners. The staging framework does include reading text and document use, writing and oral communication, but, as I said, it also includes an assessment framework of those underlying principles as well.

**Mr. Gerrard:** One of the issues here relates to—we've got a fair number of new immigrants coming to Manitoba. Can you give us a picture of what their literacy skills are like?

Ms. Selby: And, yes, the member is correct; a record number of people have been choosing Manitoba as their home last year. And I don't have the number off the top of my head, but it was a record number of people that have come into Manitoba and decided to raise their families here and live and work, knowing, of course, that the Manitoba advantage, as people are saying across Canada, and apparently around the world, people are hearing of the advantages of choosing to make Manitoba their home.

I should point out to the member that it is the Department of Labour and Immigration that handles immigration and therefore also handles English as a Second Language classes and other supports to help new Canadians both to feel welcome as, of course, they are to Manitoba and to help them prepare and make sure that they have the skills and the knowledge and needs that they may have to prepare to work here in Manitoba.

**Mr. Gerrard:** So I mean, in essence, what I'm hearing from the minister is that she doesn't know what the, you know, literacy parameters are for people who are new immigrants.

**Ms. Selby:** I think I should point out again to the member that the Department of Labour and Immigration are the folks that are in charge of immigration.

**Mr. Gerrard:** Now, the—in this adult literacy paper, which was April of 2008, it's indicated here that approximately 285,000 Manitobans between the ages of 16 and 65 had prose literacy scores below the level considered the minimum for full participation in a knowledge-based economy and society.

My understanding is that the programs of the minister's on adult literacy and adult education have touched about 12,000 adult learners. Is that correct?

\* (16:20)

**Ms. Selby:** I should point out to the member that, of course, that the numbers that this department would track are the areas in which that we are responsible for. We're responsible for the adult learning and literacy programs. Those are the numbers that we know how many students are enrolled.

But, of course, there are other places that students and adult learners can receive support for literacy. As I mentioned earlier, they may receive that support through English as a Second Language programs. It would be through the Department of Labour. In some cases, they may get it through their workplace as well.

So, indeed, that—the people that this department would be aware of who has gone to adult learning and literacy programs would be the ones that have gone through the programs that we fund in this department.

**Mr. Gerrard:** Yes, I mean, I just point out that 12,000 is about 5 per cent of the 285,000 that we're talking about. So it's an important contribution, clearly, but it's only a small proportion of what the real need is.

Let me move on to another area. You know, one of the facts that has troubled many Manitobans is the fact that, you know, the *Maclean's* rankings for our—the University of Manitoba, of which we are very proud and believe very strongly in, have not been kind to the University of Manitoba, and could the minister speak to this situation?

**Ms. Selby:** I'm sorry, if the member could repeat the last part of his question, please.

**Mr. Gerrard:** I would ask, what is the minister going to do in terms of addressing the situation which concerns many Manitobans, that the *Maclean's* has ranked University of Manitoba much lower than we would like?

Ms. Selby: I'm troubled to hear that the member, perhaps—and I think he did say, though, that he understands that the University of Manitoba is an excellent school, one that we're very proud of, and incredibly proud of the quality education that they provide. And, of course, as somebody who's raising three daughters in this province, I'm hoping that they will be looking to the University of Manitoba as, perhaps, one of the post-secondary institutions that, perhaps, one of my daughters would consider. Of course, we have a number of other high-quality post-secondary institutions in Manitoba and a number of places for them to decide, but, certainly, that would be one that I'm hoping is on their radar.

I have a number of friends and colleagues who graduated from the University of Manitoba and, certainly, many of the professionals that I deal with in my personal life have come through the programs at the University of Manitoba as well.

This government is proud of the work that they do, happy to stand behind the University of Manitoba and, of course, to support them in terms of our operating grant. As I mentioned earlier, the university president, Dr. David Barnard, has been very pleased with the operating grant, and has said, very publicly, that the increase that Budget 2011 allows-a 5 per cent increase this year and for the next three years-will allow them to plan and to further improve the excellence and quality of that institution. I believe that this government has shown our support and our commitment to universities across this province with the fact that we've increased the funding of universities of more than 80 per cent since we've been in office. And for University of Manitoba, funding has-is, as well, increased. We think that it's important to have a balance of an accessible university for students and we feel that we've reached that balance.

But, certainly, not only am I proud of the institution, but of the work that they do and, also, of the number of graduates, both family and friends that I know, who have gone through that program.

**Mr. Gerrard:** I would ask the minister whether she considers the *Maclean's* ranking a serious ranking, or whether she considers it a bogus ranking, and that we should completely forget about it and focus on other areas.

**Ms. Selby:** And I think that if we look at enrolment at the university over the last 10 years, enrolment is increasing. It seems to me that students are not only eager to sign up and learn with our post-secondary

institutions, including the University of Manitoba that has seen general enrolment increases of more than 1 per cent just in the last year. And certainly, internationally, our reputation must extend beyond the borders of what a quality institution that we have, because we have seen that international enrolment has increased by nearly 6 per cent with international students making up just below 10 per cent of the student body. So, to me, that says that not only do I believe, and this government believe, that University of Manitoba is a high-quality institution, something that everyone in Manitoba should be proud of, along with our other institutions. But our reputation seems to be extending beyond our borders internationally, as well.

**Mr. Gerrard:** The minister's comments appear to suggest that she believes that the *Maclean's* ranking is bogus, and that we clearly do have a wonderful institution, but that is the minister—the question is: Is the minister going to look seriously at doing anything about the *Maclean's* ranking or is she just going to completely dismiss it and focus on other aspects?

Ms. Selby: And I believe that Budget 2011 shows a serious commitment of this government to advanced education and post-secondary institutions. We have increased funding by over 80 per cent since we've been in office, which, I think, is a clear indication of the support that we have for post-secondary institutions in this province. This year's budget is an increase of operating grants of 5 per cent over the next three years, something that the universities have all applauded and all been thankful for, and have said that it will help them with future planning and to continue in the excellence and striving, as we all do, to improve all the time.

I think also the fact that our budget in this government also balances the quality of our education with accessibility. We don't want post-secondary education to be something that only an elite group of people are able to access. We know that everyone in Manitoba has a-the right and deserves the chance to reach their potential, and I believe that with increases of over 80 per cent, and on top of that, of course, the support that we have shown to the universities in terms of capital projects. I mean, between 1999 and last year, nearly \$400 million in capital grants will be provided to the University of Manitoba. And one only needs to go to that campus to see it's growing and changing and it's busy. It's full of learners of all ages, excited to be there with ideas and buildings going up as well at the same time. So I believe that, yes, this government is proud of the work that the University of Manitoba does, and I believe that all Manitobans should be. And our record shows our commitment to the university.

**Mr. Gerrard:** Let me move on to talk to—or ask the minister—there are a number of high schools which have advanced placement which are essentially providing first year university training. Does that fall within the minister's department or not?

**Ms. Selby:** That would fall under the Department of Education.

**Mr. Gerrard:** Has the minister had any discussions with the Minister of Education (Ms. Allan) about whether, you know, what the future is of advanced placement, whether, you know, this should be available to students throughout Manitoba or whether this is something that should be restricted to a few schools?

Ms. Selby: This government is certainly committed to providing an easy transition and to supporting students to going from high school, and, of course, increasing our graduation rates at that level, and providing supports for students who wish to continue with a post-secondary education. There's certainly a number of initiatives that are currently going on that make it even more accessible for students to make that transition. We know that the universities and colleges are already having a number of articulation programs. I believe there's about 30 programs around the province where students can easily transfer the work that they've done at a college or university level and move that into a university, or vice versa, and be recognized. And, certainly, on an individual basis, students are having their credits recognized that they've done in one institution and being able to bring it to a new one, and, of course, that helps towards a speedier completion. I know, in my own constituency, a number of students that attend one of the three local high schools also have the option of attending the Louis Riel arts and tech college, and many of them graduate with both their high school diploma and the start towards a career as well.

\* (16:30)

I think it's a wonderful initiative, because we know that while university is the right choice for some folks, as is college for others and apprenticeship may be a choice for others, everyone has a different method of learning and should be supported in reaching the potential in whatever would be the best system for their style of learning.

**Mr. Gerrard:** Let me ask the minister–congratulate her on taking on her new position, but what is the minister's vision in terms of the role of Campus Manitoba, which, I presume, does fall under her purview? Is that correct?

**Ms. Selby:** I'm sorry, I couldn't hear the last part of the member's question.

**Mr. Gerrard:** Campus Manitoba is an outreach from post-secondary education institutions which connects them and delivers courses in a number of sites throughout the province, and I'm just wondering what the minister's view of the future of Campus Manitoba is.

Ms. Selby: Of course, we believe that everyone in Manitoba, as I spoke of earlier, has the right to reach their potential. We hope that students—we hope that they choose to attend a post-secondary education and we put the supports in place in order for them to make that choice and to overcome barriers that may—that they may perceive there.

Certainly, Campus Manitoba is a wonderful means in which to deliver post-secondary education and to make sure that is accessible for all Manitobans. We believe that post-secondary education should be something that is accessible to all Manitobans wherever they happen to live and we do have another—a number of programs in place to support that, but we remain committed to ensuring that the continued relevance and effectiveness of Campus Manitoba and the consortium.

**Mr. Gerrard:** Is the minister planning to keep Campus Manitoba much as it is now, to shrink it or to increase it, but what are the minister's plans?

Ms. Selby: And, of course, as I spoke of earlier, this government is committed to providing accessible, affordable and quality post-secondary education to all Manitobans. Campus Manitoba is one means as if to do that but—well, I also spoke earlier about the importance of recognizing the work that students have done, and this government is working to ensure that education is delivered in a way that is accessible, affordable and, of course, quality being an important aspect of the education right across the post-secondary institutions.

**Mr. Gerrard:** Just wondered whether the minister had had a chance to visit any of the Campus Manitoba sites?

Ms. Selby: Unfortunately, I have not had a chance yet to visit a Campus Manitoba site. I have done a site of one of our adult learning and literacy centres and, of course, I've had a chance to pop in at University of Brandon as well, but that is certainly in my plans in the next few weeks, trying to balance our schedule here in the House, but also to be visiting both Campus Manitoba sites and all of our post-secondary institutions, or as many as I can in the next few weeks—few months, actually, is one of the things that I have planned over the next little while.

**Mr. Gerrard:** Just what's the vision of the minister for the University College of the North?

Ms. Selby: Of course, I spoke earlier about our government's commitment to affordable and sustainable post-secondary education system and the fact that we do believe that post-secondary education is something that we want to ensure is attainable and accessible and affordable for all students. We want to make sure that they can—that students can access education and keep families in the community.

Certainly, University College of the North is an example of supporting students both in their own community, in their culture. We know that in cases where students may be older learners and already have a family that we—that it is certainly beneficial for them if they can have a university in their own community.

And, again, UCN, being one of our universities, will also be getting the same operating grant as our other universities, the increase of 5 per cent this year and for the next three years as well. This increase shows that—the increases in operating grants to UCN since we've been in office have been more than a hundred per cent, which I think does show that this government is committed to it, as well as the capital projects.

We do have major capital expansion under way in both Thompson and The Pas campuses of UCN, which was an investment of \$47 million from government. We've got renovations at The Pas that'll include a library and a daycare, which—I think, again, we've been speaking earlier about the importance of education and the whole community being involved and, of course, a new library and a daycare is something that benefits the entire community as well.

We're also looking at other expansions. Also, through the KIP program, we are looking at

12 regional centres for UCN, again, with its mandate of bringing quality university programming with culturally appropriate community-liaised programs right across the north.

**Mr. Gerrard:** Can the minister tell us where the 12 regional centres are going to be?

Ms. Selby: Yes, I'd be happy to read that into the record. And I will have to make apologies for any of my pronunciations, but I see that the member from The Pas is here; he could perhaps correct me on that: 'mississippi-pawistik' Cree nation regional centre, St. Theresa Point First Nation regional centre, Bunibonibee Cree Nation in Oxford House, Mathias Colomb Cree Nation, Swan River, Flin Flon, Norway House, Tataskweyak Cree Nation and Chemawawin Cree Nation, as well as Cross Lake.

An Honourable Member: Very good.

**Ms. Selby:** I believe the member of The Pas might be laughing at me.

Mr. Gerrard: You know, one of the issues that has come up in post-secondary education related to—come up in the discussion over the last several years in tuition fees—is that one year when tuition fees were frozen, universities used all sorts of alternative fee increases to replace or instead of having tuition fees. What is the minister's policy going to be with regard to, sort of, alternative fees?

\* (16:40)

Ms. Selby: And, yes, the member is correct. Government policy going forward is that tuition is frozen to the rate of inflation. Of course, we know that the universities have responded favourably, both to our tuition policy and to the operating grants of this year. Our universities have spoke out quite positively about the operating grant. David Barnard, who is the president and vice-chancellor of University of Manitoba, says that we are pleased with the support provided to University of Manitoba in the post-secondary education. He says that they welcome the new funding that will allow them to plan ahead. Josie Keselman, who is the VP of Academic at University of Manitoba, also said of our funding: a very positive development for the University of Manitoba and post-secondary institutions. Lloyd Axworthy, who is the president and vice-chancellor of the University of Winnipeg, said about the funding this year that knowing how much government is funding universities over the next three years will allow them to do a better long-term planning. Scott Lamont, who is the VP of Administration and Finance at Brandon University said that there's no question that this is good for the university in every respect; the university is pleased. And might I just add that the students were also pleased, that Alanna Mackinson, who is the chairperson of the Canadian Federation of Students, also noted that we welcome tuition fees capped at the rate of inflation and that this budget is in the right direction when we're talking about access and quality.

So the feedback that I'm getting from the universities is that they are very happy with the funding and feel quite confident that it provides them with the tools that they need to both plan ahead and to continue as always, improving on the quality of the education that we offer in Manitoba.

**Mr. Gerrard:** Does the minister have any policy with respect to alternate fees? Will the minister allow them to increase dramatically if the universities so choose?

Ms. Selby: Of course, the folks at COPSE, should a request such as that come through, expect to have a demonstrated need and, as I mentioned earlier, the universities have all been very positive about our 2011 budget. They have all said very positive things about the fact that it provides them with the tools that they need, that they're feeling that it's a positive development, that they are feeling supported. So I feel quite confident that universities are happy with Budget 2011, as I feel confident the students were also quite pleased with the balance that we found in supporting our universities and making sure that we ensure accessibility and affordability for students.

**Mr. Gerrard:** Thank you. That completes my set of questions so I will hand it back to the MLA for Morris. Thank you.

**Mrs. Taillieu:** Can the minister update us as to the circumstances around Denise Henning's dismissal at University College of the North?

Ms. Selby: Of course, the department and myself were aware of the situation at UCN. We are confident that the governing council has handled that situation appropriately. It is not something that we would consider speaking further about because it does relate to academic policy and staffing at the university, but I do just want to point out that we are really proud of the creation of UCN. We know that it offers a high-quality education to northern Manitobans in their community. We know that they can remain in their community, and I just–I should

further correct, as well, the member that the person that she's referring to, the contract was not renewed. It was not a case of dismissal; the contract was not renewed.

Mrs. Taillieu: How long was the contract then?

Ms. Selby: It was a five-year contract.

**Mrs. Taillieu:** And the–Ms. Henning had completed five years?

Ms. Selby: Mr. Chair, the contract five years would have come in this coming June. At the time of considering the renegotiations of the contract which, of course, happened before the end of the contract, it was decided not to renew that contract, and an agreement was worked out between the university and the–Dr. Henning to leave the contract a little bit earlier.

**Mrs. Taillieu:** Just to clarify then—so that the minister has no influence there, then, in terms of who is the president of the University College?

Ms. Selby: Mr. Chair, I do-should inform the member that governing councils appoint the presidents, that-although we are aware at this situation at UCN, I'm quite confident that the governing council has handled this situation appropriately.

We are also confident that UCN continues to offer quality and accessible education tailored to the northern students in their communities and their culture. But, of course, this is a matter that deals and relates to academic policy and staffing at the university, and so is not something that the minister comments on.

**Mrs. Taillieu:** Mr. Chair, can the minister indicate—I believe that the—okay, let me just step back a bit.

The relocation of the Len Evans Centre for Trades and Technology, which happened last fall in Brandon—there was some controversy around that in that there were relocation issues, such as dealing with the heavy-duty shops relocation, including things like not enough washrooms, water fountains, no public telephones, less shop space, less classroom space, less storage space.

And the Premier (Mr. Selinger) had promised to look for practical solutions and make everything work better. What has been done to date to rectify some of the issues that were brought forward by ACC students and staff in terms of the relocation issues just mentioned?

Ms. Selby: Mr. Chair, of course, by coincidence we were just celebrating the 50th anniversary of Assiniboine Community Colleges last night here at the Legislature. And I am quite happy that I was extended an invitation by–I believe it was the director of the Len Evans Centre for Trades and Technology–the dean, rather, who extended an invitation for me tour the facility. He seemed quite proud of it and certainly I–I'm looking forward to a chance to do that.

