

**Fifth Session - Thirty-Ninth Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**  
**Official Report**  
**(Hansard)**

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The Honourable George Hickes  
Speaker*

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Ninth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BLADY, Sharon	Kirkfield Park	N.D.P.
BLAIKIE, Bill, Hon.	Elmwood	N.D.P.
BOROTSIK, Rick	Brandon West	P.C.
BRAUN, Erna	Rossmere	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
BRIESE, Stuart	Ste. Rose	P.C.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
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.
GRAYDON, 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.
JENNISSEN, Gerard	Flin Flon	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.
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.
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TAILLIEU, Mavis	Morris	P.C.
WHITEHEAD, Frank	The Pas	N.D.P.
WIEBE, Matt	Concordia	N.D.P.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.
<i>Vacant</i>	Inkster	
<i>Vacant</i>	Lac du Bonnet	

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Wednesday, May 4, 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 31—The Manitoba Public Insurance Corporation Amendment Act**

**Hon. Andrew Swan (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** I move, seconded by the Minister for Entrepreneurship, Training and Trade (Mr. Bjornson), that Bill 31, The Manitoba Public Insurance Corporation Amendment Act; Loi modifiant la Loi sur la Société d'assurance publique du Manitoba, be now read a first time.

*Motion presented.*

**Mr. Swan:** This amendment would terminate personal injury benefits to those who've been convicted of auto theft and other serious driving offences. This amendment would terminate benefits for those convicted of the new auto theft provisions in the Criminal Code brought in by the federal government at the urging of Manitoba, other crimes involving the wrongful taking of motor vehicles, as well as those convicted of fleeing police and street racing, both drivers and passengers. This amendment would close the door on benefits which were first allowed in 1994 and strengthens amendments in 2004.

This bill is a further part of Manitoba's strategy, which has reduced auto theft nearly 80 per cent since 2004 to the lowest level in nearly two decades, Mr. Speaker.

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

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

**Mr. Speaker:** Order. Members want to have a conversation, please use the loge. We have a lot of guests here today that are trying to hear the proceedings that are going on.

Is it the pleasure of the House to adopt the motion? *[Agreed]*

**Bill 32—The Essential Services (Health Care) and Related Amendments Act**

**Hon. Jennifer Howard (Minister of Labour and Immigration):** I move, seconded by the Minister of Conservation (Mr. Blaikie), that Bill 32, The Essential Services (Health Care) and Related Amendments Act, be now read a first time.

*Motion presented.*

**Ms. Howard:** Mr. Speaker, Bill 32 will ensure that no work stoppages will occur in any health-care facility that did not have an essential services agreement in place, protecting those patients who depend on these vital services. This bill will put the current best practices and negotiating essential services agreements in the health sector into legislation. The existing Essential Services Act will continue to apply to the government of Manitoba and Child and Family Services agencies.

The regional health authorities and the Long Term & Continuing Care Association of Manitoba support these amendments. This legislation was also reviewed by the Labour Management Review Committee which provides advice on labour legislation and is made up of equal numbers of employer and worker representatives, and they reached consensus on the proposals.

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

**Bill 213—The Consumer Protection Amendment Act (Gift Cards)**

**Mrs. Leanne Rowat (Minnedosa):** Mr. Speaker, I move, seconded by the member for Turtle Mountain (Mr. Cullen), that Bill 213, The Consumer Protection Amendment Act (Gift Cards), be now read a first time.

*Motion presented.*

**Mrs. Rowat:** Mr. Speaker, this bill amends The Consumer Protection Act to prohibit fees on gift cards, including cards issued by malls, except fees for replacing or customizing a card or if the card was free. A person who is charged a fee in violation of the act is entitled to request a refund of the fee within three years.

This bill also prohibits expiry dates on gift cards except in limited circumstances and sets out the information to be given to the consumers about using the card.

**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 R. Smith, N. Terreck, W. Epp 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, in 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 consider ensuring that all breaches of court orders on car thieves are reported to police and vigorously prosecuted.

Mr. Speaker, this petition is signed by A. Manier, V. Manier, R. Pearson and thousands of other Manitobans.

\* (13:40)

### TABLING OF REPORTS

**Hon. Peter Bjornson (Minister of Entrepreneurship, Training and Trade):** I am pleased to table Supplementary Information for Legislative Review, the 2011-2012 Departmental Expenditure Estimates for Manitoba Entrepreneurship, Training and Trade.

**Hon. Flor Marcelino (Minister of Culture, Heritage and Tourism):** I am pleased to table the 2011-2012 Departmental Expenditure Estimates for Manitoba Culture, Heritage and Tourism.

**Hon. Ron Lemieux (Minister of Local Government):** Mr. Speaker, I am pleased to table the Manitoba Local Government 2011-2012 Departmental Expenditure Estimates.

**Hon. Kerri Irvin-Ross (Minister of Housing and Community Development):** I am pleased to table the 2011-2012 Departmental Expenditure Estimates for Manitoba Housing and Community Development.

**Hon. Eric Robison (Minister responsible for Sport):** Yes, Mr. Speaker, I am pleased to table Supplementary Information for the Department of Sport for the 2011-2012 expenditures.

## MINISTERIAL STATEMENTS

### Flooding and Ice Jams Update

**Hon. Steve Ashton (Minister responsible for Emergency Measures):** Mr. Speaker, the crest is expected in Winnipeg today at James Avenue at just over 19.5 feet. To give you a sense of how much water is flowing at this location today, our officials estimate that the water would be enough to fill an Olympic-sized swimming pool every two seconds. That is a lot of water. This crest will actually be lower than the ice-induced crest seen at James Avenue in early April of almost 21 feet.

As has been noted previously, without the protection given the city of Winnipeg and other communities, our provincial flood control works, James Avenue, would be at around 30 feet today. As was seen in 1950, such a level would have meant significant flooding across much of Winnipeg and massive disruptions to the daily lives of people in our province's capital.

Instead, the crest in Winnipeg today will be a relative non-event, which is a credit to those who had the foresight to make these investments to protect Manitobans, and to our experts who have been masterfully operating the floodway, the Shellmouth Reservoir and the Portage Diversion this spring.

On a much more sombre note, I want to again remind all Manitobans to exercise extreme caution around flood waters and dikes. There are some reports of a potential drowning in the Sturgeon Creek, which Winnipeg police are investigating. We want to ensure such tragedies are avoided and that all Manitobans recognize the danger of being near flood waters.

**Mr. Stuart Briese (Ste. Rose):** Mr. Speaker, I thank the minister for the latest flood update. I would like to acknowledge that the government brought forward an important message about safety in yesterday's flood bulletin. The timing was particularly salient as the dive team is currently searching Sturgeon Creek, as it's feared that a male youth may have drowned there.

That need for heightened awareness of safety, be it when it comes to the protection of persons or the protection of flood infrastructure, will certainly

continue for the length of this flood. Sandbagging and other flood protection measures are ongoing in a number of regions, particularly in light of the heavy snowfall experienced in western regions.

We understand that the lift station at Eriksdale was overwhelmed, causing some basement flooding. Steps are being taken to ensure their hospital and personal care home are protected. Seepage into basements will be a concern in many regions where the ground is saturated and expected to remain so for some time.

Once again, we appreciate the ongoing efforts of all those involved in managing this year's flood. Thank you, Mr. Speaker.

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

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

**Mr. Gerrard:** Mr. Speaker, I want to thank the minister for his update on the flood situation. We are, indeed, all thankful for the presence of the dikes protecting Winnipeg and the floodway and the Portage Diversion and as are residents of other—many other communities in Manitoba who are protected by investments which have made—been made over a long period of time.

There continues to be concern among individuals in the agricultural community about how things are going to play out and how long the flood waters are going to stay up and what the government is going to do in terms of providing assistance to those in the agriculture community, and we wait with interest for that information yet to come.

I want to say thank you to all those who are participating in helping in one way or another in the fight against the flood this year and in all the efforts to protect, where we can, individual lives and individual property.

### Introduction of Guests

**Mr. Speaker:** Prior to oral questions, I'd like to draw the attention of honourable members to the public gallery where we have with us today, we have Bob and Bev Harris and Joe and Marilyn Gilbert who are from Winnipeg who are the guests of the honourable member for Rossmere (Ms. Braun).

Also in the public gallery we have with us from Louis Riel Arts and Technology Centre, we have 19 adult education students under the direction of Ms.

Lucille Miller. This group is located in the constituency of the honourable First Minister (Mr. Selinger).

Also in the public gallery we have with us from Kildonan-East Collegiate, we have 38 grade 9 students under the direction of Mr. John Thompson and Mr. Keith Peters. This school is located in the constituency of the honourable member for Concordia (Mr. Wiebe).

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

## ORAL QUESTIONS

### Violent Crime Rate Government Record

**Mr. Hugh McFadyen (Leader of the Official Opposition):** Mr. Speaker, over 11 and a half years ago, the NDP made a promise to the people of Manitoba. That promise was, and I quote: to make our communities safer.

Mr. Speaker, more than 11 and a half years later, we are now listed as the violent crime capital of Canada.

I want to ask the Premier: Why did this NDP leader break his promise to the people of Manitoba?

**Hon. Greg Selinger (Premier):** Mr. Speaker, we took over a very dramatically deteriorated situation in 1999, and we've made it better.

Auto theft today is 51 per cent less than it was in 1999 because of the measures we've taken. That is an enormous difference. And, Mr. Speaker, we have 255 more police officers in Manitoba than we had in 1999. And we have moved on changing the Criminal Code with the federal government to end two-for-one remand, to ensure that auto theft is a stand-alone crime and to do those kinds of things that make serious crimes things that people have to pay consequences for.

But over and above that, Mr. Speaker, we have also invested in education and recreation programs and job opportunities so that people can have a way of making a living without resorting to crime.

**Mr. McFadyen:** Mr. Speaker, the fact is that the stats that have been released over the last couple of years show us as the violent crime capital of Canada under the very same Criminal Code that applies in every province in Canada.

I want to ask the Premier: More than 11 and a half years after they made that promise and the leader of the day said, Mr. Speaker, we will be completely accountable to these core commitments.

They haven't been accountable for those commitments. Will the Premier admit that they have failed in keeping their promise to the people of Manitoba?

\* (13:50)

**Mr. Selinger:** Mr. Speaker, we do believe in accountability for performance. The crime severity index is today lower than it was—by 15 per cent—in 1998. That is what Stats Can says.

Any kind of violent crime is too many crimes in Manitoba and that's exactly why we would want to do something about it. We want to make sure that we're tough on crime, which is why we have more police officers, but tough on the causes of crime, which is why we do not cut education, as the members opposite proposed to do just nine months ago, which is why we put another half-a-million dollars into recreation directors in the inner city of Winnipeg, which is why we fund organizations like Rossbrook House and other organizations like the Winnipeg Boys and Girls Clubs, which is why we believe that the solution to crime is not just being tough on crime, which we are fully prepared to do with our commitments to an additional 67 police officers this year, with another 48 prosecutors in the Department of Justice this year, with expanding the Corrections system, but also ensuring that people have constructive alternatives—

**Mr. Speaker:** Order.

**Mr. McFadyen:** Mr. Speaker, even Mr. Doer, the former premier of Manitoba, says they deserve to be thrown out of office for their broken promises. They broke their promise on greenhouse gases. They made a promise they would end hallway medicine. They made a promise that they would keep balanced budget legislation. They made a promise they would make communities safer.

Will he now acknowledge, Mr. Speaker, that Mr. Doer was right, they should be voted out of office.

**Mr. Selinger:** Now, that was a desperate attempt to misquote somebody in the Legislature, Mr. Speaker, and I can tell you right now, the only person that the former premier was referring to to throw out of office were the members opposite, which we did in '99.

And we'd be happy to work on that agenda again by focusing on the priorities of Manitobans, Mr. Speaker. That's why we have an organized crime unit in this province. There's been over 1,400 convictions. That's why we have a Safer Communities and Neighbourhoods Act.

And let me tell you how they structured the safer neighbourhoods act when they put it in. In order to shut down a criminal activity in a neighbourhood when they were in office, the citizen had to put their name on the placard on the door. That's what you had to do. In other words, you had to risk your life to make your neighbourhood safer.

We changed that law, Mr. Speaker. You now can anonymously report criminal activity in your neighbourhood, and we have a special unit that will shut them down and we've done that over 500 times, and the members opposite have voted against the resources for that every single budget.

**Mr. McFadyen:** Mr. Speaker, coming from the same person who told Manitobans that Crocus was a good investment when he knew that it wasn't, coming from the same person who said, I'm committed to balanced budget laws, who then turned around and gutted them, coming from the same person who shredded documents related to their election finance scandal—he's got no credibility in this House.

And, in fact, it was the member for Thompson (Mr. Ashton) who said during the leadership campaign that crime is out of control in the province of Manitoba, Mr. Speaker. The member for Thompson made the comment.

I want to ask the Premier today: Instead of his phony false attacks, Mr. Speaker, made out of desperation, why not just acknowledge that he has completely failed to keep his promise to Manitobans?

**Mr. Selinger:** The only sounds of desperation are from the members opposite, and it's particularly the Leader of the Opposition.

We have put in place instruments that make our communities safer: more police officers, more investment in education, more investment in social housing, more investment in young families and children.

And you know what? The roots to empathy program, which the members opposite have never acknowledged, is a program that teaches young

people how to understand and respect the feelings of others so that when they get into a conflict, they can resolve it without violence.

Those are the kinds of things that make a difference in how we raise young people in this province, raise young people to resolve conflict while respecting the differences they might be experiencing, raise young people to have respect for each other, raise young people so that they have an education to get a job, whether it's an apprenticeship job or a college education or a university education.

And while we're doing that, we want neighbourhoods to be safe, which is why we invest in housing in neighbourhoods, which is why we invest in recreation and which is why we invest in police officers.

And let's not forget they wanted to cut half a billion dollars out of the—

**Mr. Speaker:** Order.

#### **Correctional Services Prisoner Release Errors**

**Mr. Hugh McFadyen (Leader of the Official Opposition):** Well, Mr. Speaker, I—nobody has a problem with the Premier wanting to fight against people having hurt feelings, but we also want a premier who's going to fight against violent criminals in this province.