I have to say that we are quite proud of the historic investment that we made at the Len Evans Centre for Trades and Technology of \$46 million. The new facility has a capacity for 1,404 students, which is more than double; the previous location only had capacity for 627 students.

The new facility is also about 133,500 square feet which is 43 per cent larger than the previous training capacity. It has shops for power engineering, communications, civil technician, carpentry, electrical machine shop, piping and welding. They're all considerably larger in the new location than they were in the previous one.

I should also mention that, of course, we value and need the input of our stakeholders and the folks that are going to be using spaces when something of this magnitude is planned. And ACC did have constant input into the design and the planning of the Len Evans Centre over the last three years, including staff and administration participating in the programming process. And, of course, we relied on them for the–determining the space and design and design equipment requirement for the various trades.

\* (16:50)

Overall—and I should mention, as well, that the number of training seats has increased by about 20 per cent overall as well. The heavy-duty and agricultural technical shop has used a really efficient design. It's able to work more efficiently, but we've also provided a million dollars for construction of a 62,000-square-foot secured storage compound, including a 14,000-square-foot indoor storage facility, making the building devoted to heavy duty training considerably larger as well.

And I should point out that there will be another about 40,000 square feet of secured outdoor storage and 30,000 square feet of equipment-staging area immediately adjacent to the new trades building. And also, as well, the new facility has a 5,000-square-foot refrigeration and air conditioning

mechanics shop, which did not exist at the Victoria Avenue, as well as some additional classroom and office space and, no doubt that they're going to put that to good use as well.

There is about 2,000 square feet dedicated to student space. That did not exist in the previous building in Victoria, and we are—will continue to work with the folks, MIT as well. We'll continue to work with folks to make sure that they have what they need along with the administration. Certainly, last night, in speaking with the dean of the Len Evans trade centre, he seemed awfully proud of the new building.

I have only seen pictures from the outside. It's really an interesting mix of how they've combined the historical aspects of the building with really—what looks like a really modern and usable space, and look forward to an opportunity, hopefully in the near future, in order to tour that building.

Mrs. Taillieu: Well, Mr. Chair, I think when the minister does have an opportunity to actually go and tour, she will note—she will actually get to see that when you have this heavy duty shop, outdoor storage—and it doesn't—it's not—it doesn't work. And I hope that she does take the opportunity to go and just see some of the things that just don't work.

And I don't know whether she's saying that it's just irrelevant that people have brought these issues forward—like not enough washrooms. I can't imagine having to go to a storage room to use the washroom or the water fountain or to use a phone. It just doesn't make a lot of sense.

So the Premier (Mr. Selinger) even said, well, they are going to look to make everything better. So he's recognized that some of the things there aren't working, and I certainly hope that the minister will tour there and perhaps you should speak to some of the people that are actually taking the course to determine what it is that they are finding so difficult to work within, because I certainly was there last fall and spoke to the people and they are having some difficulties with this whole thing.

So, Mr. Chair, I know that the phase 3-the-sorry-the whole relocation was originally targeted at \$45 million and phase 2 alone cost \$45 million. Right now about 50 per cent of the campus is out of the old building and 50 per cent out of the North Hill. So I'm just wondering why the government would be making decisions in such a piecemeal manner like this and what-how-I guess, I'll just ask.

How much over budget is this project at this point?

**Ms. Selby:** I should point out that the Len Evans Centre was budgeted, and it came in on time and on budget.

**Mrs. Taillieu:** And was that phase 1, phase 2 or phase 3, then?

**Ms. Selby:** Phase 1 was the culinary arts institution. Phase 2 was the Len Evans trade–Len Evans Centre for Trades and Technology.

**Mrs. Taillieu:** What's the total budget for the redevelopment, phase 1, 2 and 3 combined?

**Ms. Selby:** I just would like to point out that the budget for phase 1, the culinary arts institute, was \$6 million. Phase 2 was \$46 million for the Len Evans Centre trade and technology in Brandon, and, of course, both projects came in on budget and on time.

**Mrs. Taillieu:** What was—and what is the—what was the total projected budget for phase 1, 2 and 3 combined, the total that was going to be spent on all phases?

**Ms. Selby:** And I perhaps should refer the member to Budget 2011 where, of course, we spoke about phase 3 of the project and the fact that budget '11 commits to the planning of phase 3 of the budget—the planning stage.

Mrs. Taillieu: When the whole concept began and it was divided into—where the redevelopment and relocation there was divided into three phases—and, again, there must have been a number that was going to be spent, that was going to be projected for all three phases in the beginning. That's the number I'm asking for.

**Ms. Selby:** And I should maybe explain to the member that, of course, there's always a difference between an estimate and a budget, and it would be erroneous to make a budget before planning. Obviously, it's important to have the planning in place before one puts the budget together.

Our Budget 2011 does commit to the planning of phase 3. And I'll point out again that, in terms of the budget for phases 1 and 2–not the estimate but the budget–the budget for phase 1 was \$6 million, the budget for phase 2 was \$46 million, and both projects came in on time and on budget. Budget 2011 for the Province does commit to the planning of stage 3.

**Mrs. Taillieu:** Well, when is stage—or phase 3 going to be implemented?

**Ms. Selby:** And again I will refer the member to Budget 2011 in which we have committed to the planning of phase 3, so, of course, that would be discussed in the planning.

**Mrs. Taillieu:** When the project was initiated, what was the projected time from start to completion of all phases?

**Ms. Selby:** And, of course, as I mentioned earlier, that once we budgeted for phase 1 and phase 2, the budget for phase 1 was \$6 million, the budget for phase 2 was \$46 million. Both of those plans came in on time and on budget.

Mrs. Taillieu: The minister's not answering my question, Mr. Chair. I am asking what was the—from the beginning and the concept of this project, what was the time frame which was expected to take from the beginning to completion of the project? I'm asking the time frame. When was it to start? When was the projection completion date?

**Ms. Selby:** And that is why it's so important to have a thorough planning stage. It's important when one is planning a project to look at both the timing and the reasonable amount of time that it would take to complete the project. It's also important that the project has a budget and that everybody understands the restraints in terms of how much the budget will be and the timing.

So, again, I will put on the record that the phase 1 and phase 2-phase 1 had a planned budget-

**Mr. Chairperson:** Order. The hour being 5 p.m., committee rise.

#### **EDUCATION**

\* (14:50)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to some semblance of order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Education.

As has been previously agreed, questioning for this department will proceed in a global manner. And, wouldn't you know it, the floor is open for questions.

Mr. David Faurschou (Portage la Prairie): I believe the minister was only partially finished her response to my question yesterday.

**Mr. Chairperson:** Would you care to, perhaps, repeat the gist of the question for the sake of *Hansard?* 

Mr. Faurschou: Yesterday we were speaking about the interest in our educational curriculum in Manitoba from countries around the world, and we spoke specifically of Korea and Mexico, and I was asking the minister about preparedness that we are offering to students wanting to attend Manitoba public school system from abroad.

Hon. Nancy Allan (Minister of Education): Well, I was excited about the question because I told the committee yesterday about how excited we were that Dr. Farthing had just been on a trip to Geneva to be voted in by the UNESCO contingent around Education for Sustainable Development, and how we are now the-we now have the esteemed responsibility. Dr. Farthing is the Chair of the Education for Sustainable Development Committee for UNESCO. And he left Geneva and he went to Korea, and-well, actually India first. And so we've actually had a FIPPA about his travel, so it gives me an opportunity to talk about how important that international travel is by our deputy minister. And he was in Korea, and we agree with you that, you know, that relationship with Korea is important. And we have signed a memo of-a memorandum of understanding with Korea just recently, and that is a memorandum that will allow us to share our Manitoba curriculum with Korea. And it'll provide Korean students with an opportunity to learn English and, of course, that will provide them with an opportunity to come to Manitoba. And, hopefully, they will come and participate in our post-secondary education. And it'll-that curriculum will also be taught by Manitoba teachers.

So we do agree with you that that—those kinds of relationships are important. We also have a similar kind of relationship with India and, you know, those kinds of international opportunities are important for us as a government.

**Mr. Faurschou:** And I do appreciate the minister's response. We'll relate to her inexperience from the Portage la Prairie School Division whereby dozens of students from Mexico came to Portage la Prairie and were billeted with families residing in Portage la Prairie and continued their education in the local public schools.

I'm wanting to ask the minister, though, is it within her consideration that her department potentially assist school divisions with exploring the

opportunity of hosting international students within the public school system, carrying on from what you just informed committee that there is a memorandum of understanding with South Korea with the Manitoba curriculum going to South Korea. But is there a possibility of considering having some department personnel available to school divisions that are, perhaps, seeing declining enrolment that may be assisted by the department in securing some relationship with foreign countries and the potential of students attending public school here in Manitoba?

**Ms. Allan:** On the—[interjection] Oh, sorry. The international student file is important for us and—because many school divisions, as you know, have had long-standing relationships with other countries in regards to having international students come here

We have an individual-his name is Darcy Rollins-who is responsible for this file, and he works both with my department as well as the Advanced Education Department.

And we have two considerations in regards to these kinds of particular—in regards to international students, is, first of all, we want to make sure that there is, you know, an opportunity for those students to participate in a quality education. But the other thing that we have been working on with Darcy Rollins that is very, very important to us as a government is the ethical recruitment and the ethical treatment of those students.

It's very similar to the ethical treatment of temporary foreign workers legislation that I worked on when I was the Minister of Labour, that you are very familiar with. We were concerned that there may be some situations in some, you know, in some foreign countries where we needed to make sure that students, quite frankly, weren't getting involved with recruiters that had situations where they were—those students were vulnerable, the families might be vulnerable in paying high fees.

So not only is this an issue for us as a government, at our last CMEC meeting there was a presentation on international students. So all ministers of the provincial jurisdictions in Canada had a discussion about the whole international student movement, and it was a very, very good discussion, and our deputy minister at the officials table participated in that discussion the day before and talked about what we were doing in Manitoba in

regards to the protection of students, and it was a good discussion.

So it's something that we need to work on, and I think this will be a benefit to Canada as a whole, because if we can be seen as a country that not only we have a good education system and people from other countries can come here, and they know that they're going to be protected when they come here, that'll benefit our international student program.

Mr. Faurschou: My final supplementary question on this topic is: Does the department intend on making public a contact number or email or some reference whereby international students can, if interested in receiving education here in Manitoba, contact in that way, essentially cutting out the middleman which, the minister referred to, sometimes expropriates more money from persons and is—than they should be, and it's—so I think that the government, if they went this direction, would be able to safeguard that event—from that event.

Ms. Allan: Yes, actually, you can go to our Department of Education website and all of that information in regards to that—those particular issues are on our Department of Education website. Our Department of Education website is actually quite comprehensive in regards to—oh, I have to pay—so much information on the website. It's—it really is terrific, and I'd like to take this opportunity to thank my departmental officials who do such a great job of putting everything that we do—updates in regards to everything we do in Education up on the website.

And I'd just like to take this opportunity—I don't know if the MLA for Portage la Prairie is going to be back to this Estimates or not, but I'd like to wish him all the best in his retirement, and I hope you spend lots of money on antiques.

**Mr. Chairperson:** Well, try and top that.

**Mr. Faurschou:** For persons that are reading *Hansard*, her family is very much engaged in the sale and collection of antiques, and my wife is a frequent customer of the family business in MacGregor.

I want to thank the minister for her kind words, and want to take this opportunity to thank those in the civil service that definitely have the best interest of Manitoba young people in mind, as it pertains to education, and I want to thank them for their diligent and hard-working attitude towards that end.

Hon. Jon Gerrard (River Heights): A question to the minister. I know the minister has commented publicly about her desire to address truancy problems in Manitoba schools, and the minister's said that she is looking at increasing the fine for not being in school from \$500 to \$1,000. Maybe the minister could tell us when she's looking at raising the fines.

Ms. Allan: Well, actually, we have a piece of legislation before the House right now, and it's a student success piece of legislation about keeping kids in school. And we don't believe that the fines are really the way to go in regards to keeping kids in school. We don't believe that that's what's going to keep kids in school. We believe that what will keep kids in school is engagement in the public education system.

You know, we have many positive examples of this throughout the province of Manitoba, and I had the opportunity to visit the off-campus school in Brandon, the Neelin off-campus school in—whenever it was recently, January, I believe, and it was a remarkable visit. And I have to congratulate the Brandon School Division in regards to setting that school up.

They had determined that they had—in their high school they had a problem with young people dropping out. And what they did was, they sought those individuals from that school division out and they interviewed them about why they were dropping out of school. And they were actually shocked, not shocked, that might be too strong a word; they were surprised, perhaps, is the better word, because they found that—what they found from that consultation with students was that it was the connection and the support that they needed in regards to going to school.

And, for many students, quite often, that are at risk, perhaps, or they're having trouble getting their credits, or they may be working to help their families make a living, for many of those students the traditional classroom doesn't work. Going to school from 9 o'clock in the morning until 3:30 in the afternoon is difficult for them. They need a more flexible format and they need an opportunity to go to a place where they can go to that learning facility or institution when it works for their schedule, depending on what's happening with them in their personal lives. They need to have a connection with the teacher, and that's what engages them in the education system.

\* (15:00)

And Neelin High School, I talk about often because it's had remarkable results. It's only been set up, I believe, for three years, and it has graduated 280 students who otherwise wouldn't have had the opportunity to graduate. And that's really what this legislation is all about. It's—we don't believe it's about fines. We have had an opportunity to talk to our superintendents in school divisions, and we are told that the fines are rarely used because, at the end of the day, it's technical and it would require going to court and, quite often, that really isn't something that is really going to work in regards to keeping those kids in school.

What we want to do is engage students in our public education system. The fines have been in the legislation for many, many years. We are looking at those fines now and rethinking exactly what we're going to do with them, and I'd be more than happy to update the MLA for River Heights in regards to the fines when we're closer to debating the legislation in the House—or in committee, excuse me.

Mr. Gerrard: What the minister is saying today is very drastically different from what the minister was saying at the end of last year when she was talking about increasing the fines from \$500 to \$1,000. Does that mean that the minister is actually considering removing the fines altogether?

**Ms. Allan:** We're actually having a look at those fines and we're rethinking them. And I'm not prepared to comment in regards to what we're going to do at this particular moment.

**Mr. Gerrard:** I notice in the legislation that one of the clauses deals with a new fine that's added, that is a \$200 fine to children 16 years of age or older, who are not in school and who are under the 18 years of age. And is the minister still committed to that fine or not?

**Ms. Allan:** We're reviewing that fine. We're reviewing the fines in the legislation and that is one of the fines we're reviewing as well.

Mr. Chairperson: Just before recognizing the honourable member for River Heights, staff have kindly pointed out to me that Bill 13 has actually passed second reading. And, under rule 41 of proceedings, it states, no member shall revive a debate already concluded during the session or anticipate a matter appointed for consideration of which notice has been given. So I just want to raise that and ask members to please direct their questions

to the matter at hand, which is our orange of book of Estimates for the Department of Education.

Now recognizing the honourable member for River Heights.

**Mr. Gerrard:** I'm wanting to go a little bit further with the measures that the minister is looking at to address the truancy issues. Maybe the minister could start out by giving us a picture of the current extent of truancy in our school system. To what extent do we have truancy happening and, you know, what is the rates of, as you go grade by grade, in terms of the number of students who are truant?

Ms. Allan: We don't have truancy numbers now. We actually have an initiative in our department that has—the department officials in my department have worked on. And we have been—officials in my department have been working with school divisions and school divisions started collecting data on attendance and they started collecting—putting structures in place to collect that data starting in February. I'm being informed that they all—the school divisions always had that data, but what we have done is put in a structure in place so now we can receive that data.

**Mr. Gerrard:** Just a clarification here in terms of the school divisions had the data on truancy. Are you—is the minister saying that for some reason she was not able to get the data before February?

Ms. Allan: And that is correct, that we weren't—I guess it's fair to say that school divisions did different things with the data, and we needed an opportunity to be able to collect that data from school divisions province-wide, and we needed a consistent format, on a consistent basis, so that we could receive that data. And that'll help us, obviously, with our legislation in regards to engaging kids in school. So now we are going to—because we have done work with the school divisions we are now going to be able to receive that data from school divisions, each school division, in a form—format that is consistent throughout the province.

We worked-in working this out with school divisions, it was a sharing exercise with school divisions, because it'll be helpful to school divisions, as well, in regards to working with the department, in regards to identifying particular pockets of problems. So now, school divisions and the Province of Manitoba, together, are receiving data that will now be useful to both the school division and the

Province of Manitoba-or the Department of Education, excuse me.

**Mr. Gerrard:** To the minister, is the minister going to try and collect the data from before February, in addition to that after February?