And the fact is—the fact is, Mr. Speaker, the fact is that in 2010—in 2010, the—this government accidentally released nine prisoners from provincial jails, in all of 2010. In the first four months of 2011 alone, the minister has now acknowledged that they have accidentally released five prisoners over the past four months. That came up in Estimates the other day.

I want to ask the Premier: After they made the promise that they would address the problem last year after nine people were accidentally released for the whole year, why are things getting worse? Why have they accidentally released five prisoners in the first four months of this year when they promised last year that they would address it?

**Hon. Greg Selinger (Premier):** Mr. Speaker, an erroneous release of somebody from the corrections system does pose a serious potential risk to the community, which is exactly why the Minister of Justice (Mr. Swan), in his Estimates made it crystal clear that he's doing a complete review of what happened in these circumstances, and he is doing that

because he wants to ensure that there is proper enforcement of anybody that's been put behind bars for a crime. He wants to ensure that they serve that time appropriately and when they are released to the community, they are released in such a way that they have the programs and supports which will help them reintegrate into society successfully without doing harm to people or property.

That's why he's initiated that review. That's why that review will bury—burrow down to find out exactly what has happened in those circumstances, and that is why there has been a very vigilant research and active activity to bring those people back into the criminal justice system of which I understand four have been returned to the system. No wrongful release is acceptable and that is why we'll go after those.

**Mr. McFadyen:** Mr. Speaker, the problem is that they said the very same thing last year. They said last year they would review the situation. What Manitobans need is action from this government to do something about it.

As of the first four months of this year, they're on track now to release 15 prisoners over this year. That's a jump of two-thirds over where they were last year.

Mr. Speaker, the problem is getting worse, not better, the longer this tired NDP government remains in office. Will he today acknowledge that all the studies that they're undertaking are an admission of failure? Will they take action to get results for Manitobans?

**Mr. Selinger:** Not only will we take action, we are taking action right now as we speak.

There are 177 more corrections officers in our system as a result of this budget. Members opposite voted against this budget. They did not want more corrections officers.

We made a commitment to staffing up our corrections facilities with properly trained corrections officers, and they voted against it.

We made a commitment to having more police officers on the street keeping public safety in our streets. They voted against it.

We made a commitment to having more prosecutors. They voted against it.

We made a commitment to having more investments in education and, in particular, to ensure

young people stay in school to 18 and have opportunities to learn and then earn, not be in the streets, and they voted against it.

**Mr. Speaker:** The honourable member—

**An Honourable Member:** You know, Mr. Speaker, when Manitobans—

**Mr. Speaker:** Order. Would members please wait till I recognize them because—[interjection] Order. There's a reason for that. It's because until I recognize you your mike is not on, and you will not be recorded to be put into *Hansard*, and I think it's very important.

### Correctional Services Prisoner Release Errors

**Mr. Kelvin Goertzen (Steinbach):** Mr. Speaker, when Manitobans think about prisoners escaping from jail, they probably think about people digging tunnels or jumping over fences. Not in Manitoba. All they have to do—you know, they have a far better chance of the Minister of Justice opening the door and letting them out of prison than if they had ever tried to escape. You know, why climb over a fence when the Attorney General might just open the door and let you out?

It's the same Attorney General who last year said, oh, we're going to look into the problem and we're going to take care of it. Why is it the more that he dedicates himself to looking into the problem, the worse things get?

\* (14:00)

**Hon. Andrew Swan (Minister of Justice and Attorney General):** Well, I'm very sorry, Mr. Speaker, the member for Steinbach, in his usual way, wants to put blame on the people who work in our court system, wants to put blame on the people who work in our corrections system.

Accidental releases are serious matters and that's why every time an accidental release occurs, two things happen. First of all, our police are notified as soon as possible, and I'm very pleased that each time it has happened in Manitoba, the person is apprehended. As the Premier (Mr. Selinger) has indicated, there was five of these releases this year. Four are back in custody. There is one individual—we learned of the release on April 18th and we are hopeful that police will deal with the situation.

There was an internal process that's done to make sure that each time one of this happens, our

court staff and our correction staff do what they can, and I will talk in a minute about the external process that I've ordered my department to conduct.

**Mr. Goertzen:** Mr. Speaker, this is a minister who last year blamed this problem on his staff. He said he was going to review it and take decisive action, and what happened? Well, since then we've had five accidental releases just in this four months alone. We have one of the individuals who's still on the loose, as the minister acknowledges today. There was no public notification about the individual who's been on the loose for the last couple of weeks, and now there's another desperate attempt to blame somebody else and to deflect attention.

He says there's going to be an external review. Well, he had a review last year and the problem just got worse. The problem isn't with his staff. The problem is with this minister. Why doesn't he do his job and fix the problem, Mr. Speaker?

**Mr. Swan:** You know, I know the member for Steinbach is very handy with his google searches, but I would think from some of his comments he's never spoken to anybody in another province.

This is a concern not just in Manitoba, but it is indeed a challenge for correctional systems across the country. Having said that, we do take this issue very seriously and that's why I've directed my department to have an external review conducted, to have an individual come in from another province to take a look to see if there are things that can be done, if there are processes that can be improved to make sure that these unfortunate accidental releases do not happen.

We know there's a number of things involved with building safer communities here in Manitoba. We believe that investing in our system is important. I know the member for Steinbach and all his Conservative colleagues don't. I know they wanted to cut \$500 million out of the budget. That would have meant fewer correctional officers, fewer police, fewer Crown attorneys. They have no answers on this, Mr. Speaker.

**Mr. Goertzen:** Mr. Speaker, what we need is fewer excuses.

This isn't exactly, you know—this isn't exactly escape from Alcatraz. The Minister of Justice is letting them out. He's opening the doors and simply letting them out. More and more, each and every year, are just walking out of the prison, and, yet, you know, he blames his staff, he blames the RCMP, and

says, oh, they didn't do the notification. Now he's going to go outside the province and blame somebody else.

But, Mr. Speaker, he's been appointed to a job. I don't think he's doing the job particularly well, but he still has a job to do. Stop blaming everybody else. Stop letting prisoners out of prison who shouldn't be released. When, Mr. Minister, will you do your job?

**Mr. Speaker:** Order. I remind honourable members that questions and answers should not be personalized. They should be always put through the Speaker.

The honourable Attorney General has the floor.

**Mr. Swan:** And building safer communities, of course, requires three things. It requires support for law enforcement; it requires the proper laws and policies in place; and it requires crime prevention.

And let's talk about the different approaches of the folks sitting opposite. Of course, we believe in stronger policing—*[interjection]* I hear the member for Russell (Mr. Derkach) chattering away. The member for Russell who's been in this House for a very long time has voted against every single police officer that we've added in our budgets year after year after year, the member for Russell, the member for Steinbach, who voted against 100 more police officers.

The member for Russell and the member for Steinbach and all the others have voted against every single Crown attorney that's been added in this province since 1999. They do not believe in supporting police. They don't believe in supporting Crown attorneys.

In terms of laws, Manitoba has been the strongest province in terms of calling on meaningful measures by the federal government and we will continue to a balanced, effective approach on fighting crime.

#### **Ambulance Services Patient Off-Load Wait Times**

**Mrs. Myrna Driedger (Charleswood):** Mr. Speaker, yesterday this House heard how the NDP's broken promise to end hallway medicine is creating a new problem, parking lot medicine. Over a five-month period, ambulances were stuck at Winnipeg ERs for over 15,000 hours waiting to off-load patients.

In fact, Mr. Speaker, off-load times have doubled under this NDP government from 28 minutes a decade ago to over 67 minutes today. They've doubled.

Yesterday, the Minister of Health said that she was working on a plan to reduce those waits. I'd like to ask the Minister of Health to tell us: What is her plan? When can we expect to see results or is this going to be another broken NDP promise on their pile?

**Hon. Theresa Oswald (Minister of Health):** And we've been very clear on our plan for health care: more doctors, 405 net new doctors, Mr. Speaker, since 1999, a net increase every single year, which is in stark contrast to a net decrease for virtually every year in the 1990s, with a record-breaking year in 1996 with a net loss of 75.

Our plan has been clear to Manitobans, with more nurses, Mr. Speaker, over 2,500 more nurses to the front line. For every single one of the ones that they fired, we've hired two and a half back.

Our plan has been very clear to Manitobans, that we're going to build capital infrastructure, over 100 renovated, rebuilt or built-from-new facilities in all areas of the province.

We've been very clear with Manitobans. What we haven't said to them, like the Leader of the Opposition (Mr. McFadyen), is that health would not be our priority.

**Mrs. Driedger:** Mr. Speaker, once again we hear more desperation from this tired government running away from its broken promises.

Mr. Speaker, in today's *Winnipeg Free Press*, the Minister of Health is quoted as saying: "You know, 911 and the ambulances don't go through a long rigamarole saying, 'What? You have shampoo in your eyes?' They go."

Does the Minister of Health really think that ambulances spent 15,000 hours stuck at ERs because patients have shampoo in their eyes?

**Ms. Oswald:** Not at all.

What I can say to the members is that—you know, memory can be a very interesting thing, Mr. Speaker. The member opposite suggests in the beginning of her question that nothing has changed. And what I can say—in some limited research, I looked at a few headlines: January 1997:

"Ambulance staff search for beds: Emergency ward halls filled with people on cots"; March 1999: "Left begging for beds: Tories renege on pledge to end overcrowding", written by one Tom Brodbeck; "Manitoba ERs in critical condition: Nurses desperate for some relief"; "Forum hears of emergency room overload", March 28th, 1998, "Last days of a loved one lived in the hallway"; March 21, 1999: "ER patients still in bedless limbo: 'Enough,' says St. B.: Hospital fears losing accreditation—

**Mr. Speaker:** Order.

**Mrs. Driedger:** Mr. Speaker, would this Minister of Health put aside her desperate personal attacks and clarify her position on this issue?

Mr. Speaker, I would like to ask the Minister of Health: Is this problem caused because her government broke her promise to end hallway medicine or because the government has created more bureaucracy that is strangling front-line health-care professionals, or is this problem caused because patients have shampoo in their eyes?

**Ms. Oswald:** Mr. Speaker, I'll say the same as I said yesterday. Working with our doctors and our nurses and our paramedics to reduce off-load times is, of course, a priority. We continue to work on that. We know, absolutely, that when you make investments in health care, you can make significant differences.

Members opposite don't like us to make mention of the fact that when numbers of patients in hallways in emergency rooms were counted in '98-99, across the system the average number was 34, Mr. Speaker. Today, when they are counted exactly the same way, which the member neglects to mention, the numbers are—[interjection] Oh, I seem to have hit a nerve, it would seem—I can tell you that the number is one or two.

I didn't get a chance to finish before, Mr. Speaker. Here we go: 1999, January 12th: "Filmon tours ERs on a dare". There's a very fetching picture, as well, of the member from Charleswood.

\* (14:10)

### Education System

#### Standardized Report Cards Consultations

**Mr. Cliff Cullen (Turtle Mountain):** Well, Mr. Speaker, it was with great fanfare last fall that the Premier (Mr. Selinger) announced a standardized report card for Manitoba students.

Can the minister describe why it was necessary to create a province-wide report card and what problems this new report card is intended to correct?

**Hon. Nancy Allan (Minister of Education):** Well, Mr. Speaker, and I'm absolutely delighted to have a question from the opposition about education because they've been totally silent—totally silent—on education.

First of all, Mr. Speaker, I would like to correct the member opposite. We did not announce a standardized report card. The field in Manitoba does not appreciate the fact that the new report card might have that terminology. It's called a common report card because, of course—

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

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

**Mr. Speaker:** Order. Let's have some decorum, please. We still have 15 minutes to go here. Let's have some decorum.

**Mr. Cullen:** Well, Mr. Speaker, and I hope we're not inconveniencing the minister too much by asking questions.

Mr. Speaker, the Manitoba Association of Parent Councils has stated that every effort should be made to ensure that all reporting to parents is done in a clear manner or method, and the association goes on to say that it is important that parents be consulted whenever significant changes are being contemplated.

Why has this minister refused to enter in a significant consultation with parents before bringing forward this province-wide report card?

**Ms. Allan:** Well, Mr. Speaker, I'm very pleased to announce and inform the members opposite that we have an oversight committee, and the oversight committee is working very hard, and we are working with all of our education partners in regards to the new common report card.

They are doing an incredible job on this. This is a monumental task. This has never, ever been done before in the province of Manitoba, having a common report card for 37 school divisions as well as the DSFM. We're working very hard.

I'd like to thank the stakeholders that are working on this, and I'd like to thank the Manitoba Association of Parent Councils that are on the oversight committee.

**Mr. Cullen:** Well, Mr. Speaker, the reality is there's a lot of frustration out there with the minister's plan. In fact, I'm going to quote a retired teacher who's also now a school trustee. Ed Hume believes the process used by the minister is pathetic. He also states that parents aren't being consulted.

Now, other trustees have publicly stated they are concerned with the heavy-handed means in which the standardized report cards are being forced upon them.

I'm going to ask the minister: Why is she refusing to enter into significant dialogue with Manitoba parents?

**Ms. Allan:** Well, Mr. Speaker, I want—just want to caution the member opposite about the remarks that he's put on the public record today because he obviously didn't have an opportunity to read the comments from the Manitoba Association of Parent Councils that were in the media in response to the comments that were made.

We are working with the Manitoba Association of Parent Councils on a report card. They are a very important stakeholder to us, as are the other bodies—education partners that are on the oversight committee. They have been working with us, and we appreciate so much—and I just had an opportunity to be told yesterday by the Manitoba Teachers' Society that this is an absolutely excellent process and it should be mirrored in regards to the other education reform we're doing.

### **Moose Population Restoration Plan**

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, Manitoba's Progressive Conservatives, along with a multitude of other stakeholders, have been raising concerns about the decimation of the moose population in certain regions of our province. The Premier (Mr. Selinger) admitted, even in March, that if the moose populations declined too much in some regions, there is a risk that their populations may not recover. That'd be a devastating consequence of this government's mismanagement of this important wildlife file.