Ms. Allan: We're–excuse me, we're—the first set of data that we will receive will be data from a semester, and that will give the departmental officials an indication as to whether or not there are some pockets of—there are some problems, there—you know, provide them an opportunity to look at some trends. And they will have a look at that data, they will perceive whether or not there is a problem on a case-by-case basis.

To go back and look at all of that data prior to this new format, on a consistent basis, being put into place, would be a huge task, and it would eat up a ton of resources. And what the department and school division officials are going to do is look at this first set of data, and they need to have some confidence that it is accurate and reliable, and that will give them some indication as to whether—as to how to proceed in regards to data prior to this exercise.

#### \* (15:10)

And where—if, in regards to the first set of data that they look at, if they see a need, they will definitely, on a case-by-case basis, go back and look at the previous data.

**Mr. Gerrard:** Just–I mean, one of the concerns about truancy data is the fact that we have families who, for one reason or another, move from one place to another around the province. How is this going to be, sort of, tracked so that you have actual data and reliable data?

Ms. Allan: Well, some guidelines were put in place. In consultation with school divisions, some guidelines were put in place in regards to collecting the data, because obviously we have different situations in communities all across the province. You know, some communities, depending on their demographics, have community days. We have situations where some students are missing school because of religious holidays. We have Hutterian schools where there are situations—particular situations.

So this isn't a cookie-cutter approach to this. This has got to be sensitive to the different communities that we serve in regards to education,

and we have done a good deal of work, and I'd like to compliment the officials in my department who have worked with school divisions around these guidelines, because both the school divisions and the departmental officials want to make sure that this data is an accurate picture and it's telling us the real story, and we don't want to have, you know, data—we need data that is as reliable as possible because we don't want to jump to conclusions in regards to what that data tells us.

Mr. Gerrard: Let me give the minister a recent example of children who were not able to go to school. This was four children from a family and the children were taken away from the family by Child and Family Services—and I don't want to get into the particulars of the situation, whether it was justified or not—but the children were put in a hotel room and forbidden to go to school.

And I wonder whether the Minister of Education will act to ensure that the other ministries in her government are not preventing kids from going to school.

**Ms. Allan:** I'd like the MLA for River Heights to repeat the question.

**Mr. Gerrard:** This was a situation of four children who were taken away from their parents by the Child and Family Services. They were put in a hotel room and forbidden to go to school.

I wonder-asking whether the Minister of Education is prepared to work with the other ministers in her governments to address this problem.

Ms. Allan: Well, first of all, I'm not aware of the specific case that the MLA from River Heights is talking about; and, if he would like to get in touch with me and provide that information to me, as minister, I would be more than happy to work with my colleague in Child and Family Services in regards to this situation.

And, if this is occurring, I would suggest that he get in touch with my office as soon as possible whenever he hears of anything of this nature occurring. I don't think we need to wait until I'm in Estimates to have this discussion. I think this is an important issue and, if it occurs, I would expect that any MLA of this Legislature would get in touch with us so that we can look into it and hopefully work to resolve it.

**Mr. Gerrard:** I thank the minister for that.

Let me move on to ask some questions about international students. How many international students do we have in all, you know, school divisions in the province and, sort of, what are the numbers or—in the various grades?

**Ms. Allan:** Well, we're going to have to provide that information to the MLA for River Heights because we don't have that information with us. Darcy Rollins has that information and we can get it for you. Yes, for sure.

**Mr. Gerrard:** Thank you, I look forward to receiving that.

Follow-up on that, I have had some concerns about international students coming in in the early grades, and the international students, you know, being, of course, separated from parents and family, often, and the concerns being in relationship to the kind of experience that they are getting in the school divisions, and I wonder if the minister would comment.

Ms. Allan: Well, that's actually one reason why we have been working with school divisions, and Darcy Rollins has been doing some work because we have to ensure that if international students are coming to the province of Manitoba and there are home stays, that we need to ensure that those young people are protected and put in safe environments, and that there is quality of education.

So it speaks to the comments that I was making earlier about our international student program, and I can assure you that I would—that that was part of our conversation as well at CMEC meetings. These are—this is kind of like, you know—all of these kinds of programs, international programs, at some point, evolve, and there are other ministers in other jurisdictions in Canada that want to be—participate in regards to providing safe and ethical experiences for our international students that come to Canada and to Manitoba.

**Mr. Gerrard:** What is the minister's current policy in terms of international students coming in? Does the minister differentiate—or the policy differentiate between early grades and later grades or is it uniform for all grades?

\* (15:20)

Ms. Allan: We have—our policies actually differentiate between adults and non-adults, and we do vetting and ensure transparency around both adults and non-adults. We have policies and

guidelines in regards to the movement of international students around those two particular policies in regards to, you know, young children. And, obviously, the younger the student, the more scrutiny that there is to ensure that we're providing a safe environment and that there is a good educational experience for that young person when they get to Manitoba.

**Mr. Gerrard:** Is it—to the minister, is it all school divisions which have international students or just some of them?

Ms. Allan: We have, actually-we are-this is work that has been done, actually, since I became minister and because of my experience with temporary foreign workers, and we have-we are just finishing putting the final touches on these policies and guidelines. We have had extensive consultations with school divisions, extensive consultations with university, post-secondary institutions, and also extensive consultations with the Department of Labour, the Employment Standards Branch, Dave Dyson, who did the work that was done on the legislation around the protection of temporary foreign workers. So we are at the point where we are actually finalizing the final work of all of these consultations, and, actually, CMEC were very complimentary in their discussions at the meetings that Dr. Farthing and I were at in February about the work that Manitoba has done.

**Mr. Gerrard:** Just to move on to talk a little bit about graduation rates: Does the minister have graduation rates by school and school division?

Ms. Allan: The–Manitoba's high school graduation rates are on our website, and they are broken down in regards to–as the MLA knows, we have–we do a percentage of graduates to grade 9 enrolments, and it's public and funded independent high school graduates, and all of the graduation rates from the year 2001 to 2010 are on the website. Sorry, I had a little trouble spitting that out for some reason. And we're very pleased with our graduation rate and how is–it has increased by 14 per cent since the year 2001.

**Mr. Gerrard:** Is that by school and by school division?

Ms. Allan: No.

**Mr. Gerrard:** Is it possible to get that information, by school and by school division?

**Ms. Allan:** No. Unless we thought there was a problem and we needed it, we could get it, but—

**Mr. Gerrard:** You know, if there is an issue in an area of the province or a community that needs to be addressed, and—is that—you know, would it be difficult to address because the information is not available?

**Ms. Allan:** No, because we have, I don't know if the MLA for River Heights has had an opportunity to go to our website, but there is a comprehensive document. It's called *A Profile of Student Learning and Performance in Manitoba*, 2006-2010. It's on our departmental website, and it is a very comprehensive report in regards to the work that the Department of Education is doing with school divisions.

And one of the things that we believe is most important in regards to knowing how our schools and our school divisions are doing in the province of Manitoba is something that was implemented in the year 2007, where the assistant deputy minister of-deputy ministers of Education began a cycle of meetings with superintendents in every school division in the province of Manitoba. And this was to initiate a dialogue about the use of the provincial assessment data to improve learning.

And we believe that that is a better way to identify if there are problems in regards to student achievement, in regards to what might be happening in a community. We believe that these kinds of visits reinforce the work that is taking place all across this province in regards to assessment, and we believe those visits and that opportunity to work in partnership with the Department of Education supports student learning.

**Mr. Gerrard:** I'm trying to follow the minister from what my question was, which is: If you have a community where there may be a problem with low graduation rates, how do you find out that that is a problem and how do you address it?

Ms. Allan: By talking to them, and working with them.

These are regular visits implemented in 2007. I don't know if the member opposite is as supportive of ranking schools. Are you siding with the Frontier Centre in regards to ranking schools? Because if you are, you're one of the few in this province.

Pat Isaak said, the head of MTS, there's nothing to be gained from ranking schools; the money spent producing those rankings could be going into the classroom. Carolyn Duhamel from the Manitoba School Boards Association said, there's not really consensus whether that's useful or not. Marni Brownell, from the Manitoba Centre for Health Policy, said, posting individual school results, what is it going to tell us? Something important or is it going to tell us who to blame? Our work suggests it would be misplaced effort to focus on grading schools.

We've also had the minister of British Columbia, the Minister of Education, come out recently, in the last couple of weeks, against grading schools, because they don't feel that there's any value to that. And when I was questioned about this recently, the Progressive Conservatives here in Manitoba, I'm sure the critic for Education could comment that they don't believe in it either.

\* (15:30)

We just don't believe that you can take schools and grade them, and release that information publicly. And we don't believe that that is useful, and we don't believe that—there are a whole bunch of issues when you just take that data and you put it out there, that aren't taken into consideration. And the data is the socio-economic circumstances, particular circumstances of a community, the demographics of that community. You know, there are just so, so, so many particular circumstances that our educators and our school division people are dealing with in regards to making Manitoba a really good public education system that we just don't think this is viable, that this is useful.

Mr. Gerrard: It's come to my attention that there are some areas of the province where they have schools which go up to grade 9, and in a small community, then, the—there's no grade 10 or 11, 12, and the students have to go away and that they are going away maybe not to one high school but to several high schools elsewhere, and that there is an issue in those communities that sometimes the drop-out rates of those students are particularly high. And I'm just wondering in terms of, you know, what the minister is doing, you know, how she would, you know, pick this up as an issue and what she would do about it

**Ms.** Allan: Well, I think the only way that you can resolve the kind of issue that the MLA for River Heights is talking about is have programming in place for students so that they can participate in an educational program and succeed in our society.

And one of the perfect examples of what the MLA for River Heights is talking about is Cranberry Portage. We have a partnership in Cranberry Portage with the Frontier School Division, and we now have First Nations children and students from Frontier School Division coming from communities all across the north to Cranberry Portage to the Frontier Collegiate. And our government has invested money in this initiative because it is so incredibly exciting. The first-and I'd like to congratulate the previous minister of Education, who was passionate about this issue, who invested the first couple of hundred thousand dollars to renovate the boys' residence in Cranberry Portage so these young people could come down-there is a girls' residence too, but for some-so there's a girls' residence. So both of these residences were renovated because they had been in disrepair, and students come from all over the north to come to Cranberry Portage to take technical-vocational training.

It's very, very exciting. It's engaging young people, and the most exciting thing about it is these are students that are being trained, educated in the north who want to stay in the north and go back to their communities with a skill that they can use in their communities.

And that is just one example of the kind of work that has been done by the-by our department, working in partnership with communities and school divisions in the province of Manitoba, to create engaging programming for young people who don't always have that particular experience at home that you're talking about.

Mr. Gerrard: I can tell you that in a community like, you know, Camperville, where they have a primary but not a secondary school, that this is one of the issues there. And that one of the things that needs to be looked at is how you make sure that in such situations that you're able to provide the environment in which children are going to thrive and going to be able to graduate. And I would suggest that, you know, the minister and the deputy minister have a look at conditions in communities like Camperville because I think that, you know, this is important to such communities.

When I asked, I was told that the graduation rates there are like 20 per cent. You know, I don't have good data to back that up, but it's certainly an example of the sort of thing which needs to have attention and that needs to make sure that, you know, this issue is being adequately addressed.

**Ms. Allan:** Well, obviously, we appreciate the MLA for River Heights being specific about his concerns in regards to a particular community, and we will certainly have my deputy minister contact Camperville and touch base with them in regards to what's going on there. Do you have a contact person?

**Mr. Gerrard:** Yes, thank you, and I will certainly follow that up and we'll see what can be done. Thank you. Okay.

**Mr. Chairperson:** Recognizing now the honourable member for Turtle Mountain.

Mr. Cliff Cullen (Turtle Mountain): Mr. Chair, I want to go back, if I can, to an issue that was raised yesterday with the Wawanesa collegiate and, you know, obviously, seeing that particular community and that particular school on the national news last night was quite unfortunate, and, obviously, there's some serious issues going on there, and we know they're looking at that particular school, you know, probably as we speak.

I'm wondering if the minister or the deputy have been involved in that particular situation.

Ms. Allan: Well, our officials from the Public Schools Finance Board were there today, and they are a mechanical engineer, a structural engineer and an architect from the Public Schools Finance Board were there today and what they need to do is do an assessment of the structural integrity of the school and determine what those options are as soon as possible.

I know that the CEO of—or the executive director of EMO was in touch with the member for Minnedosa (Mrs. Rowat) this morning to personally update her on the situation in regards to what is happening with the community and the school division, and they have been working with the community and the school division.

They are out of school for the next two days. Friday was a professional development day so they will not be in school by Friday–for Friday, excuse me, and the Southwest Horizon School Division has consulted with the community and found suitable accommodations to hold classes as a temporary measure while we work with the school division–and the superintendent of the school division, Brad Kyle, actually sent an email to my department saying, please pass on our thanks for the support and concern of the minister and deputy minister in this matter and don't hesitate to call if you need any further information. So we are definitely working with

everyone we need to work with in regards to this situation, this very unfortunate situation.

**Mr. Cullen:** Well, thanks for that. I do appreciate that.

So in terms of when they did find proper facilities for the students, then this is for the long term, not just short term? Is that—?

Ms. Allan: Well, no. This is a temporary measure. The kindergarten class will be in the Lions Club hall. The grades 1 to 6 will be in the town hall with partitions. The grade 7, 8 will be in the rink and they'll have their phys. ed. classes in the rink, and the grades 9 to 12 will be at the fire hall, the hospital and a restaurant banquet room. And the school division was pursuing the possibility of using the CFB Shilo, but they opted for accommodations within the community.

\* (15:40)

**Mr. Cullen:** Was there a request put out to other neighbouring schools that might be able to accommodate them? I'm thinking, you know, Shilo or Brandon or Glenboro. Is that part of the process?

Ms. Allan: Well, perhaps the MLA would like to have a conversation with his colleague, the MLA for the area, who received a complete briefing from the EMO person this morning. We—this is—the community was work—the school division and the community work together and this was their preference. They did look at the possibility of using CFB Shilo, but they opted for accommodations within the community. This is short term. We need to put something in place while we're trying to determine the structural integrity of the school, so this is a short-term measure until we determine how to move forward in regards to the school.

Mr. Cullen: Certainly, we look forward to future updates, either from the department or we certainly will be in contact with the community, as well, and we'll certainly hope for the best. And, you know, obviously, worst case, we could be into a considerable financial situation there, as well, so hopefully that doesn't happen and we will hope that the results of that analysis are favourable.

**Ms.** Allan: They have looked at apparently the Souris School, as to whether or not that would be an option. So I believe that everybody is doing the best they can in regards to this difficult situation, in trying to figure out how to accommodate, you know, the

education for these students that have unfortunately been removed from the school.

Mr. Cullen: I appreciate the minister's comments.

Getting back to the Estimates booklet, we got a few pages into it yesterday in her discussion, but there's some points in there I'm looking for some further clarification on. Pages 5 and 6 talk about some, you know, specific initiatives there that I'd like to get a better feel for, a little better understanding for, you know, what the department is trying to accomplish there.

First of all, under the corporate initiatives, there's mention of the Community Schools Partnership Initiative. I wonder if the minister could explain what the department is trying to accomplish under that particular initiative and who's involved there.

Ms. Allan: This community schools initiative was an initiative that actually was focused on our-some of our lowest-income neighbourhoods. We-it was ahere it is-it was put-I believe this initiative was developed around 2004-2005, and initially it was funding that was provided to schools to provide programming to those schools because of the inequity issues. And originally it was \$45,000 per school and in '05-06 there were 15 sites that were provided. And this funding was provided to the schools to build community partnerships and to provide this funding so that they could form community partnerships with perhaps a friendship centre in the community or a community recreation establishment in the community or perhaps a parent-child centre, because we know that those kinds of opportunities for parents and students, quite frankly, are beneficial to students. And we are now in about 25 schools and the funding is \$65,000 per school, and that-those schools are in low socio-economic areas. They're our poorest communities.

And all of the schools that are receiving this funding, there's actually a network, and everybody gets together for a two-day workshop to—once a year to talk about what's happening in these communities and to share experiences and best practices. And they have actually had some evaluation of what's happening in these particular schools and it's been very positive.

Mr. Daryl Reid, Acting Chairperson, in the Chair

**Mr. Cullen:** A couple things. First of all, in terms of the funding, is that built into the funding formula, or is there a separate line that's involved in that? Sorry,

we don't have the CFO here, but just from a technical point, I'm kind of interested in how that's financed.

**Ms. Allan:** It's part of the funding-to-schools announcement, so it's secure funding-or it's sustainable funding.

**Mr. Cullen:** I'm certainly encouraged to hear that the programs are being evaluated, and I guess the principle here is to keep some of these underprivileged students engaged in the process. Is that the intent of the—your analysis and your assessment, to make sure that, you know, the money is actually working in keeping these kids in school?

Ms. Allan: Well, the other important part of it is not just about the young people that are in school but also to keep the parents connected, and that's—the benefit of having the community organizations involved as well is that supports the parents being involved with their child's education. So it's beneficial to everyone.