So why has the Minister of Conservation still not announced a temporary conservation closure for certain game-hunting areas where moose populations are vulnerable? What's he waiting for?

**Hon. Bill Blaikie (Minister of Conservation):** Well, Mr. Speaker, the honourable member and his

colleagues were so concerned about the moose population that all last fall, in this Chamber, they never even raised it. So let's—we were on board laying the groundwork for a strategy to recover the moose population in the Duck Mountains and on the east side of Lake Winnipeg long before they ever raised it in this Chamber, and we're going to do it properly.

And one of the things we have to do to do it properly—and I told the honourable member this before. I said we're obligated—if we're going to have a full conservation closure pursuant to section 35 of the Constitution—to have proper consultations with Aboriginal—with the Aboriginal communities that would be affected, whose treaty rights would be affected.

That's what we're doing, so that when we do do such a thing it will be done properly. Everybody will be on board, and it will actually work to save the moose population instead of just doing something in a pre-emptory way. It won't work.

**Mr. Maguire:** Well, Mr. Speaker, in the absence of leadership from this NDP government, others are taking decisive action. The Wuskwi Sipiik First Nation has passed a resolution closing their own land to moose hunting by anyone for five years to help protect the moose.

And I'd like to table an article from the *Swan River Valley Star and Times*, Mr. Speaker, in regards to that issue. Wuskwi Sipiik's new—or land manager, Craig Stevens, stated, and I quote: "This is our way to show the Conservation Department and the people of Manitoba that, yes, we are a First Nation and, yes, this is important to us. We are willing to give up our hunting rights for this." That's the end of the quote.

Mr. Speaker, why has the minister still not announced a temporary conservation closure for these vulnerable areas? Why do others have to take the responsibility for protecting the moose?

**Mr. Blaikie:** Well, Mr. Speaker, I have had an opportunity to meet with the chief from Wuskwi Sipiik, and we welcome the kind of leadership that they have shown. But they're not the only First Nation affected, and I'm sure that they would be the first ones to say that we ought to have the proper consultation with all the other First Nations communities who are also concerned about this.

I've met with them. I've met with that community, I've met with other communities. I'll be meeting with other communities, and we will do

what needs to be done, but we will do it in a way that works.

**Mr. Maguire:** Well, Mr. Speaker, what's the minister waiting for? He's got the Wuskwi Sipiik First Nation resolution which bans hunting of vulnerable moose for five years. He has support for the use of temporary conservation closures in selected areas from hunters, outfitters, trappers and others who are concerned about the long-term health of our moose population.

Why won't the Minister of Conservation do the right thing and announce the use of a temporary conservation closure to save the decimated moose population in the—in specific areas, as these Manitobans are asking? Talking about the problem won't save the moose, but temporary conservation closures are the right move, Mr. Speaker.

**Mr. Blaikie:** Well, Mr. Speaker, the member is right, talking about it won't do it. That's all he's been doing.

We're trying to actually do something that will ultimately work to save the moose population. One band council resolution doesn't save the moose and it doesn't bring all the other communities on board. That's what we're doing.

We will do that, and we will do what needs to be done, and we started this process long before the honourable member ever got up on his feet and raised a question in this House. He was silent all last fall.

**Mr. Speaker:** The honourable member for River Heights.

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

\* (14:20)

### **Education System Regional High School Graduation Rates**

**Mr. Speaker:** Order. The honourable member for River Heights has the floor.

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, Manitobans know that high school graduation rates in Manitoba are the lowest in Canada, and this is the great shame of this NDP. We know that teachers in all school divisions do great work and the best for their students, and yet the Minister of Education knows that there are people in vulnerable communities that are adversely affected by the poor policies of her government.

When is the minister going to release graduation rate information by region that demonstrates that

she's failing students in areas that the NDP doesn't care about?

**Hon. Nancy Allan (Minister of Education):** I'm pleased to inform the member opposite that that is not true, the information he's put on the record in regards to our graduation rates.

I am pleased to inform the member, Mr. Speaker, that our graduation rates have increased by 14 per cent since we got into government in 1999. They have increased from 72.1 per cent. We just put our new grad rates on our website. He can look at that information anytime he wants.

They've increased by 14 per cent since we got into government, and we've done that work with our education partners, and they have participated in helping us find vulnerable people and providing programs and services so that they can be successful and achieve academically and participate in our economy, move on to post-secondary education and technical vocational training, Mr. Speaker.

**Mr. Gerrard:** Mr. Speaker, the think tank, the Canadian Centre for Policy Alternatives, thinks it's important to have detailed information about regional graduations, and here's what they say in their 2010 report: Only 56 per cent of youths from the lowest income neighbourhoods graduate from high school.

Perhaps the member from St. Vital doesn't want people to know that her policies are hurting residents in Point Douglas, in Burrows, in Wellington and in Minto, or, perhaps, Mr. Speaker, does the member from St. Vital not want Manitobans to know that she doesn't care about inner-Winnipeg youth?

**Ms. Allan:** But we are very, very pleased to do a great deal of work with the Winnipeg School Division and with those school divisions that have problems with vulnerable populations. In fact, the investment that we made of \$600,000 for the Student Success Initiative that has been in the last two funding announcements, that money works for schools and for school divisions by providing mentorship programs for those students that are at risk of dropping out of school.

Those are our vulnerable populations, and it's the Winnipeg School Division, which was the first school division where we piloted that project, Mr. Speaker, and he voted against it.

**Mr. Gerrard:** Mr. Speaker, I give you more information from the Centre for Policy Alternatives.

Only 29 per cent of on-reserve young adults graduate from high school. Perhaps the member for St. Vital doesn't want people to know that either.

Now we know that only about half of poor inner-Winnipeg youth graduate from high school, and the member from St. Vital isn't doing enough and doesn't care. We know that roughly two out of three Aboriginal young people living on reserve don't graduate from high school and the member from St. Vital isn't caring.

The Chamber here knows that the member for St. Vital has not adequately provided for Manitobans in Wellington, in Minto, in Point Douglas, in Burrows or in Aboriginal communities outside of Winnipeg.

Why has the minister failed the youth in such critical areas of Manitoba?

**Hon. Greg Selinger (Premier):** Mr. Speaker, I think the member has once again ignored what we did in our last budget. In our budget, every single year, we strengthen the equalization program which puts more resources into areas that lack the tax base to be able to provide equality of programming. We put more resources into Aboriginal education as part of the formula in the budget. We put more resources into special needs students as a result of the budget and we put more resources into English as an additional language.

In addition, Mr. Speaker, when it comes to dealing with on-reserve First Nations communities, our Deputy Premier (Mr. Robinson), the member from Rupertsland, has been in Ottawa as recently as two weeks ago to make the case for why they need to close the funding gap between the amount the federal government puts into First Nations schools, which is at least \$3,000 less per student. This is an issue for not only Manitoba but Saskatchewan and other provinces.

As we close that gap and as we partner with those communities—

**Mr. Speaker:** Order.

#### **Misericordia Health Centre Expansion**

**Ms. Sharon Blady (Kirkfield Park):** Mr. Speaker, it was a pleasure to be with the Minister of Health a few weeks ago at an announcement that expanded seniors' services at Grace Hospital emergency department, and I'm proud to be a part of a government that has put a priority on ensuring all

Manitobans have access to quality health care by modernizing or building hundreds of health facilities across the province.

I was wondering if the Minister of Health could please inform the House of the latest health capital developments in Manitoba and how they'll benefit our seniors.

**Hon. Theresa Oswald (Minister of Health):** Well, Mr. Speaker, it's my privilege to inform the House that we were able today to announce that construction will begin immediately on the new two-storey facility at the Misericordia Health Centre. This is a \$43-million investment which is going to house an Eye Care Centre of Excellence, a spiffy new diagnostic centre and the PRIME program that is a really important innovative day program to wrap around our seniors and our elders and support them in care. We know that the Misericordia Health Centre Foundation has been such an important partner and that everyone has worked together to bring this program forward. *[interjection]*

I hear members opposite chirping. It's interesting to note that their vision for Misericordia Health Centre was to permanently close their emergency room. Shame on them.

#### **Low-Speed Vehicles Pilot Project Government Support**

**Mr. Blaine Pedersen (Carman):** Mr. Speaker, Northland Machinery in the town of Carman continue to work towards a pilot project for low-speed vehicles, or LSVs, within the town of Carman. It seems the only hurdle remaining is this government. In spite of a multitude of press releases claiming to reduce greenhouse gases and more environmentally friendly, there is little meaningful action happening in the real world.

LSVs could be an effective way to reduce the carbon footprint; however this government seems to—content to drag their feet in approving a pilot project for the town of Carman. What is the minister waiting for?

**Hon. Dave Chomiak (Minister of Innovation, Energy and Mines):** And, Mr. Speaker, I welcome the opportunity to talk about the fact that we've been able to put into effect several hundred megawatts of wind power, which creates no greenhouse gas emissions, that were never in place before.

And we are testing, together with Mitsubishi, together with Toyota Prius, plug-in vehicles, Mr.

Speaker. We have the opportunity of testing, together with Mitsubishi and a Manitoba company called New Flyer, that's located in Winnipeg, but it is the largest bus manufacturer in North America—we are testing—in the process of testing an electric bus that could be commercialized for all of North America in addition to our low-speed vehicle testing that we're doing at the University of Winnipeg and in addition to the testing that we're doing with Western, who also manufacture electric vehicles, that have sold 5,000 in the United States.

The members could only dream about doing that during their 11 mean, lean years in office.

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

### **MEMBERS' STATEMENTS**

#### **Canadian Masters Curling Championship**

**Mr. Cliff Cullen (Turtle Mountain):** Mr. Speaker, I'd like to advise the House of the recent Canadian Masters Curling Championship hosted by the Assiniboine Memorial Curling Club March 30th to April 5th, 2011. I offer my congratulations to Curl Manitoba and the host committee.

Manitoba was very well represented at this prestigious event. Joyce McDougall and her Westman rink won the right to wear the Buffalos at the Manitoba championship in the Carman Curling Club earlier in the season. The rink consisted of Joyce McDougall, Linda Vandaele, Cheryl Orr and Karen Dunbar.

During the Canadian championships, Team Manitoba completed an unbeaten run to win the national women's title, winning eight straight games during the competition. Team Manitoba came out ahead of team BC in the championship final. These women have dedicated years to the sport, and I offer my sincere congratulations on their Canadian championship.

On the men's side, John Usackis and his team of Dave Romano, Lyle Dew and Gene Lazaruk won the Manitoba championship in Killarney.

At the Canadian championship, the Manitoba group played well and finished with the silver medal in the final game.

On a personal note, it has been a pleasure for me to have the opportunity to curl with John in the past. At 70 years of age, it is clear he still has the competitive spirit. John is a true gentleman in every respect, and I wish him all the best in the future.

\* (14:30)

Congratulations to our great representatives at the Canadian Masters Curling Championships. I ask members of the Assembly to join me in recognizing their successes.

Thank you, Mr. Speaker.

#### **Kiwanis Club of East Kildonan**

**Ms. Erna Braun (Rossmere):** Mr. Speaker, just a couple of weeks ago, the Kiwanis Club of East Kildonan held its annual fundraising dinner at the Rossmere Golf and Country Club.

It was a great event that provided the community a chance to support the valuable work of the Kiwanis Club of East Kildonan and the programs they run. This annual fundraising dinner has been held for over 30 years, and this year's sold-out event was every bit as successful as past years. The Kiwanis Club of East Kildonan has been proudly serving East Kildonan, North Kildonan, Transcona and East St. Paul since 1947.

As with all other Kiwanis Clubs around the world, the East Kildonan Chapter is a non-profit, non-denominational organization. It is a service club for men and women to help improve ways of life in their local communities and throughout the world. In total, there are seven Kiwanis Clubs in Winnipeg.

I am pleased to have President Bob Harris and his wife, Bev, and past president Joe Gilbert and his wife, Marilyn, join us today.

As with other chapters, serving others is at the heart of the Kiwanis Club of East Kildonan. Their members have taken this message to seven school clubs in the—in their area where they are teaching the students the valuable lesson of giving back through service to others. These school clubs are involved with Winnipeg Harvest, the Winnipeg Zoo and cancer fundraising.

The community involvement by these clubs has been so encouraging that current president, Mr. Bob Harris, has come to think of them as junior service clubs.

The Kiwanis Club of EK also partners with local schools to help deliver CPR training to high school students. This training is now an integral component of the physical education program for high school students, and thanks to the Kiwanis Club of EK, there is now a community flooded with people who know what to do in an emergency.

And I would be remiss not to mention another very important contribution by this chapter of Kiwanis: their support of the affordable seniors housing community called Kiwanis Homes of East Kildonan.

Mr. Speaker, I would like to congratulate all members of the Kiwanis Club of East Kildonan on another successful annual fundraising dinner. Thank you to you and all your club members for all you do in partnership with local schools and students. Our students and communities are better because of your continued involvement.

Thank you, Mr. Speaker.

#### **Karen Davis**

**Mr. Stuart Briese (Ste. Rose):** Mr. Speaker, today I would like to take the opportunity to recognize an outstanding member of the Ste. Rose constituency, Karen Davis.

Ms. Davis was recently recognized with a YMCA Women of Distinction Award in Brandon for her contributions to her community. Ms. Davis was instrumental in bringing the Dolly Parton Imagination Library to Manitoba.

Each month, the Imagination Library provides children under the age of five with books. Twenty-four communities of Manitoba, including seven First Nations, are now part of this program. Ms. Davis hopes that the program will continue to expand to more communities throughout the province. The books in the Imagination Library are carefully selected by early childhood development and literacy experts to ensure that the contents are appropriate.

In First Nations communities, the books are also selected to promote culture and tradition. The Imagination Library is an initiative through the Dollywood Foundation. The program provides free age-appropriate books to children under five each month.

The program began in '96 and has been running in Canada since 2006. Since the program began, the Imagination Library has provided 33 million books to children in the United States, Canada and the UK. Imagination Library is a cause that is close to Ms. Davis's heart. She has a strong belief in the power of literacy and, as a single mother who grew up in Ebb and Flow First Nation, she knows the benefits this program can bring to parents and children.

Throughout her career, Ms. Davis has focused on early childhood development and families. She has had positions with the Winnipeg Ma Mawi Wi Chi Itata Centre, the Selkirk Growing Years Family Resource Centre and the Swan Valley School Division. Currently, she is the Brighter Futures coordinator for the West Regional Tribal Health Department.

At the Women of Distinction Award dinner, Ms. Davis was praised for her hard work, encouraging spirit and perseverance in making the Imagination Library a success.

Congratulations to Ms. Davis on her recognition as one of the 2011 YMCA Women of Distinction. Her hard work is bringing literacy to young children of Manitoba are certainly worthy—and she is certainly worthy of this award.

I look forward to hearing of the continued growth of the Imagination Library program in Manitoba.

Thank you, Mr. Speaker.

#### **Assiniboia Community Appreciation Night**

**Hon. Jim Rondeau (Minister of Healthy Living, Youth and Seniors):** Mr. Speaker, I'm pleased to continue to represent the constituency of Assiniboia, a community rich in volunteerism and vitality.

On April 27th I had the chance to celebrate our dedicated volunteers for—at the 10th Annual Assiniboia Community Appreciation Night. These are people who work with many organizations, put their time and energy towards helping others and make our community a better place to live.

Mr. Speaker, this year, the 100 volunteers celebrated in style at the Heritage Victoria Community Centre. We enjoyed delicious German catering by Gasthaus Gutenberg and, additionally, everyone received a gift to honour their volunteer work.

Many of the volunteers have spent countless hours and even years contributing their time and talents to organizations such as the Grace Hospital; youth organizations like Scouting and Girl Guides; seniors organizations, including the St. James 55+ centre, the—and MSOS; as well as service clubs, schools, sports organizations and others. There's a niche for—to fit every person's ability to give, and the volunteers came from a wide swath of organizations serving our community.

Thank you to the businesses and the community people who—for continuing to sponsor the evening and making it, indeed, very special.

Most of all, I'd like to thank the volunteers themselves. Thousands of people's lives are better for your work. And saying thank you only nicks the surface of our gratitude.

Muhammad Ali has said that service to others is the rent you pay for your room on—here on Earth. Thanks for paying your rent in full.

Mr. Speaker, I would like to request that we include all the volunteers' names and the organizations that they serve in *Hansard*, and ask leave to allow that to happen.

I thank all the people involved in this organization, and I thank all the volunteers across Manitoba who truly make our province a special place to live. Thank you.

**Mr. Speaker:** Does the honourable member have leave to add the names to *Hansard*? [*Agreed*]

*Assiniboia Community Appreciation Night - Volunteers*

*1st Crestview Scout Group: Dawn Dierickse, George Dierickse, Douglas Darr, Stephane Normandeau.*

*Assiniboia West Recreation Association: Myrna Little, Brent Mahoney, Ryan Bruce, Curtis Reeve.*

*Assiniboine Memorial Curling Club: Ron Johnson, Joan Johnson.*

*ALS Society: Murray Jordan, Margaret Jordan, Brian Head.*

*Army, Navy Air Force Unit #283: Marcel Bertouille, George Bonnefoy, Kris Thomson, Estelle Thomson.*

*Buchanan School: Lil Atamanchuk, Tracey Broughton.*

*Canadian Association of Veterans in U.N. Peacekeeping (CAVUNP): Murdoch Jardine, Linda Jardine.*

*Collège Sturgeon Heights Collegiate: Lorraine Goudie, Kim Moore.*

*Golden West Centennial Lodge: Millie Herzog, Judy Sawyer.*

*Grace Hospital: Diana Sankar, Amber McGuckin, Arleigh Pollitt.*

*Hamilton House Tenants Association: Mary Riopka, Helen Lytwenuk, Linda Mayor.*

*Hedges Middle School: Kim Zapotochny, Josiah Antonio.*

*Heritage Victoria Community Club: Tara Davidson, Sharon Groombridge, Christine Prociuk, Eric Devries.*

*Kirkfield Westwood Community Club: Randy Routledge.*

*Kiwanis Club of St. James: Carol Dalke, Harvey Dalke.*

*Lakewood School: Katherine Guttormson, Jennifer McPherson.*

*Lions Estates: Mabel Boehmer, Helen Kristalovich.*

*Manitoba Society of Seniors: Shirley Johnston, Claire Lacroix.*

*Maranatha Evangelical Free Church: Chris Martens, Walter Martens.*

*Metropolitan Kiwanis Courts: Beth Sones, George Sones.*

*Ness Middle School: Janet Nelson.*

*Extendicare Oakview Place: Nancy Bourns, Garry, Allen Drake.*

*Optimist Club of Assiniboia: Monica Ernstberger, Ken Ernstberger, Dave Fry, Catherine Fry, Kay Vezina, Don Webb, Rene Lewis, Margaret Cann.*

*Quail Ridge Residents Association: Audrey Martynyk, Marg Lee.*

*St. Charles Sharks Girls Soccer Team: Dave McNeil, Carolyn McNeil, Warren Klassen, Linda Klassen.*

*St. James Assiniboia 55+ Centre: Norma Warecki, Carol Reid, Mary Berch, Faye Boyes, Viola Mirochnick, Hillery Van der Vliet, Fred Wickenden, Carol Nicholson.*

*St. James Elderobics: Barbara Walley, Donna Stevenson.*

*St. James Rods Football Club: Sonia Adams-Dorrington, Jeremy Remillard.*

*Sturgeon District Girl Guides: Lesley Roath, Jennifer Stamper.*

*Goldwing Ambassador Program, Winnipeg Airport Authority: Camille Dessureault-Scharf, Roswitha Dessureault.*

*Winnipeg Military Family Resources Centre: Linda Pitre, Kara Kallenbach.*

*Over 55 & Retired Club - ANAF #283: Ann Korniat, Steve Korniat.*

## **Mental Health Government Record**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, this week is Mental Health Week, and it's time to draw attention to the needs of those with mental health issues and the need for change to address the failures under this government.

I quote now a letter from Mr. Ray Harris, chair of the Manitoba Interfaith Council. He writes: I'm writing to you on behalf of the Manitoba Interfaith Council. We want to express our deep concern over the plight of many mentally disordered or mentally challenged individuals who come into contact with our justice system. In a 2010 parliamentary report on the subject of mental health and addiction in the federal correctional system, the report states that 12 per cent of all males incarcerated and 21 per cent of all females incarcerated suffer from serious mental disorders upon admission to a correctional facility.

Our own contacts among the chaplaincy in Manitoba correctional facilities suggest that these numbers may, in fact, be too conservative compared to the realities that they see. So we are not speaking of isolated cases. We are speaking of hundreds of Manitobans who are placed in the wrong environment to deal with the problems and their behaviour. This situation does not serve public safety well. Neither does it contribute to safe and effective housing for such individuals.

In recent time, we've watched with great concern as an elderly man with Alzheimer's disease committed a sad and truly unfortunate act that brought about the death of another man. It appears that everyone involved in the case, including the victim's family, do not blame the perpetrator, because they know he does not have the ability to appreciate his own impulsive acts. What everyone also appears to agree upon is that this might have been prevented, were the perpetrator to have been housed in an appropriate setting in the first place. And this does not mean a prison.

Sadly, this man was also in correctional custody some time before, for threatening his wife. Again, everyone concerned with the case, the victim included, agreed that placing this man in custody was the wrong thing to do. You may appreciate that the current injustice for these people and for the public is a matter of grave concern to all faiths.

Mr. Speaker, that's the letter from Ray Harris, and I want to tell you that Liberals believe there's an

urgent need to address these issues, and to improve the lives of those with mental illnesses in Manitoba.

## ORDERS OF THE DAY GOVERNMENT BUSINESS

### House Business

**Mr. Speaker:** The honourable Government House Leader, on House business.

**Hon. Jennifer Howard (Government House Leader):** Mr. Speaker, on House business.

Would you please canvass the House to see if there's agreement for the Estimates sequence to be changed in room 254 as follows: Finance to be considered and concluded today, May 4th; Culture, Heritage and Tourism to be considered on Thursday, May 5th; Healthy Living, Youth and Seniors to be considered on Friday, May 6th; and Health to be considered starting on Monday, May 9th.

\* (14:40)

And for the information of the House, I'm pleased to table a revised Estimates sequence order that reflects these agreed changes.

**Mr. Speaker:** Is there agreement for the Estimates sequence to be changed in room 254 is as follows: Finance to be considered and concluded today on May 4th; Culture, Heritage and Tourism to be considered on Thursday, May the 5th; Healthy Living, Youth and Seniors to be considered on Friday, May 6th; and Health to be considered on Monday, May the 9th?

Is there agreement? [*Agreed*]

Okay, and also, the revised Estimates sequence order that reflects these changes has been tabled or will be tabled. [*interjection*] It has been tabled, okay.

The honourable Government House Leader, on further House business.

**Ms. Howard:** Yes, Mr. Speaker, on further House business, 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're also ready to move into the Committee of Supply.

**Mr. Speaker:** Okay, for the information of the House, that the three committees for Committee of Supply in the three rooms will be also undertaken on Friday. Okay. You have a problem?

The honourable Government House Leader, on House business.

**Ms. Howard:** Yes, Mr. Speaker, on House business.

I just want to clarify that Estimates in room 254, Finance, will be considered today. It may not be concluded today; it may run into tomorrow. Following that will be Culture, Heritage and Tourism, then Healthy Living, Youth and Seniors and then Health.

**Mr. Speaker:** For clarification of the House, Finance that is in room 254 might not conclude today. But once it concluded—once it's concluded, will be followed by Culture, Heritage, Tourism. Once that concludes then it will be followed by Healthy Living, Youth and Seniors. Once that concluded, then we will move into the Estimates of Health. Okay.

But also to remind members that the three Committees of Supply will be meeting on Friday. Okay.

And so now we will move into Committee of Supply. And in the Chamber will be Family Services and Consumer Affairs; room 255 will be Conservation; and room 254 will be Finance.

Would the respective Chairs that are chairing these committees, go to the rooms that they will be chairing please.

## COMMITTEE OF SUPPLY (Concurrent Sections)

### FINANCE

\* (14:50)

**Mr. Chairperson (Mohinder Saran):** Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Finance.

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

**Mr. Cliff Graydon (Emerson):** My question to the minister relates to the Agriculture and Rural Initiatives on page 5 and its core government has a budget of \$228,299, but the consolidated impacts is 200,883 million. Could the minister explain what that 201 million is for?

**Hon. Rosann Wowchuk (Minister of Finance):** Mr. Chairman, that's primarily the Agriculture Credit Corporation, the insurance program, Food Development Centre, under all of those we would

have The Farm Machinery and Equipment Act, the Food Development Centre, the Manitoba Horse Racing Commission, the Agricultural Services Corporation and the vets science scholarship fund.

**Mr. Graydon:** You've raised a good point. The Horse Racing Commission, how much money is there involved in that, Madam Minister?

**Ms. Wowchuk:** Mr. Chairman, I can give the general divisions where the money is going. But I would encourage the member to take that specific question to the Estimates for Agriculture, Food and Rural Initiatives, and they will have more detail than we have here.

**Mr. Graydon:** Thank you for that, Madam Minister, and I will take your advice and take it to the Minister responsible for Agriculture and Rural Initiative. However, can the minister indicate then that I will get an answer there, or would I get an answer from the Minister responsible for Lotteries?

**Ms. Wowchuk:** I would ask if—indicate that I believe you would be able to get an answer from the Minister of Agriculture, Food and Rural Initiatives (Mr. Struthers). I believe they will be able to answer that question. And I'll endeavour to get the number for the member for tomorrow's Estimates, if I can, if I have it ahead of time, but you would be able to get more detailed information from MAFRI.

**Mr. Graydon:** I thank you for that, Madam Minister, and I will take you up on that. I will question the Minister of MAFRI, but at the same time, if you could endeavour to get the numbers for me, I'd really appreciate it because I'm pretty sure that some of it comes under Lotteries and we don't have an opportunity to question that minister. There's a limited amount that would go to—go through MAFRI, and I think that's capped at \$450,000. So it would be significantly more than that that, I believe, would go through Lotteries. So, if the minister would get me those numbers, I would really appreciate that. Thank you.

**Ms. Wowchuk:** And I will endeavour to get that answer.

But, if the member is finished asking his questions, I have some information that I'd like to put on the record for my critic who asked a few questions the other day, and I said I would get the answers. And the question was: could I provide the names of staff who were transferred, staff who resigned and staff who—that retired in the past year. And I can indicate to the member that departmental

staff has advised that releasing the specific names of individuals in relation to their employment history—in this case, transfers, retirements and resignations—runs contrary to The Freedom of Information and Protection of Privacy Act. The department view is that employment history—this is—as employment history, and therefore the names cannot be released. But I can provide general information to the member.

With regard to transfers, there was nine lateral transfers, one of which came from Manitoba Justice, one of which went to Manitoba Justice temporarily and then returned to Finance, and one of which went to the Civil Service Commission temporarily and then returned to Finance. These lateral transfers represented the following staff categories: in administrative support there was three; in professional-technical area there was six. And these transfers occurred from three different divisions of the department.

With regard to resignations, there was eight resignations. And there was two in administration, five professional-technical and one managerial. And this occurred in four different divisions of the department.

In retirement, there was fifteen retirements. These retirements represent the following staff categories: administration support, seven; professional-technical, three; managerial, three. And these retirements occurred in four different divisions of the department.

The member also asked the question about any travel by the Premier (Mr. Selinger) that was paid for Finance. And, yes, there was. There are—there were instances in the past year where the Premier's travel was paid for by the Manitoba Finance. In general, when the Premier's involvement is in support of the department's programming, then the department will fund the travel. The department's Federal-Provincial branch is a good example of the program where the Premier's involvement is beneficial.

And the trips that the Premier took that were paid for by Finance are available on the website, but if the member would like me to read those into the record, I can. Otherwise, if she could, she would be able to find them on the website.