**Mr. Cullen:** Well, certainly, from my comment, that's pretty critical, I think, to our education, is making sure that we keep the parents engaged in the process, which, unfortunately, it seems to be getting tougher and tougher all the time.

In terms of the early childhood education there—I think you maybe mentioned it a little bit yesterday—there's—the Early Development Instrument that you referenced, that was an assessment that is done in kindergarten. Is that correct?

Ms. Allan: That is correct.

**Mr. Cullen:** And there was an announcement then of the Early Childhood Education Unit. I'm just–again, I wonder if the minister could provide me some background there in terms of, you know, exactly what it is that that particular unit is trying to accomplish.

Ms. Allan: Well, we're very excited about the early—we're very excited about our Early Childhood Education Unit in the Department of Education. We had this announcement at Victor Mager parent resource centre at Victor Mager School and we had it with our education partners there. And—actually, one of—a superintendent that attended said that this was a historic first step in Manitoba and was absolutely thrilled.

\* (15:50)

We put together this department without any additional funding. We did some restructuring in the

department, and the unit will be working with our education partners in regards to increasing the connection between early learning and care and the formal K-to-12 education system; supporting improved educational outcomes, and the-some of the activities will include monitoring and disseminating research respecting early childhood development; keeping apprised of new policies and programming developed in other jurisdictions both in and outside of Canada; maintaining an inventory of policies and programs developed and implemented in Manitoba schools and school divisions; monitoring and supporting existing early childhood-related education grants, especially the early childhood development grant, which is the EDI; and helping to connect research and data to practice, in particular related to the use of the EDI data to improved programming and student success in early years education.

They will be regularly visiting Manitoba schools and school divisions to support, encourage and work with them in regards to early childhood education policies and programming. And they will serve as an important link to information about early childhood-related programs and funding.

We all know how important the investment in early childhood education is. This is important work that my department will be doing with our other education partners as well as with the Healthy Child Committee of Cabinet. And that's important to make that link because at the Healthy Child Committee of Cabinet we have other ministers that work in an intersectoral way in regards to early childhood intervention and early childhood development and learning.

So it's a very—it's very exciting and has been well received by the field.

**Mr.** Cullen: Mr. Acting Chairperson, how many staff then is—are allocated to this particular unit?

Ms. Allan: Approximately four or five. We have Wenda Dickens-is the coordinator of the Early Childhood Education Unit. And we have Marilyn Robinson, who is the consultant to Aboriginal education, and Allyson Matczuk, who is the consultant-oh, I don't know what that is. Oh, good, that makes two of us-and two vacant positions that-for statistical analysis and research consultant that we are in the process of working on filling. Too many acronyms, even Gerald doesn't know; I'm never going to know.

**Mr. Cullen:** So the intent of these people, they will be liaison–liaisoning with people throughout all of Manitoba then in terms of–

Ms. Allan: Well, liaison is important but also providing support, really providing supporting. And if you look at what's going on in other jurisdictions in Canada, well, and not just in Canada. If you look at internationally what's happening, you see—and it's back to that conversation that we were having yesterday when the MLA for Portage was talking about this seamless approach to education.

And it's back to that early learning and how I think we're really changing the way we look at education, because we know how important early learning is and how important that zero to six is. But we're responsible—as I'm responsible as the Minister for Education for the K-to-12 system, right? And other jurisdictions in Canada and in the world—Australia, I know for one for sure—the early childhood learning and development is in the Department of Education.

And I think we really are starting to realize how incredibly important that is because of that whole early intervention piece in regards to a child's early learning. So, you know, we got to quit putting education in these boxes and we got to make it seamless and we got to care, birth to career.

**Mr. Cullen:** I guess that's my point. I'm just trying to determine if this really is the—is this the—kind of the start where we're going to bring in early learning into the department? Is that what we're trying to accomplish here, or is this kind of one step in that direction?

Ms. Allan: I think it's another step in that direction. I think a lot of work is done on that in regards to the Healthy Child Committee of Cabinet and the programs and policies that they've put in place around the Triple P parenting program and the parent resource centres, and we—and the work Fraser Mustard has been doing with all of the community.

And, you know, even superintendents, you know, they, at first, you know, well, we're not responsible for that, right? Because we manage the K-to-12 system. But they know, if they embrace this, that when those young people come to their schools, they're going to be ready to learn. So everybody is really understanding how importanter—how importanter—how important partnering is in regards to early learning and development.

**Mr. Cullen:** You know, it's quite interesting, and each school division has their own idea in terms of how much they want to fund, you know, what I'll call preschool, before grade 1.

What kind of sense do you get; what kind of buy-in are we getting from the school divisions here? Are they—maybe this is one step on part of that learning curve, that we get school divisions onside and get them engaged in the discussion in terms of how they want to get involved in this. Is that—is this part of what we're trying to accomplish here?

Ms. Allan: Well, this, you know, I think, you know, I think you're right. I think this is important. I think that school divisions, you know, are working very hard. I mean, we've put 26 parent-child centres in—thank you—parent-child coalitions in communities across this province. Lots of schools have done them themselves. They understand—or they—it may not be a parent-child coalition. It may be a similar kind of early-learning parent, you know, opportunity.

And we, you know—what's important about this partnership and what's important about all of this is that we're flexible when we're working with them. Because, you know, we have the DSFM. Well, they have all-day kindergarten. We have some school divisions that have all-day kindergarten. We have some school divisions who have all-day kindergarten in one school but not in other schools because they feel that this is the school where it's important to make that investment. We have, you know—we have all—yes, here we go. We have some school divisions that have alternate all-day kindergarten. We have some school divisions that have half-day kindergarten every day.

Mr. Chairperson in the Chair

You know, we have different scenarios out there, and, you know, we're in this consultation about what is best with communities at—around early learning and development, and we just need to—we need to be flexible about this.

Are we ready to move to numbers yet, numbers in the book? This is more interesting.

**Mr. Cullen:** Well, I thought it's important to engage in some policy discussion here so I can get a bit of a sense of, you know, where the government is trying to head, you know, and see what kind of feedback we're getting from the communities as well. I think it's important.

Ms. Allan: Well, I agree with you. I—we're—I'm enjoying this conversation tremendously, and I know so is my deputy minister and so are my colleagues, because we—I could talk about education until the cows come home, quite frankly, and we appreciate the fact that there is an interest in the public education system because the previous Minister of Education informed me that a few years ago he wasn't even called to Estimates to discuss education. So we're more than delighted to talk about education.

\* (16:00)

Some Honourable Members: Oh, oh.

**Mr. Chairperson:** The calm before the storm.

I've lost track and I'm only chairing. Let's getlet's give the floor to the honourable member for Turtle Mountain, just for the heck of it.

**Mr. Cullen:** Well, let's talk about some numbers then, if the minister wants to talk about some numbers. I was going to discuss this a little later, but it does fit in here quite well.

The—[interjection]—well, I'll get back to that part of the Estimates book.

But talking about some of the early-learning centres, you know, the Province made an announcement they were going to fund some more—and actually the department, I think, made—the minister made the statement they were going to be some more funding of the early-learning centres in conjunction with schools. Now, I'm just wondering if that is new funding through the Department of Education.

**Ms. Allan:** No, actually, that is new funding that the minister responsible for the Healthy Child Committee of Cabinet is responsible for.

**Mr. Cullen:** Yes, we'll get back to the minister responsible.

So it wasn't the Minister of Education who made that news release just a little—I think, actually, the Premier (Mr. Selinger) was involved in that particular news release.

**Ms. Allan:** I think that–are you talking about the Premier's announcement on the schools' capital and daycare? Or, no? You're–

**Mr.** Cullen: The backgrounder I have is the Approved Early Learning and Child Care Capital Projects.

Ms. Allan: I need the MLA for Turtle Mountain to clarify. Are you talking about early childhood centres? Are you talking about daycares? Can you kind of clarify for me what you're talking—or parent-child centres? We thought you were talking about parent-child centres, so we're just trying to kind of figure it out.

Mr. Cullen: Does that make sense? We're talking about early-learning centres in schools. The Province has made a commitment, that they want to see excess space used for early-learning centres. And I guess the question is: What commitment is the Province making? What—is it a commitment from the Department of Education for funding those particular early-learning centres?

Ms. Allan: Well, I believe that this was an announcement that will fund 25 new child-care centres, and it was a \$21.3-million investment. It was—and it was made by Premier Selinger. And the investments include 46 capital projects over the next two years; for 25 new centres and for the revitalization of 21 others. And it is an investment of 2,100 funded spaces and it's out of the Family Choices fund that was developed in 2008. And it's jointly administered by the PSFB and Family Services and housing.

**Mr. Cullen:** Okay, I think that's where we need some clarification on this. If the PSFB is going to be involved in this, I need some clarification on how this whole process is going to unfold. First of all, the announcements made by Child and Family Services, I'm assuming that's the department that the money is coming out of, then.

**Ms. Allan:** Well, I think I can provide some clarity to this question. I think I've got it figured out, why you're—why it's confusing.

The fund sits in the Department of Family Services and housing, but because PSFB is involved, because they're responsible for the physical structure that the daycares go into-right?—we need to have both departments working together because we provide some—we need to provide funds for the physical building and Family Services provides, obviously, the funds for the spaces, for the operating. So we need to work together with them.

This also is in keeping with our new philosophy that we need to have daycares in schools—or, sorry, early childhood learning opportunities in schools. So there's been more of an emphasis in regards to that over the last few years.

**Mr. Cullen:** I think we need some ongoing clarification on this. I know there was a number of approvals attached to it. I think the question is going to be percentage of what is going to be covered on the building.

Like, if we're talking in a normal school situation, the Public Schools Finance Board would fund 100 per cent of the capital for the school. In a lot of the other situations, you know, a percentage of the funding has been approved for daycares or early-learning centres, you know, may be excluded from the school, outside of the school.

How is it going to work in this particular situation? We may have a situation, let's say here, where one of the facilities will be outside of a school, and we may have a situation where one of the early-learning centre, we'll call it, is actually within the school.

Ms. Allan: What we're doing-what we're kind of doing with this program, community schools program, is we're looking at providing more opportunities, obviously, for early-learning centres, and the original rules were that they would go in empty space in a school. And now what we're looking at is, in regards to that, is we could put earlylearning centres in-they could be built in stand-alone facilities or close to schools or perhaps in situations where we know that there's a growing population, particularly in new school divisions where we have growing communities, perhaps it might be in an area where we have-an area where there's a high immigration population coming in, and we need to be able to react. And what's happened in the past is we've waited till the school is built and then built the daycare. And what we need to be able to do is react and keep-and it's in keeping with our philosophy that early-learning opportunity is incredibly important for those young people that are zero to six.

\* (16:10)

This fund that we have put in place is in co-operation with Family Services and housing, and we are responsible because we have, once again, we're responsible for the physical structure. They're responsible for the operating, and they work—Family Services and Housing—they work with the non-profit organizations in regards to, you know, who's going to staff that early childhood centre, right. It could be—you know, it could be the Faith Lutheran—well let's just list them, you know: the Anne Ross Day Nursery, the Brandon Family Y, the Busy Bee Day

Care Centre, you know, the Faith Lutheran Day Care.

So it's kind of a-it's community-Family Services and housing who's responsible for spaces in child care and funding, those-that ongoing growth in early-learning opportunity spaces, as well as our department, which is responsible for the physical structure.

So, actually, it is becoming a much more holistic approach in regards to that whole philosophy. Putting early-learning centres in place are going to benefit what happens in the K-to-12 system.

**Mr. Cullen:** Yes, and I don't argue with the philosophy, but the confusion out there is that we've got all these entities we have to work with. And I guess the question is going to be: Who's actually driving the boat here?

And I'm going to use Wawanesa as an example. It's going to be an interesting situation as that unfolds, but there is a daycare in what was excess space in the school. The school needs more space. The daycare needs more space. In fact, they're listed on here as being approved for funding. I don't know what level that is. I don't think the community actually knows what level that funding is yet, but they're dealing with, you know, Child and Family Services and they're going to have to deal with the Public Schools Finance Board. They're dealing with the local school division and they're also, of course, dealing with the local organization that's running the daycare, and the problem is kind of sorting out who's paying for what and how much they're going to pay for and where to go and get the answers.

Ms. Allan: Well, you know, it may be a bit of a challenge, but I don't think it's insurmountable. And that's—this is what's in the best interest of young people in early learning. And our public education system is marrying all of these projects up together and getting everybody together partnering on this. And I think, you know, there's going to be maybe a couple of bumps in the road along the way, but at the end of the day this is going to be the—this is what is going to be best for a public education system.

And I think we've had the cart before the horse. I think we've been building schools forever and, you know, we've just built schools for the K-to-12 system and now what we need to do is we need to think about—we need to change how we think about how we are providing the resources for children from the minute they're born.

I mean, we all know that—I mean, I think that, you know, that, you know, wouldn't it be great—I mean, you know about the Healthy Baby benefit that we put in place, you know, the benefit to mothers to have healthy babies before they are born, the supplement that they receive, you know. And, I mean, we know—the data shows that—how important that investment was for mothers that were at risk of not having healthy babies.

So I think, you know—I hear what you're saying. I think people, you know, this is—I hate to use this word—this is a paradigm shift. This is a bit of a paradigm shift. People are going to have—their brains might be hurting at the end of the day, but mine is too when I leave home some nights. So, you know, they've got to work with us here because this is important and it's—but I think, at the end of the day, you know, I think it'll work out for communities and, you know, it's not going to be—it's about partnership.

**Mr. Cullen:** Yes, that's right, and I hear what you're saying as well. It just—I know in Wawanesa's case, you know, they're—they've been fundraising. They're ready to, you know, they're ready to build something right away, as soon as they can—kind of get the—get over the logistics of who's actually going to give them approval and what the percentage of the capital is going to be. And, I think, right now, they're either getting different messages from different departments, so that's the frustration on the local level.

So I wanted to make sure that the minister was aware of some of the frustration that's out there on the local level and, hopefully, that we can—you know, when you talk about the holistic approach, we have to have somebody that's there to provide these communities and these organizations the direction.

**Ms. Allan:** Well, I thank the MLA for bringing it up, and we will get Rick Dedi to phone and start to work with the individuals in regards to what's happening there, and we'll try to provide some guidance and clarity.

**Mr. Cullen:** Yes, well, unfortunately, that whole situation might take a different turn for the worse, depending on the outcome of the situation there. But I appreciate the minister having Mr. Dedi look into that, and if he would like to have a conversation with us—you know, it's going to be an ongoing conversation, I think, given the situation that we've got out there at the current time.

So we'll have to play that particular situation by ear, but I just wanted to raise that with you, that community's funding issue, and there could be other communities facing similar challenges.

Ms. Allan: Well, I have to tell you that the Department of Education is such a dynamic file-and we won't put the snorts in the-but, I'm telling you, it is so incredibly dynamic, and you have-I mean, what we deal with on a daily basis is really incredible, and the best-that-what I can tell you is we're used to being flexible, and so are school divisions. I have to really-you know, school divisions and the people on the front lines in school divisions are absolutely incredible. And so we're used to being flexible and working with people and seeing what works and really trying to make things happen. And I have to tell you, I want to put this on the public record, that we call the Deputy Minister of Education Dr. Fix-it, and we're going to get him a t-shirt because he is incredible.

And, you know-but I do have some good news for you on Wawanesa. We have been informed that flooding is located only in a portion of the crawl space, that mitigation will include continuing to pump water from the crawl space, exterior sandbagging, some minor footing stabilization. aggressive ventilation to prevent mould encroachment, a structural-new BlackBerry, don't know how to work it. Oh, you go up. Oh, wow. A structural memorandum will be completed by the geotechnical consultants tomorrow, but we are confident that there will be no long-term structural issues. So we will continue to provide information to you on-as soon as we can.

**Mr. Cullen:** Well, I thank the minister for the update and that's certainly encouraging news, so, hopefully, we can continue on, and we'll expand the daycare in Wawanesa over the new few months.

Your point is well taken, though, on Education being quite dynamic, and I can certainly attest, my wife being a teacher, that we are dealing with a lot of social issues in the classroom now, more so than we've ever had to deal with before. So there is a lot of challenges out there that we—and, actually, education is being asked to address all those issues, and, yes, it's becoming more and more of a challenge all the time.

Getting back to the Estimates book here, I wonder if the minister could provide me a list of the pupils in kindergarten to grade 12 in the past and what you expect is going to be there for the numbers

in the next—in the future. If you could provide that to me at some point in time, I'd appreciate it.

\* (16:20)

**Ms. Allan:** We-every year, we put out an enrolment report as of the 30th of September, and we have just put out an enrolment report, actually, for September 30th, 2010. That enrolment report is on the website, and Nick Martin did a thorough story of it in the *Winnipeg Free Press* and—yes, by school, by grade, so you can knock yourself out with that info.