**Mrs. Heather Stefanson (Tuxedo):** That's fine; thank you very much for that. If it's on the website, then we can endeavour to pull that off there. That's fine.

I'd like to—I'm wondering if the minister can explain what the Province's long-term debt management and reduction strategy is.

\*(15:00)

**Ms. Wowchuk:** Mr. Chairman, I have indicated to the member previously that we made a decision that we would run deficits. And, if she would look at our five-year plan, we have put in that five-year plan how it is that we intend to address those shortfalls, and that we will be making payments. In fact, this year our debt servicing—payments on debt is about equivalent—it's around \$345 million, about equivalent to the deficit that we're projecting for this year.

**Mrs. Stefanson:** Is the member—is the minister—\$345 million for the debt-servicing costs? Is that what she is projecting for this upcoming year?

**Ms. Wowchuk:** What I indicated to the member was that we are running a deficit this year of \$345 million and we are also—we are making payments on the debt, but on the overall debt management we have—we are—our government has contributed almost a billion dollars to debt retirement since 1999, for both general purpose debt and for pension obligations.

So we have taken steps to pay down the debt. We have taken a significant step to address unfunded pension liabilities for the Civil Service Superannuation Fund and the teachers' retirement fund where we borrowed funds that would be invested by the two pension plans on behalf of the Province, and in—Budget 2011 includes a further addition of \$250 million for the Superannuation Fund. So those are the steps that we are taking.

We have been paying down the debt, but we have also been making investments. And it is those investments that we have made in infrastructure and front-line services that has kept Manitoba's economy going, and as the economy improves, we will make additional payments. But we did make a decision when the recession hit us, and that's when we put in place our five-year plan that would allow us to run a deficit, and then come back into balance, and then continue on with the payments to the deficit that are required under balanced budget legislation. But as—along with running a deficit we are continuing to make payments to offset some of the costs and the results of the—of running a deficit.

**Mrs. Stefanson:** Sorry. The member mentioned that the payments to the deficit—I think she means payment to the debt. Is that correct?

**Ms. Wowchuk:** Indeed, if I mixed the words up—I said we were running a deficit but we were making payments to the debt.

**Mrs. Stefanson:** Thank you for that, and I guess one of the things that we have concern with, and we've talked about this before, is the fact that since this government came to office, the debt of the Province has increased significantly. There was a debt management strategy under the previous government to reduce the debt over the long term and that—the debt reduction—there doesn't seem to be a plan in place with this government to actually see the debt reduced. It's, in fact, on the rise, and the more you're running deficits, it's going to continue to rise even more.

My question is not how much, you know, you've paid down the debt in the past because, you know—and the member mentions that a billion dollars has gone towards paying down the debt. Well, in fact, the debt is—has continued to rise every year since this government came into power and it's out of control.

And I know the previous government, again, did have a debt management and reduction strategy over—I believe it was 30 years at the time. Is there any kind of a strategy to reduce the debt over the long term, and, if so, what is that? Is there any kind of a commitment to reduce it by a percentage, reduce it to a specific number, and by what time?

**Ms. Wowchuk:** Yes, Mr. Chairman, there is a plan. And when we put our—in place—our five-year plan, our five-year plan incorporates a legislative requirement to dedicate at least \$600 million of the balance of the fiscal stabilization plan to amortization of increases in the general purpose debt, including related interest expenses that are attributed to negative net results incurred during the period of economic recovery. In 2010-11, existing funds in the debts—or retirement account were withdrawn to pay \$145 million to the debt, and \$90 million of the debt was repaid with the withdrawal from stabilization fund. Budget 2011 includes a further debt payment from the stabilization fund of \$110 million, for a total payment of \$345 million.

With the return to surplus position in Budget 2014, scheduled debt payments for general purpose debt from current resources will resume.

So the member says, is there a plan? Yes, there is a plan. We put in place the five-year plan in order to keep—to protect those front-line services, in order

to make investment in stimulus, in order to build up our assets.

And the member talks about the debt, but she does not acknowledge that the assets in this province have grown dramatically. And, if you look at the debt-to-GDP ratio, our debt-to-GDP ratio is better than it was in the '90s. In fact, right now it's 26.2 per cent, down from a high of 32.9 per cent in 1999.

So we continue, and we—to the member's specific question: absolutely, we do have a plan, and we spelled out that plan when we put in place our five-year plan.

**Mrs. Stefanson:** Well, in Saskatchewan, I know that their debt-to-GDP ratio is about 6.8 per cent. So when the minister is talking about 26 per cent, 26.2 per cent, that's significantly higher than our neighbours to the west of us. And they're talking, and they have a long-term forecast in terms of—and, actually, more of a short-term forecast—that their GDP—their debt-to-GDP ratio will go down to 4.9 per cent by 2014.

What is the projection—what is the projected debt-to-GDP ratio for Manitoba over the course of the next five years?

**Ms. Wowchuk:** Mr. Chairman, it is anticipated that it'll stay very close to what it is right now. There are a lot of variables that come into consideration. It depends on what our growth is, but it is projected that debt-to-GDP ratio will be lower than it was in the '90s, when it was over 30 per cent. And, well, some say somewhere fairly close to the range that it is in right now, around 26 per cent, and then slowly drop off after that.

**Mrs. Stefanson:** So is there—are there targets? I know in Saskatchewan, for example, they've set a target to reach: 5.9 per cent by 2014.

Are there specific targets to reduce this over the next five years?

**Ms. Wowchuk:** Well, I think you could look at our record. We took significant steps to reduce the debt-to-GDP. Where it was well over 30 per cent in the '90s, we've reduced that now to 26.2 per cent, and we anticipate that it—as I indicated in my last question—it'll stay at about that level and then start to decline in a couple of years out. However, it will depend on how the economy grows. It'll depend on how—what kind of investments are made in this province. So it—there are a lot of variables.

\* (15:10)

But the projections that we have is that at—for the moment, it will stay very close to where it is now and, then, about when we come back into balance, it should decline further.

And, again, I would remind the member that this is well below the number that it was in the '90s when our debt-to-GDP was well over 30 per cent.

**Mrs. Stefanson:** The projected debt for—in the budget is at about \$25.1 billion. Is that correct?

**Ms. Wowchuk:** When we look at these numbers, this is the total borrowing and the total borrowing does not—these numbers are not an accurate measure of government's debt, as net debt is.

Borrowings are on a summary basis and do not take into account any offsets in financial assets. It also—this does—and Crown corporation debt is included in this, but, Crown corporations debt is self-sustaining.

So although it is included in the number, it is—they come from other sources. And that would be—for example, Manitoba Hydro's alone is \$8.9 billion and that is self-financing—self-sustaining debt.

**Mrs. Stefanson:** But the summary debt, which includes Manitoba Hydro, general government programs, general government programs, pension liabilities, Crown organizations, health facilities, et cetera, et cetera, that total is \$25.1 billion, is it not? Is that not the summary debt?

**Ms. Wowchuk:** No, that's not the summary debt. That is the net borrowing. I believe—[interjection]

If we go down the page and we see summary net debt, that's 14.8.

**Mrs. Stefanson:** Right. Okay, well, we're not going to get into—I'm not going to go there.

But could the minister actually indicate when the last government bond offering was and how much was it?

**Ms. Wowchuk:** The last one that was issued was on April 19th for \$750 million US, and it was issued for a three-year term.

**Mrs. Stefanson:** What was the rate on that?

**Ms. Wowchuk:** 1.375 US.

**Mrs. Stefanson:** And how—what other—is it possible to get a schedule of all of the debt offerings for the past year, including—sorry, I'll just specify—including

how much was raised, what the terms were and what the rates were, and whether or not they were US or Canadian or which treasury?

**Ms. Wowchuk:** I will endeavour to have staff prepare a list of all the borrowings and the details and provide them for the member.

**Mrs. Stefanson:** I appreciate that. And, I'm just wondering how much—like, what the total was for all offerings in the last year.

**Ms. Wowchuk:** Mr. Chair, \$3.547 billion.

**Mrs. Stefanson:** And what—how much is coming due in terms of monies maturing this year? What would the total amount be of government bond issues coming due this year?

**Ms. Wowchuk:** The amount that is maturing this year is \$1.9583 billion that will be—have to be refinanced this year.

**Mrs. Stefanson:** And how much is anticipated to be in new borrowings for this year?

**Ms. Wowchuk:** The borrowing requirement for this year is \$3.8 billion. But, of that, just under \$2 billion is refinancing.

**Mrs. Stefanson:** So the 1.958 is the refinancing and the rest is new borrowings. Is that correct?

**Ms. Wowchuk:** That's correct. Just one minute here. Yes, that's correct.

**Mrs. Stefanson:** Just in the last—is there—there is a current bond syndicate, I believe, does that—does it change in terms of who the lead is on the government bond syndicate from offering to offering or how does that whole process work?

**Ms. Wowchuk:** The four representatives that can have the opportunity to lead on these offerings are—in Canada—are CIBC, RBC, BMO and TD, and we rotate with them so they all have the opportunity, over time, to do the lead on the offering.

\* (15:20)

**Mrs. Stefanson:** And is that—does that change from offering to offering or does it change based on the amounts? So they raise so much—if one offering is less than the next, is it—how does that work in terms of the rotation?

**Ms. Wowchuk:** There's a formula that's used that divides it up between the four of them, but the—whoever's in the lead gets a higher percentage than the others. But it follows a formula.

**Mrs. Stefanson:** You know, I recognize that. I'm just wondering, how does the rotation work, though? Do they each bid on the offering, and whoever comes up with the best deal, I guess, for Manitobans, do they become the lead for that, or is there some sort of a general rotation?

**Ms. Wowchuk:** The decision is based on performance, and whoever provides us with the best service and the best rates over time is the one that would end up with a lead in the offering. And it's very much based on performance and what they can offer us.

**Mrs. Stefanson:** So who was the lead in the last offering?

**Ms. Wowchuk:** The last offering was a US offering, and CIBC was the lead on it—sorry, I—the question. Was the member asking a question whether on a Canadian offering or the last offering where it was that?

**Mrs. Stefanson:** The last offering. I believe it was a US—

**Ms. Wowchuk:** CIBC and RBC were the co-leads on that offering, and then there was also HSBC and National Bank that were involved.

**Mrs. Stefanson:** What other financial institutions participate in the government syndicate?

**Ms. Wowchuk:** So in Canada we have CIBC, RBC, TD, BMO, National Bank Financial institute, Scotiabank Capital, Bank of America, Merrill Lynch, Casgrain & Company, HSBC Securites Canada, Wellington West, Canaccord capital, Laurentian Bank Securities, Desjardins Securities, Beacon Securities, Jory Capital and Richardson partnership financial.

And in the US they would be CIBC, RBC Capital Markets, HSBC, National Bank of Canada Financial, Merrill Lynch, TD Securities, Scotia Capital, BMO Capital Markets and Casgrain & Company.

**Mrs. Stefanson:** What percentage of the outstanding debt is Canadian versus US?

**Ms. Wowchuk:** The majority of our borrowing is in Canada. Our foreign borrowing is swapped back to Canada so there is no risk of foreign exchange rates. The only—the part that we have in the US is Hydro borrowing and that one has a natural hedge in US dollars because of the sales that are done in the US by Manitoba Hydro.

**Mrs. Stefanson:** Of the new—of the debt that's going to be refinanced this year, is any of that going to be US or is it—how do—how does that—how is that determined, I guess?

**Ms. Wowchuk:** There will be about 2 to 3 hundred dollars left in the US, but that will be—those US—the Hydro dollars that are hedged against sales in hydro.

**Mrs. Stefanson:** So of the overall—so is that just—there's debt that we'll be refinancing and there's going to be new debt this year, so the total, I believe it's 3.8, you mentioned.

So what is the breakdown of whether of Canadian versus US?

**Ms. Wowchuk:** The only exposure we have in the US is the 2 to 3 hundred million that we talked about that will be—which is Hydro's debt but they have US sales that will protect that, but anything else that is borrowed will be swapped back to Canadian dollars.

**Mrs. Stefanson:** Are there borrowings in other currencies outside of just Canada and US? Is there exposure to other currencies?

\* (15:30)

**Ms. Wowchuk:** We do some borrowing in Hong Kong dollars, Euros, Swiss franc and New Zealand dollars, and this is basically to diversify our borrowing and to keep our presence in those markets, but all of them are swapped back to Canadian dollars.

**Mrs. Stefanson:** And what's the strategy on that, how—within your department in terms of a decision to borrow in those currencies?

**Ms. Wowchuk:** Well, I think it's important that we diversify and we have a presence in those other markets, and it's—this is done in a strategic way so that there is—that should there be a time when you have to borrow in other markets, you can do it. We have—but we always look at opportunities that are most cost-effective, the lowest interest rates, and—but whatever is borrowed is always swapped back to Canadian dollars.

But that's basically the reason. You have to—a lot of our borrowing was brought back to—bringing it back and swapping it back to Canadian dollars made a big difference. But it is important that we keep those markets open should the need ever arise, and that's why there is small amounts—some borrowing done in each of those markets to keep our presence up.

**Mrs. Stefanson:** Is there any kind of internal policy in the department not to exceed a certain percentage of overall debt exposure into specific markets at all?

**Ms. Wowchuk:** There is a policy within our borrowing policies that there be zero foreign currency exposure and—so that's why it's all swapped back. The only exception to that is the Hydro borrowing that is done in US dollars because of their sales to the US and they're able to protect it that way.

**Mrs. Stefanson:** Just to—just wanted to get into a little bit about interest rates and we, of course, have an indication that interest rates are on the rise. The governor of the Bank of Canada has said as much and has warned of this, as well as the major financial institutions in Canada have also indicated that they believe that interest rates will be on the rise.

Can the minister indicate what will happen to the cost of servicing the debt in the event that interest rates rise?

**Ms. Wowchuk:** When we look at the assumptions that we're—that we have made, right now we are—the base assumption is that a 5 per cent rate of interest. But we are borrowing below that right now, and should the interest rates go up, there will be some increase in the amount that we have to pay. But right now we're—in three months—we're into the fourth month of the year that hasn't—on this budget we're into the second month. But, if you look at the whole year of '99, those interest rates haven't gone up. So we have room there when we look at what we've built at having interests at 5 per cent and are able—right now able to be low or below that. And we have the advantage of maturing issues that are—yes, so we have some issues that went out at a much higher interest rate, some of them at 10 per cent, some of them just under 10 per cent and those are going to be able to be refinanced at 5 per cent or lower. So there is some expensive money that's coming off for refinancing and, hopefully, we can finance those at a lesser amount.

**Mrs. Stefanson:** Right. But there's a significant amount of new borrowing requirement for this year as well. So, ultimately, are you anticipating the cost to service the debt to go up next year because of the, maybe, the refinancing you're saving on that side? But you're also—there's a cost on the financing of the new debt for next year.

**Ms. Wowchuk:** Well, we've—as I've indicated, we've budgeted to borrow at higher rates. Some of that borrowing has been coming in at a much lower rate.

And, if you will look at the budget from last year, we have the same kind of situation, where it was anticipated that interest rates would go up. And if we look at where we came out in our last year's budget, we came in lower than the actual amount that was budgeted for interest. So we budgeted 5 per cent. A good portion of our borrowing for this year is done and it's done at a lower rate than that. So there is cushion built in, should there be increase in interest rates over the next year and, as I said, we have—also have some borrowing that we're refinancing that is being refinanced at a lower rate than what it is at right now.

**Mrs. Stefanson:** Right. But I believe—and I just don't have the numbers in front of me right now—I have the cost of servicing the debt for this year at \$806 billion—or sorry, \$806 million—and that is an increase over the previous year, is it not?

\*(15:40)

**Ms. Wowchuk:** The increase in debt-servicing cost that's in the budget is more a function of the additional borrowing that we have to do, not an increase in interest rates. However, the increase—the interest is budgeted at, as I said, it's planned at 5 per cent, and we're borrowing at a much lower rate than that.

And if you look at—so, as I said, last year we forecasted at 776, we ended up coming in at 762. So what we budgeted for came in lower than we had anticipated. And there is additional debt-servicing costs here, but we are also borrowing more monies and we—so we can make those investments in stimulus, in capital. All of those things, those roads, those schools, those hospitals that everybody wants, we have to borrow money and then amortize them over time. And that's why there is an additional cost; it's investments in those people and those front-line services.

**Mrs. Stefanson:** But—and this gets back to the discussion that we had the other day where there is an increase in the cost to service the debt over last year, or you're anticipating that there will be based on the budget documents. And the more money that you're putting towards servicing the debt, the less money there is that can go towards these social programs that you are referring to.

And so that's why I'm asking what a long-term strategy is to reduce the debt because, to me, that will free up more money that can go towards those

social programs that Manitobans need, want and deserve.

So I guess what I'm getting at here is that, yes, there is again money not—not that's just that's coming due and that has to be refinanced this year, but there is a significant amount of new borrowings this year, and there was last year, and there was the year before that. And, as a matter of fact, if we go back to the beginning, the debt of the Province has had—the debt of the Province has actually almost doubled since the NDP came into power.

And my concern is that if we continue on this path without trying to develop ways, without your government trying to introduce policies to get the spending under control and to live within your means, that we are going to continue down this path that is really going to be very unfortunate for future generations in Manitoba.

So I'm asking the minister again, I guess, I think she's telling me that there is no long-term strategy to retire the debt, reduce the debt in our province and put us back on the track where it's not increasing every year, but it's actually decreasing the debt of Manitoba. At what point—and I—because I know it's not in her five-year plan, will we actually see the debt of our province start to decline as opposed to continue to increase?

**Ms. Wowchuk:** Measuring debt-to-GDP, using that ratio, is the formula for measurement that's used right across the country. And when you look at our debt-to-GDP in comparison to other jurisdictions on—for Canada as a whole, in this year it was 34.4 per cent. Ours is 26.2 per cent; Alberta is in the negative; Saskatchewan is at 6.8; BC is at 16.9. Others are much—are higher than Canada or very—in that range of Canada.

So that's the tool that is used to measure. It's the same measurement that was used in the '90s when the debt-to-GDP was much more in line with what Canada is right now.

So we have done a good job of reducing our debt-to-GDP since the time that we took office. There has to be a recognition of the tangible capital assets that are on the books. You know, we get questions all the time. When is my road going to be built? When is my hospital going to be built? When am I going to get a personal care home? When are we going to get a new school? The other day we heard about bridges. Bridges have to be rebuilt. Members opposite have asked about all of those. All

of those things are capital assets and if you look at the total value—our total value of our—the replacement value of the public assets in this province are \$37 billion. That's a lot of assets that we have and we have made a lot of investments.

So, if the member opposite is saying that we should get under control, we shouldn't make investments in hospitals, we shouldn't make investments in roads, that we should—that we have no plan, I would remind—ask her to remind her colleagues not to keep asking for those kinds of investments in their constituency.

But we have a measurable outcome for debt retirement. I've read it into the record once for the member opposite. We have said, and we made a decision, that we would make these investments in stimulus, in capital, so that we could improve the quality of life and deliver better services for Manitobans.

But there has to be a recognition of how the economy is growing in this province, how the private sector is making investments in this province, how homeowners are making investments. Our economy is growing. Our economy is growing and our debt-to-GDP is—has improved since the late '90s. And we are—there is a—we have made a choice, that we would continue to make those investments. And our debt-to-GDP remains among the third lowest in the country.

So we make sound investments; we build up our assets; and we have, as I had indicated to the member earlier, there is a debt retirement strategy. We have made contributions to debt retirement, since 1999, of a billion dollars, and we have in place plans, but, we will continue to invest to have that infrastructure and that capital that's very important to Manitobans, at the same time as doing whatever we can to build the population of this province and create an environment for business to invest in this province, which they are doing.

**Mrs. Stefanson:** Here's just a question I have, in terms of the cost of servicing the overall debt at \$806 million, what is the total debt that that is servicing? Is it—which number is it in the books in terms of, is it not—would it not be the \$25.1 billion for the provincial borrowings? Isn't that—

\* (15:50)

**Ms. Wowchuk:** The—that money would cover all debt-servicing costs except Manitoba Hydro, who does their own debt-servicing costs.

**Mrs. Stefanson:** So Manitoba Hydro is not included in the \$806 million?

**Ms. Wowchuk:** No, it is not.

**Mrs. Stefanson:** I wasn't aware of that. So what is the cost to service the debt of Manitoba Hydro?

**Ms. Wowchuk:** I don't have that number here today but I can endeavour to get the answer for Manitoba Hydro, but I can indicate that Manitoba Hydro is in the best financial position it has been for many years. It's—we'll get you the exact number, but it's somewhere around \$600 million.

**Mrs. Stefanson:** Why would that not be included in the summary budget?

**Ms. Wowchuk:** Manitoba Hydro gets consolidated into the summary budget on its net income. That's the number that comes in. The rest of their finances are done at Manitoba Hydro, and that's why they put out their own reports, but they come in just on their net.

**Mrs. Stefanson:** Is that—is—are there any other Crown corporations or—that operate this way as well, do you—or is their summary cost of servicing the debt included in the \$806 million?

**Ms. Wowchuk:** The others that get consolidated in the same way are Lotteries, Liquor, MPI and Workers Comp, but we don't have borrowings for them. The only ones we have borrowings for is Manitoba Hydro, and so they all come in with their net income but—and their borrowings aren't—but their borrowings are not included in government borrowings because we don't borrow for them. We borrow for Manitoba Hydro but they do their own—I'm told that we borrow a very small part for Lotteries, but the balance is—they do their own.

**Mrs. Stefanson:** So basically the Crown corporations are separate. They report their own cost of servicing the debt on their own, in their own financial statements. Is that correct?

**Ms. Wowchuk:** That's correct, but they would only come in on their net income on the summary budget.

**Mrs. Stefanson:** But this is—all the other reporting entities would be included in here?

**Ms. Wowchuk:** Well, there are the five that I've mentioned that are—that come under—that would be Hydro, Lotteries, Liquor, MPI and Workers Comp that come in under the consolidated. The other ones that the member is referring to are all worked within the budget.

**Mrs. Stefanson:** So what would be the cost—oh, I guess you wouldn't have that here in terms of the cost of servicing the debt of, like, a Workers Compensation or—they don't—they don't. Yes. Yes.

**Ms. Wowchuk:** No, there is—when she talked about Workers Comp—and those people don't do their own investing, so we wouldn't have that here.

**Mrs. Stefanson:** So, in terms of Lotteries and—so Lotteries is the only one that has a small borrowing, small debt. MPI, the others—none of the other ones do or—

**Ms. Wowchuk:** So they would have their own operating debt. They would do their own investing, and then they would just show their net income on—in the summary budget.

**Mrs. Stefanson:** Is all of the debt guaranteed by the Province of Manitoba for all of those Crown corporations?

**Ms. Wowchuk:** They're all guaranteed. They're all in the name of the Manitoba government, but the only one that has any significant debt is Manitoba Hydro.

**Mrs. Stefanson:** Is there a fee that's paid by each Crown corporation to have the government guarantee that debt?

**Ms. Wowchuk:** Yes, there is a fee that's built in for the borrowing that's done on behalf of the corporations.

**Mrs. Stefanson:** There is a fee. So where does that show up in the—I guess that would be in the Estimates book. Where would that show up in the Estimates book?

**Ms. Wowchuk:** There is a line that's built into Finance that has in it all the interest that's—and charges to each of the corporations, and Manitoba Hydro's is built into that as well.

We're in the public debt, statutory, where—is where you can see—where it is built in for the various borrowings and guarantees, on page 99 of your Estimates book. And if you look at that line, you can see interest and other charges to be serviced—received from, and there's—you can see Manitoba Hydro. And then you can see the various other corporations that are listed below that.

**Mrs. Stefanson:** So is the fee based on a percentage or something? How does the fee work?

**Ms. Wowchuk:** Manitoba Hydro's is a 1 per cent cost for borrowing and administering the—their borrowings, and the others are at about a quarter of 1 per cent for—as well, cover up the—cover the costs of administration of their borrowing.

**Mrs. Stefanson:** Is that pretty standard across the country in terms of how this works for Crown corporations?

\* (16:00)

**Ms. Wowchuk:** It varies jurisdiction to jurisdiction. Québec Hydro borrows in their own name; others borrow but take a dividend from the corporation. So it varies from jurisdiction to jurisdiction.

**Mrs. Stefanson:** Okay, that's fine. I just—just back to interest rates and what have you accounted for in terms of a rise in interest rates for this year for—in your calculations in terms of, like, preparing, yes?

**Ms. Wowchuk:** There are—when we look at the borrowing that we do, there are many different rates, and it depends on the length of time for the borrowing, how long it's borrowed for. Short-term rates are going to be a lot less than some of the long-term rates, but—and when you look at it, what we've—what we're looking at is we've planned for what we've said—as we said earlier, that we're looking at a 5 per cent interest rate, but interest—but they have been coming in lower than that and if we look at the short term, there's short—there—short term is well below 5 per cent. So our goal—we are planning for a 5 per cent rate of interest, and we have been coming in below that.

**Mrs. Stefanson:** Can the minister indicate just, of the money that's coming due this year, maturing this year, what are the—what were the terms on that? Were they 10-year or 15 or do we know? Is there a range? Of—

**Ms. Wowchuk:** There is a—there's a whole range of borrowings and they—some are longer term, some are shorter term. As I indicated to the member, there are a few that are coming due this year, and some of the ones that are coming due this year were as high as 10 per—a little over 10 per cent, and we're—our plan is to refinance those at—in the 5 per cent range. There are others that are—so the—of the ones that are coming due this year, they vary from 10 per cent to—down—there's one that's maturing at 5.3 per cent. But I can't give you the length of term of those. We don't have those here, but there are—the refinancing is—the refinancing costs of what we're planning is

much lower than what the—some of them are coming off.

**Mrs. Stefanson:** Just for example, the minister mentioned that there's one coming due with a 10 per cent rate. When was that originally purchased?

**Ms. Wowchuk:** That's the information we don't have here that we will have to get for you. We have the maturing date here, but we don't have the date when it was purchased. So we will have to get back with that information.

**Mrs. Stefanson:** That would be great.

Is there a possibility that it was perhaps purchased in the 1990s?

**Ms. Wowchuk:** I wouldn't—in fact, that one that's maturing now was purchased in 1991, and that was purchased at, as I said, at 10 per cent interest rate. And it is our intent and hope to refinance that at about—in the 5 per cent range, as we have budgeted for.

**Mrs. Stefanson:** Right. So back in the 1990s when those interest rates were much higher than they are today. So that was—I—it was just interesting.

You know, I—that is all of the questioning that I have for today. My colleague for Brandon West will take over now and ask some questions of the minister. Thank you.

**Mr. Rick Borotsik (Brandon West):** Just a moment. Thank you, Madam Minister, I'm putting it forward—thank you, Mr. Clerk.

I believe we're in a global discussion here at the present time, and I know my colleague would have dealt quite satisfactorily in the financial side of it. But being that the minister is also responsible for Manitoba Hydro, I have a couple of questions, if I may, with respect to that.

And I guess the first one is a financial question that's identified in the budget books, which is water rental rates for Manitoba Hydro. Back in 1999—we go back into the '90s, if we wish, in '99 the water rental rates that were generated by—from Manitoba Hydro were approximately \$50 million. In 2011-2012, it's identified to be \$115 million, a substantial increase over a period of 10 years.

Can the minister tell me exactly where she sees these water rental rates going in the not-too-distant future, and what it is exactly that the government does with the \$115 million?

**Mr. Chairperson:** Okay. Order, please. I would like to remind all honourable members that their remarks should be kept relevant to the Manitoba whole of the committee. As our rule 75(3) states, speeches in a Committee of the Whole House must be strictly relevant to the item or clause under discussion.

Yes, I advise, I think, that this can be discussed in the Manitoba Hydro Crown corporations committee. At this point, I think it should be relevant to the finance.