And, you know, there's no surprises in that report. I mean, you know, we have increasing enrolment in Seven Oaks School Division because of immigration, Brandon School Division, Garden Valley, Hanover, you know the drill, you know where those pockets are.

And then, of course, we have some situations where we have declining enrolment. We basically know that, you know, our enrolment from year to year grows a tiny bit. So that's important to us, but it doesn't grow a tiny bit everywhere, which is the challenge that we have.

So we continue to work with school divisions in regards to declining enrolment and increasing enrolment. It's not co-operating, no.

**Mr. Cullen:** Can one of the ministers responsible for students up to the–up to grade 12 and one–then once they graduate, of course, that's Advanced Ed.

My question is: What kind of an evaluation is done by the department, in terms of making sure that our kids are prepared once they've graduated grade 12 for, you know, university or college or the business community? What kind of a process do you go through to get feedback, to make sure that we're on the right track?

Ms. Allan: Well, actually, I am informed by my deputy minister, that he is actually in conversation with the business community, with Jim Carr from the Manitoba Business Council and with Dave Angus from the Chamber of Commerce, and also the registrars of our post-secondary institutions, the deans in—yes, and some of the deans from our universities. And he's having a dialogue with them, in regards to some of this—some of the issues that you are raising in regards to what the expectations are around trying to determine, you know, how our students are doing and how they are—how we are preparing them for careers.

He's also going to be expanding that discussion with school division superintendents and senior administrators and with school board officials in regards to what some plans could be in this particular area.

**Mr. Cullen:** I participated in an interesting event last fall, I guess it was. I was invited by one of the local principals to come in. And he had invited quite a number of graduates who had graduated from high school, I guess, over the last one to six years, probably, so there was quite a range there, and there was quite a different background, too, in terms of what they entered into.

And it was very interesting to get their feedback, you know, in terms of if the school system was preparing them for their different—whether it be a trade or a college or university. So it was quite an interesting dialogue. It might be interesting, you know, that's really getting down to the grassroots, and I think if we can kind of get that grassroots feel for it, and then pass that message back up, would becould be a benefit, as well.

Ms. Allan: We would agree with you. We have a council of young people from across the province of Manitoba called the MB4Youth, and we have consulted with them in the past in regards to some of the educational directions that we have gone and we would certainly be working with them as well in regards to this.

**Mr. Cullen:** One of the last pieces I just want to reference from the Estimates book was on the Aboriginal education file. I was on the Aboriginal education file.

Ms. Allan: Yes.

Mr. Cullen: Yes.

Ms. Allan: I'd love to talk about it.

Mr. Cullen: Yes, well, that's great. If you could provide me a little better understanding, kind of the role your department plays. It appears that the Minister of Aboriginal and Northern Affairs (Mr. Robinson) was given responsibility for Aboriginal education back in 2009. If you could provide me a better understanding of what role your department plays and what role Aboriginal and Northern Affairs play.

**Ms. Allan:** Well, first of all, one of the reasons that we wanted to have the Deputy Premier also responsible for Aboriginal education was because of the fact that, of course, he is Aboriginal and is

passionate about Aboriginal education, but was alsohad a very good working relationship actually with the former minister of Aboriginal and Northern Affairs in the federal government. And, as you know, we don't have responsibility—we don't have a federal government that has a minister responsible for education, and we have lots of issues because of that that we need an opportunity to discuss these issues with the INAC minister because we have First Nation students that are going to school in Manitoba and they have relationships and agreements with lots of school divisions.

Frontier School Division is the perfect example where there is a bilateral agreement with Frontier and many of the First Nations communities and reserves in northern Manitoba, and they have the responsibility of educating Aboriginal students. And so we thought that it would be an opportunity for us to broaden that discussion and to have another department involved around Aboriginal education and also, as you know, the minister represents a huge northern riding where a lot of those students live. So it was also an opportunity for us to also have an opportunity to get direct contact with the federal government. This has been very difficult. We've raised this issue at our CMEC meetings, our councils of ministers of Education. From all across the country our Education ministers are concerned about the fact that when we have these kinds of issues in our jurisdictions, that quite often we cannot even get a meeting with the federal minister to discuss these very important issues.

We all know that Aboriginal students in our communities-you want to talk about grad rates and you want to talk about what's not happening, you want to talk about a funding formula federally that hasn't changed, I believe, since 1982 or '84, and, quite frankly, we believe it's absolutely wrong. It's outrageous. We're marginalizing Aboriginal students in this province. We have a growing Aboriginal population and we believed that we had to try to raise the bar in regards to what's happening with Aboriginal students in this province. And it was quite successful, actually. Our minister was able to get meetings with the federal minister, Chuck Strahl. He was also here for the very first residential schools event. The first one that was held in Canada was held here in Manitoba. It was an opportunity for the minister, the federal minister, to be here and to have an opportunity to talk to a lot of the community, and he was very, very well received, and it was a very, very good working relationship, and so those were some of the reasons why that was-that our Premier did that, Premier Selinger.

\* (16:30)

**Mr. Cullen:** Minister, you alluded to the federal funding. Yes, you alluded to the federal funding formula, and I don't know if you could provide me a little more insight into terms of what the federal government has been responsible for, maybe that there's a change in that formula there and how that process works and how that funding flows. Does it flow down to the Province or is it right to the individual school board?

Ms. Allan: Well, the funding for First Nations students is funding that is transferred from INAC, from the federal government to the First Nations community, and then it's the responsibility of the First Nations community to make a decision about how they want to educate their students. They can educate their students themselves or, in some situations, they do make a decision to partner with a local school division and they have done that with Frontier School Division and they may do that in other school divisions as well.

There's Park West School Division and, you know, there's-those are decisions that are made by First Nations bands in regards to what they feel is in the best interests of those students, and we do not get involved in regards to the funding, in regards to how it's-when it's transferred or how it's transferred. That's completely and totally up to the federal government, but we would certainly be happy if they would take a serious look at this funding formula that is an amount per student and then, of course, some other costs in regards to special circumstances, transportation, whatever they're dealing with. But we would certainly be pleased if the federal government would consider providing more funding to First Nations for the funding of students, equivalent to what provincial schools get so that there is some equity.

**Mr. Cullen:** Would the minister care to comment in terms of what that funding—how that funding compares per student versus what we're looking at provincially here?

**Ms. Allan:** It's complex and it's difficult to sort out, but there is—the closest that we can come to identifying a number is somewhere between \$2,000 to \$3,000 per student less than what we fund on average, kind of, through our public school system, and—at the local, yes, and the AMC has been

very vocal about this particular issue recently and are concerned about it and have been, you know, very vocal about this particular issue as well as many others that are happening in our First Nations communities.

**Mr. Cullen:** Yes, so that funding, then, that's provided would include both the capital side and the ongoing costs such as teaching.

**Ms.** Allan: This is operating and capital is a whole other issue.

**Mr. Cullen:** But to clarify, though, the capital costs for buildings is still the responsibility of the federal government.

Ms. Allan: On reserve, yes.

**Mr. Cullen:** So your department, then, is responsible for curriculum for the First Nations community, or what role does the department play here in terms of First Nations education?

Ms. Allan: We try to make sure that the two systems are as integrated as possible. We-obviously, we want the students, First Nation students, to receive the Manitoba diploma. So we have certified teachers who teach the-so there are-they have to have certified teachers. First Nations have to have certified teachers that teach the Manitoba curriculum and they have to have-they have to make a commitment to the-is it 200-about 180 school days a year. They have to make that commitment. And they do the two provincial exams. We work with them in regards to all of this.

We also invite teachers that are teaching on First Nations reserves to be part of our curriculum development and resource development, any of the resource development that we do that is part of the resources that are provided to teaching the curriculum.

So we try to provide as much support as possible and to work in partnership with them as much as possible because we feel it's a benefit, obviously, to everybody, and we encourage them to make the curriculum culturally relevant.

And our department also has an excellent working relationship with MFNERC, the Manitoba First Nations Resource Centre, and, you know, it's been a working relationship that—it's another opportunity for us to work in partnership with MFNERC to provide resources in any way we can.

**Mr. Cullen:** I certainly recognize, you know, the challenges that, you know, we face in education in the First Nations community.

Actually my sister taught for a number of years on a few First Nations communities, and it was certainly an experience that she had, and certainly those people that go up there and teach in those remote locations, you know, deserve a pat on the back for putting up with some of the situations they do. Obviously, they have their heart in the right place.

I'm just wondering if you had a sense of, then, how many bands are actually operating independent, not with the assistance of one of the school divisions. Is there many of those that are operating that way?

\* (16:40)

**Ms. Allan:** Most of them are, about 62 or 63. Oh, sorry, most of the 62 or 63 are.

**Mr. Cullen:** Page 8 of the Estimates book is the layout of the department, and I just wonder if there's any changes there in terms of staff that's been—what has been printed there. Is everything as is?

Ms. Allan: No, this is us.

**Mr. Cullen:** Okay, just for clarification, then, on a few points. There's a Technical Vocational Initiative there; I wonder if the minister could explain that department to me.

Ms. Allan: Well, I'd be more than delighted. Actually, the person who's the head of the Technical Vocational Initiative for the Department of Education is someone that I knew before I became minister. His name is Peter Narth, and he came from the St. Boniface School Division. And it's an initiative that was put in place because we felt that a technical-vocational programming was important to young people and, you know, not everybody's going to go to university, not everybody's going to go to university, not everybody's going to, you know—not—you know, seek out the kind of education and learning that happens in some of our post-secondary systems.

We actually have a technical-vocational program, a high school credit option. We've been working on that. And we actually had a five-year Technical Vocational Initiative, and we actually just rolled out—a couple of months ago—our new technical-vocational strategy. And it—we work in partnership with a lot of our school divisions in making this happen.

And there's—I'm trying to remember the school we were in when we made the announcement. It's Winnipeg School Division—Sisler? Tec Voc, yes, thank you very much. It was at Tec Voc, and I got to tell you these students were doing stuff I had no idea what on earth they were doing. I mean, I just couldn't believe it. If I had to go to school today, it'd be scary. They were doing so many exciting things, this—in these demonstrations they were showing us, and the machines that they were using, and there—it was just absolutely amazing.

So, you know, we—this is how we really, really need to work. This is how we really need to develop our education system because this is about, you know, training students to meet the careers in the modern economy, and that's one of the things that we're very, very excited about.

Actually, so—and just to kind of give you an idea about this—how this whole technical-vocational area is changing, you know, we have had a curriculum in carpentry, design drafting, graphic arts, automotive technology, culinary arts, cosmetology and welding. But some of the new, exciting technology pieces that are coming on board is around renewable energy technology, and that's around biomass, solar power, wind power and geothermal. So, you know, our department is starting to work with some of the technical experts in regards to developing these kinds of opportunities for our technical-vocational education strategy.

My deputy minister was actually just at a conference in Brandon, which is out by your area, so we—he wanted to share this information with you. He was at an interesting—well, a few interesting workshops—and one of them was around the—around biomass, and, actually, there were business people there talking about how this could be a very exciting new technology. We're—we can use that technology to produce goods, and so these are some of the—goods and energy, right.

And so these are some of the—why we need to have a Technical Vocational Initiative so that we can keep up to date with some of the exciting—we're trying to train kids—have kids—we need to give kids the opportunity to be trained in this kind of education opportunity so that when these jobs become available, they can take those jobs and participate in our economy, and this is another piece of keeping kids in school and finding what excites them, right?

**Mr. Cullen:** Well, that's absolutely true that wethere's a great percentage of kids that aren't looking

for the degree or college and they're looking for some other opportunities, and any opportunities that we give them, I think, are going to benefit them in the long run-obviously, benefit all of us in society.

Are we looking at this when kids sort of enter, you know, grade 9 into high school? Is that where we start kind of giving them some direction in terms of where they might go or give them some other opportunities of where they might go in terms of the vocational side or does it start earlier than that?

Ms. Allan: Well, I think that it can happen sooner. I think—and I don't think there's, you know, any one answer to this, and that's how we—why we have to be very careful about this. We can't have a cookie-cutter approach to this in regards to, you know, when to tell—you know, when to start working with that child.

One of the things that we do know, that research has shown us, that we can lose a child around 15 years of age, around grade 9, grade 8 and 9. That's when that child can be at risk of being disengaged in our public education system.

And that's one reason why we put that Student Success Initiative in place two years ago. It's a pilot project with three school divisions-Winnipeg School Division, Lakeside school division and Interlake School Division. And we've identified in those three school divisions mentor-teacher mentors to work with those-they identify the students that they think are at risk of dropping out of school and they work with those students to try to figure out what supports they need, what, you know, are they missing, you know, are they having trouble getting their credits? Do they need to be moved to some other kind of programming, you know? So those are some of things that we know from the research that that can be a very delicate age, so to speak. So that's one of the things that we know for sure.

The other thing is we need to have opportunities for students to move into the technical-vocational programs because not everybody wants to go to university these days. I have one of those in my house; I have an electrician apprentice. Well, she's going to get her journeyperson papers probably by September. But she didn't figure that out in school. She figured that out a year after she graduated.

\* (16:50)

And I think this is another evolution in our society and in public education where, you know, the trades were kind of looked down on, and now we

have this skill shortage, right, and we have, you know, all of these infrastructure projects happening.

And, you know, Jessie—it just drives her crazy when I talk about her all the time like this, but I try not to let her find out. But, you know, if I told you what she made last year, you wouldn't believe it. She was 22 and she made a lot of money. And she's worked on the hydro tower when she was 19 years old. It was a tough job; it's not for everybody. She worked in the Winnipeg airport and last fall she worked on the St. Joseph wind farm. And I say to her, you know, like, wow, for the rest of your life you can drive by these places and say, I participated in that and I helped build that, you know.

And for some people, they-that's what turns them on, you know, getting out of bed every morning at 5:30 and, you know, I don't know, being on the tools by 7 and, you know, working with 250 men. And it's tough. It's a tough, tough world but, you know, that-it's not for everybody, but that's what, you know, really, you know, engages people, and that's what I think more kids need to be involved in.

**Mr. Cullen:** I have a son at home who's taking the apprenticeship in carpentry, too, and so I understand exactly where you're coming from.

But I think a lot of kids that—in my community, as I see, is they've had a guidance counsellor that kind of understands the kids, gets to know the kids, gets to know what they're thinking, and those guidance counsellors have been pretty instrumental in sending these kids down the vocational side of things

So I think that's, you know, that's pretty important, if we have those people there to make sure that they understand the kids and they're able to mentor them in the right direction.

I'm interested in your program you've got going on those three schools. Are you to the point where you can evaluate the results on that yet, or what's the next phase in terms of that particular program?

**Ms. Allan:** Well, it is a three-year pilot project, and this is the second year of the pilot project, but we have had feedback from the school divisions that this is really working. And, you know, they can see positive changes in the students that they're working with already, those students that they've identified.

So, you know, obviously, we'll continue to evaluate this at the end of the year every year, but we've already touched-we've touched base with the

school divisions when we put the—you know, when we were discussing putting the funding in for this year again. And we've had very, very positive feedback, and Gerald does lots of visits out in the community because he likes being out in the community, and then he doesn't have to put up with me.

**Mr. Cullen:** What-like, what type of money are you-have you put up for that particular initiative? Is it a substantial amount of money? Like, if we were looking at this thing province-wide, what kind of money are we talking about?

Ms. Allan: Well, we've put \$600,000 in to that initiative, but we feel that it has to be targeted to be effective, because once again, you know, we work with the Aboriginal directorate in the Department of Education to identify those school divisions, because we were, you know, targeting school divisions that had, you know, at-risk students—is—you know, vulnerable populations. And that's, you know, where you want to have those.

I mean, let's face it, you know, if we—if I had a money tree in my office, you know, we'd be in every school. But we have to, you know, we have only a certain amount of resources and we have to be prudent with them, and that's one—and so we did a lot of work in regards to identifying those three schools, and we'll re-evaluate that and figure out how to invest as we go forward.

And, so, obviously, once we've got the, you know, the results from the three-year pilot project—well, probably before that—we'll start to have a look at, you know, where we would want to expand it. That'll help us.

**Mr.** Cullen: Is that a similar program to what Ontario were doing? I understand they were doing something along the same principle there.

Ms. Allan: Yes, actually we educate—Ontario is going through a lot of education reform and they—I actually went to a conference last September by invitation only. Premier Dalton McGuinty invited people to come to that conference. It was phenomenal and we have had extensive conversations—we have been having extensive conversations with Ontario about some of their best practices. So this was actually a program that we emulated because of the work and the success that they were having in Ontario.

Mr. Cullen: You know, given your conference that you attended, was there any one or two specific

issues that you think you can bring to Manitoba after seeing the Ontario experience, or are they far enough along in the process that we can learn from what they've—what they're trying to do there?

Ms. Allan: Well, actually, I came back from Ontario totally pumped, and Gerald was—the deputy minister was—is hoping they don't have another one soon because we've been going full speed ahead since I came back last September. And we are going through our own education reform here in the province of Manitoba with our stakeholders and our keeping-kids-in-school legislation. We will be the third jurisdiction in Canada to have that legislation. Nova Scotia's one and Ontario is the other.

I looked at some of their early-learning documents and was very impressed in regards to what they are doing around early learning. So that has kind of guided us and you know, I mean, obviously, they have, you know—they have done some of the things that we're doing as well. They were very—we had some opportunities to sit at roundtables and have discussions and they were very impressed with some of the work that we've done as well in our early learning, so it became a sharing opportunity.

They also—I was very pleased to have the opportunity to sit at a roundtable discussion with my assistant deputy minister, Aileen Najduch, and we were discussing assessment and actually one of the assistant deputy ministers in Ontario almost jumped out of her skin when she found out about our assessment model in the middle years around engagement. And the moment that roundtable was finished, she asked Aileen for her business card and said, whatever you're doing in Manitoba around this, we want to do it. It sounds very, very exciting.

Also, we-our report card initiative has-is something that we kind of-I saw what was happening in Ontario. I'd had some conversations with the Manitoba Association of Parent Councils, so some of the thinking around that guided the direction in regards to report cards.

I had the opportunity to hear the deputy minister, I believe, from Finland, who's at the top of the PISA scores, talk about what's happening in Finland and as you know, they don't test. They focus on vulnerable students. That's a lot of the work that we're doing. It reinforces what we're doing here in Manitoba so that's just a small snippet of some of the stuff that I participated in in a day and a half, I think. It was just terrific.

Mr. Cullen: I thank the minister. Yes, it was interesting to read. The teacher just had a chance to have a look at that this morning and here they had a report there from the minister of education in Finland talking about some of the things that they have done and, yes, it was quite interesting to see that 25 years ago they were well below the international average and now here they are, 25 years later, on the top of the pile.

**Mr. Chairperson:** I must regret to inform the committee, the hour now being 5 o'clock, the committee rise.

#### **EXECUTIVE COUNCIL**

\* (15:40)

Madam Chairperson (Marilyn Brick): This section of the Committee of Supply has been dealing with the Estimates of Executive Council. Would the First Minister and the Leader of the Official Opposition's staff please enter the Chamber.

The floor is open for questions.

Mr. Hugh McFadyen (Leader of the Official Opposition): Madam Chairperson, when we left off yesterday I was mid-question on a matter related to the availability of land for construction of schools in Waverley West. And the issue that arose was that the developer, which is the provincial government, through Manitoba Hydro–sorry, through Manitoba Housing, had initially established an asking price for the school property of the school board. That price was significantly increased quite dramatically by housing to the point where it would have created significant financial pressure for the Pembina Trails School Board.

And my question to the Premier was whether he could undertake a review of the decision to significantly hike that price, which is a significant impediment to the board to moving ahead with the construction of schools within the development.

Hon. Greg Selinger (Premier): First of all, I'd like to thank the Leader of the Opposition for his patience in starting Estimates today and the latitude that I got to show the American ambassadors the floodway and the swollen Red River all the way up to Morris. I think it illustrated the value of those investments, and I appreciate the opportunity to show them that piece of Manitoba's investments.

Yes, is the answer, and we will take a look at it. And we'll take a look at what happened specifically there and who-what the-who the impact is on. Often, it's the Public Schools Finance Board that pays for the land, so-but I'd like to understand the dynamic there as well.

And this issue of—this is part of the broader issue that was also raised yesterday about securing sites for schools in a way that's predictable for people that are making investments on homes in these new neighbourhoods, and it's not unique to that area. But there are other areas, and I think the member is aware of, where people thought that they might be getting a school and then it turned out that that land was not wanted by the school division and developed for other purposes, to the surprise of people in the area who had moved there hoping that they would have a local school.

So I think there are some issues that we have to untangle here about how we set aside land and how we do it in a way that gives accurate information to people. Often, it's the case in these new subdivisions that the marketing of these homes implies that this empty piece of land will be a future school some day, and that isn't necessarily the case in terms of the formal processes which have unfolded before some of these decisions are made to buy homes.

So I think we're going to have to take a very careful look at how these things are done to ensure the people aren't being misinformed about whether there will be these public assets built close to where they're buying homes.

**Mr. McFadyen:** And I want to thank the Premier for that response. And he's correctly identified something that is an issue in many newer neighbourhoods where homes are purchased with the expectation that a school will shortly follow. So I want to thank him for that—for that reply and for acknowledging the issue.

Just moving on to another significant project for Winnipeg and for Manitoba, for taxpayers. Can the Premier just provide an update of where things are presently in terms of the new stadium project as it is progressing on the land at the University of Manitoba?

**Mr. Selinger:** I haven't received a briefing note on that recently. But, like the member opposite, I've had the opportunity to go by there, and it's clearly proceeding rapidly. The project has been priced at 190 million and going ahead on that basis. And work is proceeding. I understand that it is going well. I've heard of no particular impediments to it moving forward at this stage of the game.

And so that's what I know about it. If the member wants some specific information, I'll-he could let me know and I'll see what we can get for him

**Mr. McFadyen:** And on that price of 190 million, can the Premier indicate whether that is a fixed price, or is there some—or is this an estimate—there's a potential for the price to overrun the 190 million? If so, whose—at whose cost would that be?

Mr. Selinger: The type of contract that has been signed for that price is what they called a guaranteed maximum price, and that contract is similar to some other facilities that have been built in Winnipeg. And it's not—and, as I understand it, it doesn't necessarily cover a hundred per cent of all possible risks, but it's one of the most secure forms of pricing for a major construction project that's available in the marketplace.

**Mr. McFadyen:** And can the Premier just indicate in terms of this, the guaranteed maximum price contract, who are the parties to that contract?

**Mr. Selinger:** I'll get the specific information for the member on that, so we can be accurate about that.

**Mr. McFadyen:** And can the Premier just indicate in terms of monies advanced to date on the project—can he provide a breakdown of how many advances there have been to date and the amount of those advances to date?

**Mr. Selinger:** I'll undertake to get that information for the member.

**Mr. McFadyen:** Is the Premier able to indicate just to whom the money is advanced by the Province? Is it being advanced through the new legal entity—I think it's BBB Stadium Inc.—or is money being paid directly to the general contractor from the Province?

**Mr. Selinger:** Again, I'll get the specifics for the member, but my understanding is the—in the first instance, the money is through the University of Manitoba.

**Mr. McFadyen:** Now, the—if the money is being advanced from the Province to the University of Manitoba, is it then being advanced by the University of Manitoba to BBB Stadium Inc., or is the university making payments directly to the general contractor?

**Mr. Selinger:** Again, I'll get the specifics, but BBB plays a significant role here, and I'll ensure that I get accurate information for the member.

**Mr. McFadyen:** The shareholders of BBB Stadium Inc., as I understand it, are comprised of the Blue Bomber Football Club, University of Manitoba and others. Can the Premier just indicate who the shareholders are and what–how those shares are allocated among those parties?

**Mr. Selinger:** Again, I will get that information for the member, but I also believe the City of Winnipeg's part of that group as well.

**Mr. McFadyen:** The original MOU that was signed in March of 2010, just over a year ago now, can the Premier just indicate what the process was that was followed to arrive at that memorandum of understanding, the March 2010 agreement?

**Mr. Selinger:** I want to clarify. Is he referring to the one that included Mr. Asper?

**Mr. McFadyen:** My recollection is that it was the MOU that was signed by the Province, the City of Winnipeg and the Blue Bomber Football Club. Certainly, Creswin was referenced in the MOU, but I don't believe they are a signatory.

**Mr. Selinger:** And so the question is, to be clear, how that memorandum was arrived at.

**Mr. McFadyen:** That's correct. Just who initiated that and how–what was the process followed to arrive at that MOU?

**Mr. Selinger:** Well, that would have been through discussion of all the parties involved to find a way to move forward on the project.

**Mr. McFadyen:** And can the Premier just indicate from a–the Province's standpoint, who was the lead minister in those discussions prior to the signing of the MOU?

**Mr. Selinger:** Again, I'll get that information for the minister, but we were handling that through CEDC, Community and Economic Development Committee of Cabinet.

**Mr. McFadyen:** And is–CEDC is, as I understand it, is a–this is a committee of Cabinet?

Mr. Selinger: Correct.

**Mr. McFadyen:** Can I just ask the Premier who the chair of that committee is?

Mr. Selinger: Stan Struthers, the member for-

**Madam Chairperson:** Order. Once again, I just want to remind all members—

**Mr. Selinger:** Minister of Agriculture.

\* (15:50)

Madam Chairperson: Thank you.

**Mr. McFadyen:** Was that minister directly involved, then, in the discussions or the negotiations leading up to the signing of the MOU?

Mr. Selinger: Again, discussions were at the officials' level.

**Mr. McFadyen:** Just in terms of Cabinet accountability, though, who would the lead minister have been in terms of accountability to Cabinet on that MOU?

**Mr. Selinger:** Well, CDC, the principle resources for that are through ETT, employment, trade and—no, sorry, yes, employment, trade and training. Entrepreneurship, trade and training is the correct term, but it was this committee itself that was the overview of that overall process.

**Mr. McFadyen:** And the Premier has mentioned that the member for Dauphin (Mr. Struthers) is the chair of that committee. Who are the other members of that committee? Or who has it been as of March 2010?

**Mr. Selinger:** We'll get that information for the minister–for the member.

**Mr. McFadyen:** The–at the staff level, the Premier has indicated that it was–the discussions were driven at the level of officials. Who were the officials that were involved at the provincial level?

**Mr. Selinger:** Well, the lead would have been our secretary to the CDC, which is—who is Angela Mathieson.

**Mr. McFadyen:** And were there other people involved at the officials' level and the lead-up to the signing of the MOU?

Mr. Selinger: Yes.

Mr. McFadyen: And who would those officials be?

**Mr. Selinger:** I'll undertake to get that information for the member.

**Mr. McFadyen:** Prior to the signing of that MOU, can the Premier just outline what process of due diligence was undertaken within the provincial government?

**Mr. Selinger:** Well, again, I can get that information for the member if he'd want to be specific about what he means by due diligence and what he's looking for there. That would be helpful.

**Mr. McFadyen:** The specific question would just be on–primarily around cost estimates for the project, but also on issues around studies regarding the site of the financial structure of the deal and the parties who would be involved and the role that they would play.

**Mr. Selinger:** Again, there would have been people looking at those matters, and I'll undertake to get the information for the member.

**Mr. McFadyen:** And can I just ask the Premier, in terms of the approvals of the MOU, prior to it being signed, what steps were followed in terms of internal approvals? Which Cabinet committees would have signed off on that MOU prior to it being signed?

Mr. Selinger: Again, I'll get that information for the member.

**Mr. McFadyen:** Did the MOU come to Cabinet prior to it being signed?

**Mr. Selinger:** I'll confirm that information for the member, but, yes, there would have been Cabinet approval on that and on the broad strokes of it, but we'll get specifics of the processes involved in making the final decision.

**Mr. McFadyen:** Can the Premier just indicate who would have drafted that MOU?

**Mr. Selinger:** And, again, I'll get the information for the member of who the people involved in that were.

**Mr. McFadyen:** One of the things that was noted, as part of the MOU, was that there was no signature on that MOU, or that Creswin was not a party to it. Can the Premier just indicate why Creswin wouldn't have been a party to that MOU, even though it seemed to indicate that Creswin was undertaking some responsibility?

**Mr. Selinger:** You know, I'll have to get the information list to that, but a good part of that would have been in the purview of Creswin themselves.

**Mr. McFadyen:** And so, just to be clear, is the Premier saying that Creswin was not prepared to sign the MOU?

**Mr. Selinger:** No, I'm not saying that. I said I'd get the information for the member as to the specifics of what the status of that MOU was and who signed it.

**Mr. McFadyen:** Can the Premier just indicate what other legal documents have been signed in connection with the stadium deal, either before or since the March 2010 MOU?

**Mr. Selinger:** Yes, I'll get that information. There's been several documents that have been part of the process.

**Mr. McFadyen:** And can I just ask the Premier whether he's prepared to make all of those documents public?

**Mr. Selinger:** Subject to advice I'll take that under advisement.

**Mr. McFadyen:** Just in terms of the role that Creswin played in the deal, my understanding is that there were—there was a decision that was made at an earlier stage to involve Creswin in the project, in one form or another, and that the agreement went through some changes along the way.

Can the Premier just indicate the circumstances around the extensions that were granted to Creswin through the process of the discussions leading up to the MOU?

**Mr. Selinger:** Again, we'll get the information for the member on that. But in broad terms I believe that Creswin was not in a position to advance at that stage and was asking for some more time, and I think a lot of it had to do with the state of the economy.

**Mr. McFadyen:** And who would have signed off on the extensions on behalf of the provincial government?

**Mr. Selinger:** Again, we'll get the information for the member on that.

**Mr. McFadyen:** Again, just in terms of ministerial involvement or accountability on the deal: Was the—would this have been—would the lead minister have been the Minister of Finance?

**Mr. Selinger:** I'll verify that information for the member, but, no.

**Mr. McFadyen:** And the other department that could've been involved would've been infrastructure. Would it have been that minister that would've been responsible?

**Mr. Selinger:** As I said earlier I'll verify that for the member.

**Mr. McFadyen:** The original cost estimate that was presented and that was referenced in the March MOU was below the \$190 million that's now being discussed. Can the Premier just indicate how that number was arrived at, the number that was contained within the March 2010 MOU?

**Mr. Selinger:** Again my understanding is, is that most of that was generated by the–Creswin.

**Mr. McFadyen:** And was there ever a request by Creswin to undertake a study prior to the signing of the MOU to arrive at a cost estimate?

**Mr. Selinger:** Again, I'll get the information for the member about how that number was arrived at.

**Mr. McFadyen:** Now in terms of the just back on the financing of the project—as I understand it, it is being described as a loan by the Province of Manitoba to the University of Manitoba. Is that a correct understanding of the structure of the deal?

**Mr. Selinger:** Subject to confirmation of the details, the money has been advanced through the University of Manitoba.

**Mr. McFadyen:** And is that the full amount of the loan or is that being advanced in instalments?

**Mr. Selinger:** My understanding is it's being advanced as required.

\* (16:00)

Mr. McFadyen: One of the elements that's been reported in the media is that the Blue Bombers are undertaking a certain amount of responsibility for the repayment of the loan. Is the deal structured in a way that the Blue Bombers owe that repayment to the University of Manitoba or is that money payable to the Province of Manitoba?

**Mr. Selinger:** Again, I don't have that file here, but I will get that information for the member on the details of that.

**Mr. McFadyen:** In terms of the–just a completion date–expected completion date for the project, can the Premier just provide an update on when the stadium is expected to be completed?

**Mr. Selinger:** Subject to confirmation I believe that the completion date is for the fall of '12–2012.

**Mr. McFadyen:** And is that date part of the contract with the general contractor, and, if so, are there are any implications for failing to meet that date?

**Mr. Selinger:** Again, subject to confirmation, my general understanding is is that they do have a date they're working towards.

Mr. McFadyen: And in terms of the loan which is, I understand from the answers, is being—the cash is being flowed through the University of Manitoba, can the Premier just indicate why the decision was

made to advance the funds through the University of Manitoba rather than through the entity that was set up to manage the project and own the stadium?

**Mr. Selinger:** Well, the ownership of the stadium will be one-third the university, one-third the City of Winnipeg, and one-third the Winnipeg Blue Bombers.

**Mr. McFadyen:** And is that ownership a—is that a reflection of the relative shareholdings within BBB Stadium Inc. of those three parties?

**Mr. Selinger:** I'll get that information for the member.

**Mr. McFadyen:** The funds that have been advanced to the University of Manitoba, are those being treated as expenditures by the provincial government, or is it being treated for accounting purposes as a loan that would show up as a receivable?

**Mr. Selinger:** I'll get the accounting treatment for the member on how we will display that in our accounting of the books of the Manitoba.

Mr. McFadyen: As I understand it there was a group of officials that were primarily involved in overseeing the stadium deal. You'd mentioned Angela Mathieson from the Province. As I understand it, Phil Sheegl was representing the City and Dan Edwards for Creswin. Can the Premier just indicate whether those three individuals continue to be responsible for overseeing the project?

**Mr. Selinger:** During which time frame are you talking about?

**Mr. McFadyen:** Whether they're presently responsible for overseeing the project at the officials level.

**Mr. Selinger:** As the member might know, Creswin's no longer directly involved.

**Mr. McFadyen:** Can the Premier just indicate whether Angela Mathieson continues to be the responsible official at the provincial level?

Mr. Selinger: Yes.

**Mr. McFadyen:** In terms of the compensation that was paid to Creswin after they exited the deal, just backing up from that one step, can the Premier just indicate what were the circumstances that led to Creswin exiting the deal?