**Mr. Borotsik:** Mr. Chairman, I respectfully disagree. As a matter of fact, if you look at the financials you'll notice that the question I just asked with relationship to the water rental rates is identified in the budget. It's identified as \$115 million in the 2011-2012 budget going forward. That is, in fact, a budgetarial item that should and can be discussed here.

The Minister of Finance is responsible for the finances of the Province of Manitoba. There are expenditure items within this budget document that, in fact, relate specifically to Manitoba Hydro. Those are items that are in this document, and I believe that I have the opportunity and the right to be able to debate those items with this minister with respect to any kind of an expenditure within the budget.

\* (16:10)

**Mr. Chairperson:** Yes, in that case, maybe the member can direct us to the item in the budget book so that we can look at that as well. Thank you.

**Mr. Borotsik:** Mr. Chairman, the minister has the budget book. It's quite easily identifiable under the water rental rates, and that first section of the budget where it says \$115 million is going to be charged to Manitoba Hydro by this government.

My question was simple: Where is that number going in the future, and where is that money being used within the scheme of the budget?

**Ms. Wowchuk:** If we look at the Estimates book, it comes under Water Stewardship, and that's where the power rental rates are, on page 181. And—but—Mr. Chairman, it is true that this water power rental rate falls under the Water Stewardship rentals. But I can assure the member that there has been no rate change in the rate of charging for power. It is based on the flow of water, and there is more water flowing, that's why there's an increase in rate.

But let me—just wait for a minute, because I think somebody is telling me something slightly different.

But there is no rate change. The rate change is the same as it was.

**Mr. Borotsik:** Well, yes, Mr. Chairman, I appreciate that. It's identified in the budget at \$115 million. My question was: Is there an anticipated increase in that going forward? And where does the \$115 million go? Is it simply general revenue to the government?

**Ms. Wowchuk:** It goes through inter-consolidated revenue. It goes into general revenue, that's where it goes, and it—that depends on how much water flows, how much water flows through the dams. That's what Hydro pays for and, as the member is well aware, there is plans to build additional dams. When that changes, there—I'm sure there will be additional flows. Right now, there is no change in rate that is in this budget. The change in number is based on the flows of water.

**Mr. Borotsik:** Well, yes, I'd also like a clarification at this point in time. As I said, in previous sessions of Estimates with the Minister of Finance, both with the previous Finance Minister, the current Premier (Mr. Selinger), as well as this Finance Minister, there was an ability to be able to deal with the budget in whole as opposed to just simply the Finance Department.

I recall asking questions about any numbers of different areas within the financial statement that's been put forward, the consolidated statement as well as the summary statement.

Are you saying now, Mr. Chairman, that I cannot ask any questions with respect to the budget unless it's specifically to deal with Finance?

**Ms. Wowchuk:** I would invite the member to ask the questions. I will answer them as best as I can. If there are specific questions that relate to another department, then I would advise the member to go to those department Estimates or we can endeavour to get him the answer.

But, again, the—there is—we are dealing with the expenditures of the Department of Finance and—but I will do my best to answer his questions.

**Mr. Borotsik:** Would that also be an answer the minister is prepared to put forward with respect to issues with Manitoba Hydro? She is the Minister responsible for Manitoba Hydro, and there are some questions I would like to ask from the minister who, obviously, has the answers.

**Ms. Wowchuk:** I will endeavour to answer some of those questions, but the member will know that we are negotiating a committee of public—a Crown Corporations committee that should be coming up very soon and that would be a better time to answer those questions.

We will have the CEO, Mr. Brennan, at that committee; we will have the chairman of the board; and we will have other staff who can more specifically answer questions to Manitoba Hydro. If there are some that he has that fit within what I can answer here, I will endeavour to answer them, but if they are dealing with—specifically with Hydro, that we do not have the information here, then I would suggest that the committee of Crown corporations would be the better place to deal with those.

**Mr. Borotsik:** Okay, then, I—I'll ask for a little leeway from the minister and we'll see what we can do on this. This minister does—I know she takes responsibility seriously and is responsible for identifying line items expenditures for the Province of Manitoba and has to find the money. That's the nature of the beast in the Department of Finance. When other programs are put forward, the minister is responsible to find the money to fund those programs.

As—and I would like to put forward that I—there's a program that's being anticipated at the present time, and it's through Manitoba Hydro, albeit, as we do know that Manitoba Hydro's debt is being serviced by the Province of Manitoba, there is a relationship there with the Department of Finance.

The question I have, Madam Minister, is that there is a program that's being anticipated with a new low-income energy efficiency program within the province. As I'm led to believe, this new low-income efficiency program is going to be announced in the not-too-distant future. However, there is a funding—there is a cost associated to it.

Can the minister tell me exactly what that cost may well be and where it is found in her budget on Finance?

**Ms. Wowchuk:** That number is found—it's in within Manitoba Hydro's budget. That is a Manitoba Hydro program, and there is not a number in this budget that will cover that off, I do not believe.

**Mr. Borotsik:** Therefore, obviously, you haven't had any discussions with respect to any kind of funding or any kind of financing for that new low-income

energy efficiency program? Has the minister had any discussions at all with Manitoba Hydro?

\* (16:20)

**Ms. Wowchuk:** There are programs that Manitoba Hydro offers. Manitoba Hydro offers the Power Smart program. There are various energy efficiency program that Manitoba Hydro offers. We did outline in the budget that Manitoba Hydro would be doing a training program in conjunction with the federal government for the Island Lake communities to train people and help them retrofit homes locally rather than having outside workers come in. So Hydro is working on those programs. But those programs and commitments that Manitoba Hydro makes are through the Hydro budget. They aren't identified in this budget, and, when Hydro has everything finalized, then there'll be able to be more detail on the cost of the program and what will be involved with the program. But Hydro's always working towards—and we certainly encourage working towards more energy efficiency and reducing costs for people who have homes.

**Mr. Borotsik:** I can bring this back to Finance in the budget because, quite frankly, Finance in the budget in the consolidated statement, or the summary statement that we call, identifies a contribution from Manitoba Hydro of some \$134 million in this coming year; that's in the summary budget. The net revenues from Manitoba Hydro for this coming fiscal year is budgeted for \$134 million, which is substantially less than what it has been over the previous three years, I might add. The reason I mention that is because, if Manitoba Hydro is coming forward with this new low-income energy program, I think it would be interesting for—I think the minister would be interested to know what the cost of those programs are and how that's going to reflect in the bottom line of the \$134 million. If the \$134 million is—it's less than that going forward into the final financials, then it's a bigger deficit.

So the minister, I do know, would like to control the deficit as best she can. So I go back to my question. By the way, the minister had 38 meetings with Mr. Brennan and 36 meetings with Mr. Schroeder over the last year. So I assume—correct me if I'm wrong—but I assume any of these new programs that were being anticipated would have been discussed with the minister. So my question is, do we have or have we identified a budget through Manitoba Hydro, and what would that budget be for this new low-income energy program? I'm told that

the new energy program does not have a ceiling, does not have a payback component to it, does not have a limit as to how many people can take advantage of it. So, therefore, that's kind of a blank cheque that's going to be written. Now, would the minister know if there's going to be a cost associated with this that's going to be reflected in the bottom line of Manitoba Hydro?

**Ms. Wowchuk:** The objective of the program is to reduce energy costs for people so that they are not using as much power. They're all within Manitoba Hydro. They are existing programs. All of the information on the program is online. There are programs that will—that I indicated—there's the Power Smart program that helps to address restoration and energy efficiency windows. But I also did say to the member that there is a new program that is coming on with Manitoba Hydro and the federal government and—to offer more training and to ensure that we can upgrade homes in some of the northern communities, particularly in the Island Lake community.

The member talks about the revenues from Manitoba Hydro, and, yes, Manitoba Hydro revenues are down. But that is also part of the downturn in the economy. There has been—as the member knows, we have sales to the US and that economy has been in a real slowdown. We are hopeful that that economy will turn around and then we will see that increase in revenue from—for Manitoba Hydro from those increased sales. So the member talks about how much money we are going to spend, how Hydro's going to spend on the energy efficiency program, on the low-income program, I can either get him that number or it can—when we have our Crown corporation committee, he can get more detail there. But there is a real effort being put forward by Hydro to improve energy efficiency, and there—Hydro will spend money on that, and I can get that number for him.

**Mr. Borotsik:** I do thank the minister for that. She did mention that there are other programs available. And, again, I go back to this is directly related to the revenue that is shown on the financial statement for Manitoba Hydro. And, again, I'm told that this new program doesn't have any limits to it so I don't know what the ultimate cost is going to be to Manitoba Hydro and how that's going to be reflected in the bottom line of \$134 million. However, I can ask the minister, if she has had 38 meetings with Mr. Brennan over the past year, is there a discussion as to replacing the Power Smart program with this new energy—low-income energy efficiency program that

the minister or that the Manitoba Hydro is identifying?

**Ms. Wowchuk:** I cannot tell you the exact number of meetings I had. Obviously, the minister—the member for Brandon West has gone through freedom of information and my—have—staff have provided him that we have met 38 times. I talk and I visit and I have meetings with both the chairman of the board and the CAO—CEO very often to talk about issues. And, yes, do we talk about issues like energy efficiency, how we might help low-income people raise their standard of living and have a better quality of life, how we might put in place programs that will improve the living conditions in places like Island Lakes? Yes, we do have discussions on those.

**Mr. Borotsik:** I have to admit I was prepared to deal with issues that it seems the Chairman is ruling out of order, so I'll tread very softly here, and hopefully the minister would be prepared to answer some of my questions.

The—and again, it's going to relate to Hydro, needless to say, as it relates to the financials, as identified in this budget book. There's an anticipated Hydro sale, which, again, would be reflected directly into the bottom line of Manitoba Hydro into Saskatchewan. The minister's mentioned that a number of times, and I would ask the minister right now, if she would, if she can tell me how much of the revenue that's generated that's identified in the bottom line here in this budget actually comes from Hydro sales from Saskatchewan.

**Ms. Wowchuk:** The member knows full well that the Hydro sales to Saskatchewan are quite a small amount right now. There are lines and there has been studies done, and Manitoba has worked with Saskatchewan to look at how we might improve that transmission. There is also discussion with Saskatchewan on how we might improve—meet their needs because they are going to need significant clean energy. But, with regard to the impact on the budget, the sales to Saskatchewan right now are quite small. But we hope over time to increase those to a significant amount. But they are not reflected in this budget.

**Mr. Borotsik:** The minister's absolutely correct; the sales are quite small. It's—I think the maximum is \$6 million in the last fiscal year. They've been as low as \$200,000, so there's really a lot of room for improvement.

However, there is also three transmission lines that go from Manitoba to Saskatchewan at the present time, that has a total capacity of about 105 megawatts. Can the minister tell me if that transmission is—if that transmission capacity at the present time is sufficient to expand any of those revenues that we are now currently generating from Saskatchewan?

\* (16:30)

**Ms. Wowchuk:** I would encourage the member to raise that question at the committee with Manitoba Hydro because there have been studies done. There was a study done on the lines, what the capacity of the line was and what the possibility was for additional sales and where we would have to make improvements to those lines. I do not have those costs with me, but I know that the member does not think that there is potential to sell power to Saskatchewan, but I can tell him that that potential is very real. We have established a committee. Those lines have been reviewed, and I can give him further detail when we get to the Hydro committee, when staff from Hydro will be there to be able to tell us which lines they've looked at, what kind of investment has to be made in those lines to upgrade and where the first potential is to increase sales to Saskatchewan.

**Mr. Borotsik:** Not once have I ever suggested that there wasn't more opportunity to sell power to Saskatchewan. What I'm suggesting at the present time is that current capacity is already there and developing the sales at the current capacity would be quite substantial.

Also, the transmission that's required to go into Saskatchewan is an AC transmission as opposed to a DC transmission. Therefore, if you're going to develop any other kind of transmission lines into Saskatchewan, it would have to be AC and not DC. But we'll get into that in Manitoba Hydro, and I do appreciate that.

My only comment is that's not the fact that we can't develop sales; the fact is that we can develop sales currently with the existing transmission lines that we have without having to run additional DC power down the west side. Would the minister agree with that?

**Ms. Wowchuk:** Mr. Chairman, we know that Saskatchewan—there is a huge potential for sales to Saskatchewan because Saskatchewan has many coal

plants that are—will have to be shut down very soon because of their environmental licence.

What we have talked about and what—I believe the member asked this question with—of Mr. Brennan when we were in committee, and Mr. Brennan said in committee that if there was—if we are able to negotiate a major sale to Saskatchewan, new lines would have to be built.

**Mr. Borotsik:** And I again apologize because I do know that I may be going a little bit over the boundary, but that new line would be an AC line. Is that not correct?

**Ms. Wowchuk:** You know, I'll trust the engineers. I will work—Manitoba Hydro will work—we will look to build on the relationships that we have with Saskatchewan and have built and now have a committee working on the new potential for sales. And then it will be Manitoba Hydro that will be—determine in—they determine the type of line and that will all depend where the power sale is, where Saskatchewan needs the hydro, the power. That's—those are the things. Nobody has determined where a line will be—will—where a line will be needed, but we do—we have had discussions and we know that there is opportunity for more sales to Saskatchewan.

**Mr. Borotsik:** I will get back on topic a little bit. The—in the financial documents that we have before us—and, again, I don't know if this question was asked before. I apologize. It's my first time here with the minister.

There's an anticipated or a budgeted deficit of \$510 million for the core operating for this coming budget year. There is, subtracted from that \$510 million, a transfer from the fiscal stabilization program of some \$49,500,000. Can the minister tell me why and how that amount of \$49,500,000 was come upon? There is additional dollars within the fiscal stabilization program. Why was it \$49,500,000 that was transferred to the deficit?

**Ms. Wowchuk:** Mr. Chairperson, there was—there is money that was being held in that account for health programs, and those—that money has been transferred out. There is money being held in that account for the ecoTrust; that is being used. Plus we have—we said when we put our five-year plan into place that we would use money from the stabilization fund for debt repayment and incremental debt-servicing costs.