**Mr. Selinger:** Well, again, market conditions for Creswin were dramatically shifted after the recession hit in 2008-2009, and that changed the economics of

it for them and their ability to move on it in a timely fashion.

**Mr. McFadyen:** Just in the terms of the timeline that market conditions the Premier is referring to are 2008-2009 and, yet, Creswin was announced as a partner to the deal on March 2010.

I'm just wondering if the-those market conditions would not have already been considered prior to Creswin being announced as a partner in the deal.

**Mr. Selinger:** I'm sure they were considered, but the real issue was how rapid the recovery would be and what the potential would be to initiate the project as they originally envisioned it.

**Mr. McFadyen:** And so, just to be clear then, is it the case that Creswin exited because it simply didn't have the financial ability to carry on as a partner to the agreement?

**Mr. Selinger:** Again, I think the general explanation was that the project envisioned by Creswin was not necessarily realizable within the time frames required by the agreement.

**Mr. McFadyen:** Was it then Creswin's decision to exit the deal?

**Mr. Selinger:** Again, at the end of the day, they did make a decision that they did not want to proceed.

**Mr. McFadyen:** I'm asking because in today's *Free Press*, Mr. Asper indicates that they didn't exit the deal of their own accord, and I'm just wondering if the Premier can just explain that apparent contradiction.

**Mr. Selinger:** Well, again, this was a discussion that was had among all the parties, and people made decisions about what the best way forward was, and that included Creswin.

**Mr. McFadyen:** The reason I'm asking is that Mr. Asper seems to be saying that it was not Creswin's decision to exit the deal, and so the implication is that that decision was made by somebody else. Can the Premier just confirm that it was another party to the deal that asked Creswin to exit?

**Mr. Selinger:** Again, this would have been a discussion among all the people involved as to the best way to proceed.

Mr. McFadyen: And can the Premier just indicate the basis for the compensation that was paid to

Creswin after they exited the deal, whatever the circumstances were?

**Mr. Selinger:** The basis was fundamentally the expenses they'd made related to the project.

**Mr. McFadyen:** And was there a contractual obligation on the part of the Province to compensate Creswin that led to that payment?

**Mr. Selinger:** This was a discussion among all the parties about what expenses had been 'accured'—incurred by Creswin and was part of the discussion about moving the project forward, about whether those expenses should be covered and to what extent.

**Mr. McFadyen:** The decision to compensate Creswin seems to suggest that Creswin wasn't carrying any of the risk involved in incurring those costs. Is that a fair way of characterizing the arrangements?

**Mr. Selinger:** I'd ask the member to clarify what he means by that.

Mr. McFadyen: I think if the arrangement was that Creswin was at risk of—in connection with its partnership or its role in the deal, that would be at odds with them then receiving compensation payment when they exited. And I'm just wondering if the Premier can indicate whether the arrangement all along was that the Province would be at risk for those costs.

**Mr. Selinger:** No, as I indicated earlier, these were the outcomes of discussions among all the parties about the best way to proceed with the project.

\* (16:10)

**Mr. McFadyen:** Then is it correct to say that the decision to make the payment was a voluntary one on the part of the Province, that it was done without any obligation?

**Mr. Selinger:** Yes, and it was a part–it was a result of the discussions among all the parties.

**Mr. McFadyen:** And what is the rationale for the Province agreeing to make that payment?

**Mr. Selinger:** Again, the discussion involved what were the legitimate expenses that were incurred by Creswin to get the project to this level that it had've reached.

**Mr. McFadyen:** I guess the question is: Why wouldn't Creswin have been at risk for those costs?

- **Mr. Selinger:** Again, the discussion was about how to move the project forward. There was risk on the part of Creswin. Discussions recognized that there had been expenses incurred and that legitimate expenses should be considered as part of the process of moving the project forward.
- **Mr. McFadyen:** And, following Creswin's exit from the deal, can the Premier just indicate whether there wasn't any attempt made to seek any other partners, either through a bidding process or by any other process, to replace Creswin?
- **Mr. Selinger:** Well, the partner that stepped up to the table with a larger commitment was the Winnipeg Blue Bombers Football Club.
- **Mr. McFadyen:** And, as I understand, the Blue Bombers were a partner even prior to Creswin exiting. And I'm just wondering whether there was any effort to seek any other partners following Creswin's exit from the deal in order to replace that—the role that Creswin had been playing to that point.
- **Mr. Selinger:** As I just said, the Blue Bombers came forward with an offer to carry a bigger responsibility in financing the new stadium.
- **Mr. McFadyen:** And was that enhanced risk on the part of Blue Bombers something that they offered voluntarily, or is that something that they were asked to undertake after Creswin exited?
- **Mr. Selinger:** Again, they offered to play that role, and it resulted from all the multi-party discussions on how to move the project forward.
- **Mr. McFadyen:** And just in terms of the Blue Bombers' new debt obligations arising from the renegotiated deal, can the Premier just indicate whether a business plan was prepared and submitted and analyzed in advance of that new arrangement being signed by the parties?
- **Mr. Selinger:** Part of the Bombers agreeing to take on greater responsibility was their preparation of a business plan, which they felt would allow them to play a larger role in the project.
- **Mr. McFadyen:** It's a given that the Province is the lender on the loan and the Bombers are now on the hook for repayment of their share. Did the Province analyze the business plan to satisfy itself that it was realistic?
- **Mr. Selinger:** The Province would have reviewed it along with the other partners.

- **Mr. McFadyen:** Is the Premier able to share that business plan and the due diligence that was done prior to the sign-off on the new deal?
- **Mr. Selinger:** I'll take that question as notice and get advice on whether that plan can be shared and the level of detail that can be shared.
- Mr. McFadyen: Just given that the level of debt taken on by the Blue Bombers after Creswin exited is significantly higher than it was in the original deal, I'm wondering why the Bombers wouldn't have taken on that level of debt from the outset. Why would they take on that level of risk following Creswin's exit from the deal?
- **Mr. Selinger:** I think that question is best answered by them.
- **Mr. McFadyen:** Can the Premier just indicate, what is the timetable for the repayment of the loan to the Winnipeg Football Club?
- **Mr. Selinger:** I'll get the information for the member, but my understanding is it's—as I recall, it was in the order of 44 years, but that's subject to confirmation on the details.
- **Mr. McFadyen:** What happens in the event that the Blue Bomber Football Club defaults on any part of that loan?
- Mr. Selinger: Well, again, there is an oversight committee for the running of the facility. And, if there's issues that arise, business plans can be revisited and revised to accommodate the demands that are in front of the Bombers, including their requirement to repay their portion of the loan.
- **Mr. McFadyen:** As we understand it, Creswin received an indemnification letter in July of 2010. Can the Premier just indicate why that letter would have been provided to Creswin.
- **Mr. Selinger:** I'll get information for the member on that.
- **Mr. McFadyen:** And again, in terms of the negotiation and sign-off of the changes to the agreement that were made after March 2010 following the MOU, who would be the lead Cabinet member responsible for those negotiations?
- **Mr. Selinger:** As I said, I answered that question earlier. This was a matter handled at the officials level with our lead being the secretary to the CDC, and then, it being finally agreed to by Cabinet.

**Mr. McFadyen:** In terms of that process, is the Premier saying, then, that all of the changes that were made along the way came back to Cabinet for approval?

**Mr. Selinger:** The final arrangements would have been subject to Cabinet approval.

**Mr. McFadyen:** And has that Cabinet approval taken place?

**Mr. Selinger:** The deal is proceeding and the stadium is proceeding.

**Mr. McFadyen:** And just again, the question is not whether or not the stadium is proceeding, but whether the changes to the agreement came back to Cabinet and were approved at that level.

Mr. Selinger: I indicated that they had been.

**Mr. McFadyen:** And just as of the present day, are all agreements in connection with the stadium now finalized and signed?

**Mr. Selinger:** I'll get the information for the member on that.

**Mr. McFadyen:** Just going back to the original estimate, the \$115 million that was the number that was discussed at the time of the March 2010 MOU. Did that estimate include all amenities in the final design, or were there things that were left out when that estimate was put forward?

**Mr. Selinger:** I'll have to get the information for the member on that.

Mr. McFadyen: Just in terms of the timing of the subsequent step subsequent to the MOU in March 2010, there's a sod-turning event in May 2010 when construction was commencing. Were the—were there written agreements in place at that time with all of the partners in advance of that May 2010 sod-turning announcement.

**Mr. Selinger:** I'll undertake to get that information for the member.

**Mr. McFadyen:** Can the Premier just indicate whether the Province received a report from Deloitte in March of 2010 with respect to the stadium project.

**Mr. Selinger:** Again, I'll get the information for the member on that.

**Mr. McFadyen:** And can the Premier just indicate whether that Deloitte report can be made public.

Mr. Selinger: I'll get advice on that for the member.

**Mr. McFadyen:** Was there ever any warning provided to the Premier or government that delays in the project could put that \$115-million price estimate at risk?

**Mr. Selinger:** I'll check the record for the member on that question.

\* (16:20)

**Mr. McFadyen:** Will the Premier just indicate whether all agreements regarding the financing of the stadium were in place prior to tenders going out for pilings and orders for steel?

**Mr. Selinger:** Again, I'll get the information for the member on that, but the project proceeded in a sequential basis.

**Mr. McFadyen:** And, by sequential basis, does that mean, then, that the agreements were signed and completed prior to those tenders going out?

**Mr. Selinger:** Yes, and I said I'd get the information for the member on that, but the project was moving forward on the basis of specific costs estimates that would allow the project to move forward.

**Mr. McFadyen:** And, what were the—in terms of the purchase of pilings and steel and other key elements of the stadium, were those tendered?

**Mr. Selinger:** My understanding was that they were, but I'll confirm that for the member.

**Mr. McFadyen:** The–in terms of the overall management of the project, can the Premier just indicate whether Treasury Board has reviewed and approved the construction timetable plan and costing?

**Mr. Selinger:** I'll get that information for the member. But the project was more of an arm's-length project. It wasn't a project that necessarily goes to that level of detail in front of Treasury Board.

**Mr. McFadyen:** Isn't it the case, though, that a hundred per cent of the funds to date have been advanced by the provincial government?

**Mr. Selinger:** Yes. But, when we advance funds to an institution like the university, we don't review in detail every specific project that they undertake on a high level of detail. They take that responsibility to look after those resources in partnership with the people they're advancing the project work with.

**Mr. McFadyen:** And, was the—that responsibility resting with the university, as of May of 2010, when the project was commenced?

- **Mr. Selinger:** I'll have to get the information for the member. But the member will know that it was a different structure for the project at that time, and we'll have to review that.
- **Mr. McFadyen:** And, just in terms of the amenities and the features of the stadium project, were there any adjustments made or amenities added to the stadium project that were requested by the provincial government that would've had an impact on the price of the stadium?
- **Mr. Selinger:** I'll have to check on that. I'm not aware of any specifics like that.
- **Mr. McFadyen:** In terms of the existing stadium site, can the Premier just indicate whether the Province has any responsibility for any cost of the redevelopment of the existing stadium site at Polo Park?
- **Mr. Selinger:** I'll check the record on that. But my understanding is the site is the responsibility of the City of Winnipeg.
- **Mr. McFadyen:** And can the Premier indicate who has responsibility for the demolition of the current existing stadium at Polo Park?
- **Mr. Selinger:** Again, my understanding is that's part of the terms of reference for the potential purchasers of the site.
- **Mr. McFadyen:** And the issue of that redevelopment, will that redevelopment be done in the context of a TIF financing approval for that site?
- **Mr. Selinger:** Again, the City is responsible for that. But I have not seen them indicate that at this stage of the game. It seems to be a site that has a certain attractiveness to it and can be developed within the parameters of the City's plans.
- **Mr. McFadyen:** And, in terms of the–certainly, we understand that, if there's a municipal TIF used, that would be a city decision. But, in terms of a provincial TIF, is that of the Polo Park redevelopment plan presently?
- **Mr. Selinger:** As the member knows, the TIF relates to generating revenues off the redevelopment of Polo Park, which will pay down a portion of the cost of the stadium.
- **Mr. McFadyen:** So is that—is it—can I just ask the Premier just to confirm then that there will be a provincial TIF for the school—future school taxes payable when that site is redeveloped?

- **Mr. Selinger:** The TIF, supported by both the City and the Province.
- **Mr. McFadyen:** In terms of the sustainability of the debt load taking on by the Blue—taken on by the Blue Bombers, can the Premier just indicate whether he's satisfied that the Blue Bombers will be able to generate sufficient cash to repay that loan over the timetable that's been established?
- **Mr. Selinger:** The review of the business plan suggests they can do that.
- **Mr. McFadyen:** And, again, is the Premier able then to share that business plan?
- **Mr. Selinger:** The member asked that question and I undertook to find out whether, in fact, we can do that.
- **Mr. McFadyen:** And can the Premier just indicate what, if any, role the federal government is playing with respect to the stadium project?
- **Mr. Selinger:** I'm not aware of a direct role they're playing. They are financing some additional recreation facilities at the University of Manitoba, but not directly attached to the new stadium.
- **Mr. McFadyen:** In terms of the demolition of the current stadium, does the Premier have an estimate of what that may cost?
- **Mr. Selinger:** Again, I believe that's part of the terms of reference for those people that are interested in developing the site.
- **Mr. McFadyen:** Just given that the Province is granting TIF status to that land, is that not part of the analysis to determine what kind of property taxes may be payable down the road?
- **Mr. Selinger:** Again, the City is responsible for the process of initiating redevelopment of the site, and part of the terms of reference, as I understand it, the City has put together, is that the people that want to develop the site would take responsibility for demolishing the existing facility. And then it's what's developed on the site which will generate the estimate of what tax yield it will have.
- **Mr. McFadyen:** The–in terms of accountability within the provincial government, as the project progresses, who is the lead minister on the project currently?
- **Mr. Selinger:** Again, as I indicated, the secretary for CEDC has been the lead official on that, reporting back through CEDC to Cabinet.

**Mr. McFadyen:** And is there a single minister who would be the lead on the project?

**Mr. Selinger:** I'll undertake to verify that for the member, but my understanding is, is that it's been worked at and made accountable through CEDC through to Cabinet.

**Mr. McFadyen:** And does the chair of CEDC then provide reports to Cabinet on the progress of the deal?

**Mr. Selinger:** They would if and requested, and the secretary of CEDC would report to CEDC about how that's going.

**Mr. McFadyen:** And then—so in terms of reports to Cabinet, would that be, then, the member for Dauphin (Mr. Struthers), then who would report to Cabinet on the deal?

**Mr. Selinger:** Again, the chair, or their alternative, usually reports to Cabinet on the deliberations of CEDC.

**Mr. McFadyen:** I wonder if the Premier can just describe his own role in the deal to date.

**Mr. Selinger:** My role is to work with all the parties to find a way to move the project forward to the benefit of Manitobans.

**Mr. McFadyen:** In terms of the role of the secretary to the CEDC that the committee of Cabinet, is that individual able to provide responses, then, to some of the questions that are outstanding?

\* (16:30)

**Mr. Selinger:** That person would be working on some of the responses along with other officials, yes.

**Mr. McFadyen:** Would the matter of proceeding with a new stadium have been discussed at CEDC prior to the MOU being signed in March 2010?

**Mr. Selinger:** I'll have to check the record on that for the member to let him know the specific processes.

**Mr. McFadyen:** Just in terms of the—just following up on some of the earlier questions—the indication that the project is currently priced at \$190 million. Can the Premier just confirm that 100 per cent of that amount will be financed by the provincial government in the first instance?

We know that some of it is repayable in the form of loans, but in terms of the initial cash advances will

all \$190 million of that amount be advanced by the Province?

**Mr. Selinger:** Again, subject to confirmation, we are the lead finance to allow the project to proceed.

**Mr. McFadyen:** And, on the matter of a guaranteed maximum price, the Premier had indicated that it doesn't necessarily cover 100 per cent of risks. Can you just elaborate on the risks facing the Province in the event that the project goes over \$190 million?

**Mr. Selinger:** Well, I'll get information for the member about what some of the exclusions are on that kind of a contract, but, as I indicated earlier, that is considered to be the best–most secure form of contract available for these kinds of construction projects in the private sector.

**Mr. McFadyen:** Just in terms of the increase in the estimated cost for the project, with it starting at \$115 million and now, as of today, being at \$190 million, can the Premier just indicate when he was initially informed of the change in price?

**Mr. Selinger:** I'll undertake to get that information for the member.

**Mr. McFadyen:** And can he just indicate as well whether there were–just in terms of–because as I understand there were a couple of adjustments along the way, can he just indicate the timing of those adjustments, when they were brought to his attention and then what the next steps taken were by the Premier?

**Mr. Selinger:** We'll get that—we'll get as much of that information as we can for the member.

**Mr. McFadyen:** Just in terms of Manitoba Hydro and the plans for the bipole line, the indication that the Premier has provided is that the cost of that project will be fully financed by payments from out-of-province customers. Can he just explain that position, how that would work?

**Mr. Selinger:** Well, one of the first statements ever made by the president and CEO of Manitoba Hydro was—is that it would likely be paid for by the export customers, and it's similar to the experience that occurred when Limestone was built. It was built and generated over \$6 billion of revenues, mostly through export sales, and paid itself off roughly within about 10 years.

And, again, the idea here is, is that as you build these transmission facilities for reliability, but also to carry more power from dam projects that are proposed to be constructed—Wuskwatim's just about completed but Keeyask and Conawapa—then the export revenues generated by this additional generating capacity within Manitoba is—allows you to earn a profit which pays down the cost of the infrastructure that's put in place to provide that energy to our customers.

**Mr. McFadyen:** And so, if the Premier–can he confirm, then, that new deals have been signed, then, that fully cover the cost of the–of Bipole III?

**Mr. Selinger:** Again, term sheets have been signed, and final deals will be arrived at. But the term sheets are part of the process of moving towards a final conclusive contract for the sales. And the term sheets give the corporation confidence that they can move forward on these projects as they negotiate the final deals.

**Mr. McFadyen:** And have the customers, Manitoba Hydro's customers, said we're quite prepared to pay more than we otherwise would have, in order to run the longer transmission line?

**Mr. Selinger:** No, it doesn't work that way. They pay a price negotiated with them, usually a price that reflects the marketability of the product.

**Mr. McFadyen:** And so, then, if more money is spent on the capital project, then, that the consequence of that would be to cut into Hydro's net revenue from those sales. Is that right?

**Mr. Selinger:** Additional cost to build the capacity to provide power to a customer definitely could impair the—or have an impact on margins, but the reality is, is that without the infrastructure you can't make the sale in the first place.

**Mr. McFadyen:** Hydro has said in all their submissions that the primary purpose of Bipole III is domestic reliability. Is that correct?

**Mr. Selinger:** They have made a very strong case for the need for an additional bipole for reliability of domestic supply but also to provide power to export customers. And the timing of that allows for the export customers to cover the costs of building that kind of infrastructure if it's moved on in a timely fashion.

**Mr. McFadyen:** The borrowing that's required in connection with bipole, can the Premier just indicate what the plans are in terms of when and how that borrowing will take place?

**Mr. Selinger:** The borrowing occurs according to plans submitted by Manitoba Hydro, for the need for the capital to provide the infrastructure necessary to construct the project.

**Mr. McFadyen:** Just–according to the most recent route map that's been released by Hydro, the proposed Bipole III follows the existing transmission lines on the west side for a considerable part of the route.

What impact does that have on the question of reliability of that transmission line?

**Mr. Selinger:** The siting of bipole is intended to provide greater security for the transmission of electricity and to have a separation appropriate to providing that greater security.

**Mr. McFadyen:** The map most recently released shows that the—if that proposed route is followed by Bipole III, that the three lines run close to one another for a span of more than a hundred kilometres.

Has Hydro provided any advice on the reliability risk that that could pose?

**Mr. Selinger:** Hydro is the manager of the siting of the bipole project. They're the ones that are working with all the stakeholders to site the bipole project in a way that will increase the reliability for transmission of the power.

Mr. McFadyen: And, in terms of the—again, on the issue of reliability, in light of the flood situation south of Winnipeg along the Red River this year and the flooding that we saw in 2009 and in prior years, can the Premier just indicate how many towers would be impacted in the event that the Red River were to rise to this year's levels, at the point at which the bipole line crosses the river?

Mr. Selinger: I'd have to undertake to get that information for the member, but as we've recently seen with the construction of wind power in southern Manitoba, the construction takes into account the conditions in the area and accommodates that in the construction to provide the reliability and security of the infrastructure there.

\* (16:40)

**Mr. McFadyen:** I'm just looking at the maps that show the water levels during the 1997 flood of the Red River south of Winnipeg. The proposed route for Bipole III, as it now stands, shows that line crossing at virtually the widest extent of the Red

River in 1997. Can the Premier just indicate what risk analysis has taken place at Hydro to deal with the potential for a significant number of bipole towers being impacted by flood waters?

**Mr. Selinger:** Again, I'll have to get that information for the member, but I'm sure that's part of their deliberations as they look at siting the bipole, how they can do that in a way that provides for increased security over the present circumstance where both bipole go together down through the Interlake.

**Mr. McFadyen:** Can the Premier just indicate what is the status of discussions with Saskatchewan right now on increasing power sales to that province?

Mr. Selinger: As the member will know, we've had two joint Cabinet meetings with Saskatchewan now, one in Yorkton, one in Brandon. And, between those two meetings, there have been discussions with the ministers and the Crown corporations in the two provinces to look at the potential for providing additional power from Manitoba Hydro to Saskatchewan. One of the initial ideas they looked at was increasing the capacity of existing transmission capacity between the two provinces, and they're examining the feasibility of doing that now. And, then, beyond that, Saskatchewan has indicated some interest in what additional power could be made available to them, and that could be part of future discussions.

**Mr. McFadyen:** And does the potential for a sale to Saskatchewan have any relevance to the decision to route the bipole—third bipole line along the west side of the province?

Mr. Selinger: The original decision on the bipole made before the 2007 election was to allow for the potential of the UNESCO World Heritage Site on the east side. Subsequent to that decision, we've had discussions with Saskatchewan and, as the member knows, that has come in the last year and a half. And we've made information available to Saskatchewan about the potential for Manitoba Hydro to provide them with clean, reliable and affordable power and they've shown greater interest in that as their energy needs continue to evolve and federal government decisions around retiring of coal plant generation.

And the member might know today that there was an announcement in the media in Saskatchewan about looking at a carbon capture and sequestration project related to some coal energy development out there, so they're pursuing a variety of energy alternatives. But one of the ones they've shown a lot

of interest in is whether or not Manitoba Hydro can provide some of their power needs. And so that is part of the ongoing discussion we'll have now that we've developed that relationship with the province of Saskatchewan.

**Mr. McFadyen:** So does a west-side route for Bipole III, then, play a role in those current discussions with Saskatchewan?

**Mr. Selinger:** The decision to put the bipole down the west side was made prior to the 2007 election, but the reality is is that if the bipole's going to be there, it does provide some potential to use it in the long term for the advantage of providing power to Saskatchewan.

**Mr. McFadyen:** And so is there a new converter station other than Riel east of Winnipeg in Hydro's capital plans, then, as part of that discussion with Saskatchewan?

**Mr. Selinger:** Discussions are far away from that stage yet. The—as I said earlier, the initial discussion was whether or not we could upgrade existing transmission linkages between the two provinces and the two Crowns. Long-term discussions would have to take a look at what additional infrastructure was required and whether it's required in Manitoba or in the province of Saskatchewan.

**Mr. McFadyen:** Can the Premier just indicate whether there are any active discussions ongoing for export deals with Ontario?

Mr. Selinger: I'd have to check with what Manitoba Hydro's doing on that. I'm not aware of anything currently actively ongoing, but Saskatchewan–I mean, Ontario has in the past expressed interest in Manitoba Hydro, and that has come and gone as they pursued other alternatives. And they may be interested again at this stage, but I'd have to check the record for him on that.

**Mr. McFadyen:** And the Premier's made reference to some term sheets that have been signed for export power sales. Can he just indicate how many of those term sheets were ever actually translated into actual signed contracts?

**Mr. Selinger:** I will get that information for the member.

**Mr. McFadyen:** Does the Premier have a sense as to when we can expect the existing term sheets to be negotiated and signed into final contracts?

**Mr. Selinger:** Those discussions are ongoing between Manitoba Hydro and its customers, and I'd have to check with them about what the timelines are there.

**Mr. McFadyen:** There were some statements made by the CEO of Hydro in late 2010 indicating that he was aware that the internal estimate for bipole had increased to about double the original estimate, which was \$2.2 billion. Can the Premier just indicate whether the CEO of Hydro briefed him on those new estimates?

**Mr. Selinger:** Yes, I don't remember a number of 2.2 billion for bipole. I remember that number being inclusive of converter stations as well as transmission capacity.

**Mr. McFadyen:** The \$2.2 billion roughly is the amount that was—that's been printed in Hydro's estimates for Bipole III now for a few years.

There was a story in–I think it was the *Free Press*, in about October of 2010, that the CEO of Hydro confirming that their internal estimate showed that the cost was now in the range of 4 billion, almost doubling the estimate.

Can the Premier just indicate whether that number was ever brought to his attention by the CEO of Hydro?

**Mr. Selinger:** Again, I do not recall a number related specifically to bipole in the order of magnitude the member has indicated.

Those kinds of numbers, in my understanding, related to both converter stations as well as transmission.

**Mr. McFadyen:** The—that's the amount that's been printed by Hydro next to the bipole line in the capital estimates now since 2007. It's also the number that's been submitted to the PUB in connection with the rate application.

And so I'm just curious as to how the Premier's understanding as to the cost of bipole seems to be at such odds with what Hydro has been printing now for about four years.

**Mr. Selinger:** Again, what I'm indicating is is that I understand those numbers include converter stations. Is the member saying that's not the case?

**Mr. McFadyen:** There was a \$2.2-billion figure for the entire project, including converter stations. It's been on the record now for several years, and that number doubled virtually as of October of 2010. And

I'm just wondering the Premier can indicate whether he was ever briefed that that \$2.2-billion number had almost doubled.

**Mr. Selinger:** I thank the member, if I understand him correctly. He has now confirmed that that included the converter stations.

**Mr. McFadyen:** Well, let me just ask then—what is the Premier's understanding of the cost of the west-side bipole line?

**Mr. Selinger:** Well, again, I'm just confirming with the member. I understand that the number he's been using includes the converter stations. I think he's confirmed that.

I'm hoping that's the case. The latest number that I've seen for the bipole is in the order of 1.26 billion for the transmission bipole.

**Mr. McFadyen:** So, then, is the Premier then indicating that they've cut the converter stations out of the project?

Mr. Selinger: Again, I think we're maybe getting tangled up here. There is a price for the transmission—of what I understand at \$1.26 billion, and there's a price for the converter stations. And they're two separate elements of overall construction that Manitoba Hydro wants to put in place to increase reliability for the system and to be able to provide power to their export customers.

\* (16:50)

**Mr. McFadyen:** Then—is the Premier then saying that the converter stations are optional?

**Mr. Selinger:** My understanding is is that the member opposite is the one that believes they're optional. We've always understood that they're essential.

**Mr. McFadyen:** So, in that case, what the Premier is saying is that the cost of bipoles is \$2.2 billion. Is that right?

**Mr. Selinger:** Again, no, I'm not saying that. I'm saying that there's two elements here. There's the transmission and there's the converters, and they each have prices attached to them.

**Mr. McFadyen:** And were those two projects then accounted for and approved separately?

**Mr. Selinger:** My understanding is that each of those projects has been priced specific to what they are—converter stations. I understand the converter stations are needed, regardless of which side the

transmission capacity is built. And the transmission itself is a separate number from the converter stations.

**Mr. McFadyen:** Looking at the Hydro's capital estimates, they have a line for Bipole III and next to it it says, approximately \$2.2 billion.

Can the Premier just indicate or table any documents that show the converters as being separate from the bipole in terms of Hydro's capital planning?

**Mr. Selinger:** Again, I've—my understanding, and I've clarified it for the member, and I will again is is that the converter stations are essential. And Hydro believes they're essential, regardless of which side the transmission goes down and that's one price.

And then there's a price as well for the transmission, and that price relates to the west-side transmission. And I understand the most recent number that they've had from an independent consultant is \$1.26 billion.

**Mr. McFadyen:** In the most recent capital estimates for Bipole III, printed by Hydro, when the plan was to go down the east side, there's no converter stations as part of that project.

Can the Premier just confirm that the original estimates contain no converter stations?

**Mr. Selinger:** I don't have that information in front of me.

My understanding has been from the outset that there was a need for converter stations, particularly with the development of Keeyask and Conawapa for export purposes, and that the converter stations were very important inside of Manitoba to increase the reliability of our electrical capacity for the province. Because existing converter stations at Dorsey arecarry about 70 to 75 per cent of the electricity conversion in Manitoba. And that if that facility was ever at risk, it could have catastrophic consequences for an economy that's estimated to be \$56 billion this year.

So that the additional converter stations were a very important feature that Hydro wished to construct in order to provide increased energy security and reliability, not only for the domestic economy of Manitoba, but for export customers as well.

Mr. McFadyen: And on that note, can the Premier then confirm that the need for converter stations was

identified as part of the capital estimates for Conawapa and Keeyask?

Mr. Selinger: Again, separate numbers my—I've seen separate numbers for the transmission line and a separate number for the converter stations. But it's always been my understanding that the converter stations were required to increase reliability and energy security for the ratepayers and customers inside of Manitoba, but also to the benefit of export customers as well.

**Mr. McFadyen:** And is it the Premier's view that Hydro should spend the money on converter stations before or after the export contracts are signed?

**Mr. Selinger:** Again, Hydro has—my understanding is Hydro, for a long time, has believed that they needed the converter stations for the reasons I indicated earlier.

Just to clarify the record, the information I have was that the original transmission line was \$1.17 billion; it has now grown to \$1.26 billion, and that the converters were originally \$1.08 billion, now estimated to be \$1.829 billion, and that the significant increase is for the converters and that the converters are needed regardless of which side of the province and where you put the transmission.

**Mr. McFadyen:** Mr. Brennan indicated at committee that the converters were only added after Hydro was directed to go down the west side. Was Mr. Brennan mistaken when he made that comment?

**Mr. Selinger:** I'd have to check the record for what Mr. Brennan said. My understanding is Hydro has always felt that additional converter station capacity in this province would dramatically increase the reliability and the security of hydroelectricity for both domestic and export customers.

**Mr. McFadyen:** My understanding is that converters were identified as desirable as part of the Conawapa and Keeyask developments and that investment in those assets would be made following the signing of large export contracts. Is that consistent with the Premier's understanding?

Mr. Selinger: That–I don't disagree with that in broad terms, but I also reiterate that I understand that there was additional need for converter stations in Manitoba with 70 to 75 per cent of existing power going through the existing Dorsey converter station facility. But, certainly, the addition of additional generating capacity provides additional justification for converter stations within Manitoba.

**Mr. McFadyen:** Just in terms of the impetus for Bipole III presentations, public presentations that were made by Hydro indicate that the ice storm which took out the two existing bipoles through the Interlake was an example of a threat to reliability. Can the Premier just confirm that it was the lines themselves, and the threats to those lines, that resulted in a third bipole being initiated?

Mr. Selinger: It was my understanding that weather events impacted on hydro transmission capacity in the late '90s when the member opposite was a member of the senior officials of government. And that it was that event that triggered their growing interest in providing additional reliability for Manitoba Hydro, and it was related to existing bipoles being damaged during that weather event. But it also posed a major threat to the converter stations at Dorsey as well, and that has resulted in them wanting not only additional transmission capacity with separations from the existing transmission bipoles, but also additional conversion capacity within Manitoba.

**Mr. McFadyen:** And just, then, to clarify, is the Premier saying that the ice storm that took out the two bipole lines previously also posed a major threat to the Dorsey converter station?

Mr. Selinger: Yes, my understanding is those weather events could have impacts both on transmission as well as conversions, the converter station, and that the additional converter station capacity in Manitoba would provide dramatic improvements to the reliability of the hydroelectric system here.

**Mr. McFadyen:** I'm just curious as to why Hydro would never have mentioned the need for converter stations as part of their public presentations when they were explaining the rationale for the need for a new bipole.

**Mr. Selinger:** Again, I'm telling you what I've heard from Hydro. I've heard the CEO and president of

Hydro say on more than one occasion that converter stations were needed and would provide dramatic improvements to reliability and energy security.

**Mr. McFadyen:** Can the Premier just indicate how many times the existing converter stations have been disabled by ice storms to date?

Mr. Selinger: I'd have to check the record on that but I'm not aware of any major outages. We certainly would have heard about it because it would have had dramatic impacts on the Manitoba economy, as well as sales to our customers. But the point again is that because 70 to 75 per cent of power goes through the existing converter stations, that additional converter stations in Manitoba would significantly reduce the risk of all that power going through one set of facilities.

**Madam Chairperson:** The honourable Leader of the Official Opposition for a short question.

**Mr. McFadyen:** The CEO of Hydro indicated at committee that he would never recommend building a major transmission line through a flood zone. Does the Premier share that concern?

Mr. Selinger: I'll take that question as notice and undertake what the specifics were on that. But when you build additional bipole transmission capacity in Manitoba, it's to offset the risks of the first two bipoles being very close together going through the Interlake. And the idea there is to provide additional energy, security and reliability for the utility providing electricity—

## Madam Chairperson: Order.

The time being 5 p.m., committee rise. Call in the Speaker.

## IN SESSION

**Mr. Speaker:** The hour now being 5 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow morning.

## LEGISLATIVE ASSEMBLY OF MANITOBA

# Wednesday, April 27, 2011

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