That was the decision we made. We said when we put our five-year plan in place we would use the

stabilization fund, and that puts the—that's what the fund is for. You save money when you've got extra money, and then when you get into a tough situation, you use the fund to ensure that you can continue to maintain the programs that you want to have and—the programs that you have, and that's what we've done.

So we've decided that we would use money that the—the money that the member refers to is money that has been taken out for health-related programs that was being held there, ecoTrust money that was being held there, debt-servicing costs and money for spring flood. So those—that—those were conscious decisions that we made of how we would use the funds. We put some money away in better times; now we're using the money.

**Mr. Borotsik:** I thank the minister for explaining the rationale of the Fiscal Stabilization Fund, but I do realize what it's used for.

My question was is: why the limit of \$49.5 million? And I do know you said that there was an eco-transfer, that there was a health transfer, but the decision of government can be made to increase that. There is a balance left in the Fiscal Stabilization Fund.

I guess my question is: Why the number of \$49 million, why wasn't it higher, and what is the anticipation going forward with that Fiscal Stabilization Fund for paying off the deficit going forward over the next three years?

**Ms. Wowchuk:** I'm not—the member is asking why we used the money the way we did. Well, the money came—on the health side, the money came to us; that's where we parked the money. EcoTrust, that's where we parked the money; that's where we're using it.

We then made a decision that we would use the stabilization fund over the five years, and we put that plan in place to use so much from the stabilization fund each year to bring us back into balance. That's the decision we made.

So, if the member is asking why we aren't taking more out earlier, we put—we are following the plan that we put in place. That's what we've done.

**Mr. Borotsik:** Thank you, Madam Minister, and I do appreciate that answer. Do I take it from that that over the next four years that the fund will be completely utilized to offset the deficits that you anticipate going forward in the next four years?

**Ms. Wowchuk:** No, it will not be completely drawn down. It will be drawn down to an amount that is higher than the amount that was in the fund when we took office. So we will use the fund, but we will not draw it down completely.

You—and why will we not draw it down completely? There are—there could often be unforeseen circumstances that might arise, and for that reason we have made the decision that we will do a planned drawdown and use money each year but still leave money in the fund so that in case an unforeseen circumstance should arise, we will have money there. And at the end of this year, we will still have \$507 million in it.

**Mr. Borotsik:** Thank you, Madam Minister, and I do appreciate your answer, but there have been unforeseen circumstances to the point where you've now budgeted a \$510-million deficit. So there have been unforeseen circumstances, and you prepared to borrow the money to pay off that deficit as opposed to using a Fiscal Stabilization Fund that's there for that very purpose.

\* (16:40)

So I do appreciate your answer that you're going to remain—or have remain in that Fiscal Stabilization Fund more money than when you had taken office, but the reality is that money could and should be used to offset the debt that you're now going to incur to offset a \$510-million deficit. That could happen. Obviously, it's a decision that your ministry and your government have made just simply to have a fund remain in the Fiscal Stabilization Fund.

Madam Minister, if I can, one other area that has always intrigued me and certainly has always piqued my fiscal curiosity is the equalization payments that are received from the federal government. I notice in the—in this budget document that there's a budget for \$1,941,700,000 of fiscal—or equalization. That's substantially less than it was the previous year of 2,000. I believe it was 2,060—\$2.064 billion. Has the minister been made aware of the fact that in—that the equalization this year will, in fact, be \$1.941 billion?

**Ms. Wowchuk:** And yes, there—I can confirm to the member that the equalization payment has changed. I'm sure he knows that the federal government put some caps in place. Other jurisdictions have had some difficulty in their economy and that has resulted with people like Ontario needing more money. But every December the Finance Minister tells us how much money we're going to receive, and

so that's the number they have given us that's listed here, but there's also the health and social transfer—the health transfer, the social transfer that are in there and the—that are in the amount of money that we get from the federal government.

One of the things that the federal government said is that they would not balance their books on the backs of the provincial government, and as a result, the federal government has held us whole in the funding that they provide us, and so by keeping us whole, we have not had the decline that we anticipated that we would have.

There is some adjustment between the health transfer, the social transfer, and the equalization. One has gone down but the others have—there's some additional money and so we know what our money amount is this year, and I'm hopeful that the federal government will remain true to that word that they wouldn't balance their books on the backs of the provincial government, and when December comes again this year, and it'll come sooner than we—time'll go by very quickly, that the federal government will again maintain us at the same level as they have during the last two years.

**Mr. Borotsik:** Yes, thank you, Madam Minister, for that explanation, and I do appreciate the fact that the health and social transfers, I believe there's a commitment, and correct me if I'm wrong, but I believe there's a commitment of retaining a 6 per cent increase on those transfers from the federal government to the provincial government, and I believe that that extends to 2012. Is that correct?

**Ms. Wowchuk:** Yes, there is. The health and social—the health transfer is 6 per cent. The social transfer is 3 per cent and that stays in place until March 31st, 2014, so there is a couple of years there yet, but the area that we have the fluctuation is in on the equalization because of the cap that's been in place. So, as I said, I hope that if you look at the formula, we would have a decrease in funds coming from the federal government but they have made a decision and I believe it's a very wise decision to keep those provinces that were going to have a decline, keep them whole and that has helped us.

**Mr. Borotsik:** Yes, and thank you, Madam Minister, I do appreciate the fact that the increase to the health and social transfers is in place right now with the federal government, but that's not in fact the case with equalization, and I do know that they have indicated that there will be a desire on behalf of the federal government not to have them decrease, but

we noticed that there was a \$120-million decrease from last year to this year on equalization. One can't just simply, on a wish and a prayer, hope that that's not going to continue over the next numbers of years.

Is there a plan in place from the provincial government and the Finance Department to offset any of those reductions in equalization that may well take place, and we're hoping they—well, we hope they do because if they do, perhaps we're making more money of our own, our own source revenues, but if that's not the case, which I suggest wouldn't be the case, do we have a plan in place as to how to offset those reductions in equalization payments going forward?

**Ms. Wowchuk:** My hope is that the federal government will remain true to their word, and I trust that they will. The federal government said that they would not balance their books on the backs of the provinces, and, in fact, if you look at those three components they have held us whole. They've kept us—that we've—we're getting the same amount of money, and that's very helpful for us. But, if that's not the case, if the federal government changes their mind and decides that they're not going to keep our provinces whole, we will know about it long enough ahead of time, because they let the provinces know what their intention is. And if that happens, then, certainly, we will have to make some adjustments.

But I will also say to the member that, if you look at Manitoba's economy, Manitoba's economy is growing. People are having confidence in this economy. There's investments that are taking place here. We have the lowest unemployment rate. So all of those things make a difference, but are we planning for it? Right now, we are anticipating that this government will keep their word, but the people are also starting to work at what the next formula will look like. That is going to take a lot of effort to get to that point when this agreement expires.

**Mr. Borotsik:** There is a great dependency on equalization for the Province of Manitoba. Does the minister anticipate any time in the future that perhaps our dependency on those equalization payments again can decline without having a formula change with the federal government? I'm talking about own-source revenues here in the province of Manitoba that may well—you indicated that our GDP is doing so very, very well. We're out of the recession. Everything's so fine. Is there an opportunity that those equalization payments can

decline just based on the increased economy of the province of Manitoba?

**Ms. Wowchuk:** You know, the member talks about the economy of this province, and I think our economy is doing well. Are we—but there are other jurisdictions that are very much more resource—have a lot more resource-based revenues, and those are the jurisdictions that do not participate in equalization. But equalization is part of the Constitution. That's what this country is built on, so that we can have a standard across the country, not based on the resources that you have, but based on a standard for the country. And this formula can change. It can change based on the economic performance, and, as I indicated earlier to the member, we look at what happened to Ontario. Because of the downturn in the economy, because of the change in the auto industry, Ontario's province and revenues changed, went down dramatically and the formula came into place.

\* (16:50)

I do not think that we should say because you use—you take—that you get equalization payments that there is something negative about that. We all work to improve our revenues. We all work to build our economies and, as part of the Constitution, we have a way to provide some equality across the country, and some provinces have more resource-based revenues, don't have to be part of that equalization, but all provinces take part and take advantage of the health transfer and the social transfer. We all do that. This was the way this country was built. This country was built based on the ability to share revenues to equalize the opportunities for people across the country and, yes, Manitoba has taken advantage—or had to—has drawn on equalization because it's part of the formula and it's part of Canada.

**Mr. Borotsik:** Yes, I have a lot of respect for the Minister of Finance. But I do have to respectfully disagree with the fact that there's nothing embarrassing from taking equalization to the level that we do. I do believe that there is a better attitude right now in the Province of Saskatchewan and the Province of Newfoundland-Labrador, where they are no longer dependent upon equalization from the federal government. They now are self-sufficient. So I have talked to individuals from both of those provinces and they seem to be quite proud of the fact that they no longer take equalization and that they are self-supporting.

I've been hearing across the table here that the reason for it—and I've, obviously, been getting an awful lot of advice from across the table with respect to the resource revenues that are being generated in Saskatchewan and Alberta, and that, in fact, is the case. The only difference there is that they are, in fact, generating those revenues with commodities that are also found in the province of Manitoba that are not being—that they are not being developed right now in this province.

And I look at Saskatchewan, particularly as the member across the way has been talking about the resource revenues of potash in Saskatchewan. We do have potash in Manitoba. But those deposits are not being developed. Those revenues are not being generated. They are here. They could be generated. They could be identified as revenue streams within this budget. They're not happening, for whatever reason; I don't know what it is. But, let's just say, perhaps, there's a better environment in Saskatchewan and Alberta. Those revenues could happen. Up until then—up until that does happen, we are terribly dependent on equalization.

And my question to the minister was about equalization, is there a plan in place should those revenues decline going forward in the next year to two years to three years, because it's my humble opinion that those revenues and equalization probably will decline? So is it a matter simply of adding more debt, or is it a matter that the minister is going to look at additional revenues in some other fashion to offset those losses in equalization?

**Ms. Wowchuk:** A couple of comments. I would—I've said that I believe in the federal government being true to their word. The federal government said they wouldn't balance their budgets on the backs of the provinces. Is the member opposite telling me he doesn't trust the new Prime Minister to be true to his word? Is that really what you're saying, you don't trust the new Prime Minister to be true to his word? He said he wouldn't balance the books on the backs of the provinces. I believe him. I believe the Finance Minister. I guess maybe the member opposite has some inside information that we should be worried about, that he maybe has some information that the federal government has indicated that they're not going to be true to that word. I will take the word of the Prime Minister and the Minister of Finance that they will be true to their word.

With regard to the development of potash and oil, I would—I guess, you know, the member says, oh,

we have all this potash that we could develop in Manitoba and, true, our potash is on the fringe of a huge belt in Saskatchewan. They're—and we're—I'm sure the member isn't saying that the Manitoba government should develop potash. Well, so, when the private sector is ready to invest and develop that potash in a way that is economical, they will look at it. Right now, Saskatchewan's very fortunate. Saskatchewan is very fortunate to have the resources that they have and have them develop.

I will remind the member to look back at history when there was a time when Saskatchewan didn't have those resources that were developed and Saskatchewan did take equalization payments. The oil revenues in the other—in Saskatchewan and Alberta are significant. But I would encourage the member to look at the oil revenue, although our oil industry is just on the edge, just on the edge of the oil fields that are very lucrative in Saskatchewan, those we have made and have worked with industry—and there's been significant investment in southwestern Manitoba where oil is being produced. We have some resources. When there's the opportunity to develop them, we work with the industry as we have in the oil industry. When there is an opportunity to develop our potash, certainly that can be developed too. We have a mining sector that we're having a very large new mine being built in northern Manitoba that are very good jobs as well. We have a resource like our water that we are using to develop hydro electricity and I know that the member often doesn't think that that's a good idea, but we will be developing—we won't be mothballing—we will not be mothballing, we will be moving forward with further development in hydro.

So will Manitoba have less need for equalization? That may come, but, again, I'll go back to the member's question: Are we planning for that? We're planning to build and we are working with the private sector to build this province. Along with Manitoba Hydro we are building all aspects of this province and we're educating our young people. We're training more people so that they have the skills to take on these jobs, Mr. Chairman, and I'm very happy for Saskatchewan. I'm very happy for Alberta, but I'm also very happy that we have a system like equalization in place so that when Ontario had that difficult challenge that they did with the shutdown of their auto industry, we had a way in Canada, the Canadian way, that's outlined in our Constitution that is there, that will equalize and offer—keep people at an equal level no matter where

they live in this country. I will always be very proud of the system we have, and I will be proud of the growth that we're seeing in this province.

**Mr. Borotsik:** First of all, I should correct the record. The government—the federal government has indicated that they will not balance their budget on the backs of the provinces. However, I should inform the minister that the equalization is based on formula, and that formula is based on economic conditions and economic revenues that are generated. So, whether it's on the back of the Province or not, if those equalization payments are not there or if the revenue is not there to generate the equalization payments that the Province of Manitoba has been looking after—looking for over the last little while then, obviously, there has to be some sort of plan in place, okay. So it's not on the backs of the provinces. *[interjection]* If the member would like to be part of this—

**Mr. Chairperson:** Order, please. Just stick to the questioning and please don't interfere. Member for Brandon West.

**Mr. Borotsik:** Thank you, and I was just indicating that in fact it's by formula and it's not a matter of having the federal government say that they aren't going to reduce those payments. They would anticipate that the payments be increased if there's an economic increase in the country itself, but my question was simple: If the minister, for some unforeseen reason, doesn't receive the same kind of revenue generated from equalization over the next numbers of years, what plan is in place? Is it simply to borrow more money? That was my question—a pretty simple question. Not that the government—the federal government hasn't given us some assurances. I assure you they won't cut back as they have indicated on certain other grants and levels of grants to the Province, but there is a formula based on equalization. That's a fact. If that formula base reduces the equalization, what is the plan in place by the minister right now to offset those losses of revenue?

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

### CONSERVATION

\* (14:50)

**Mr. Chairperson (Rob Altemeyer):** Will the Committee of Supply please come to order. This section of the Committee of Supply will now

consider the Estimates of the Department of Conservation.

Does the honourable minister have an opening statement? Honourable Minister, please proceed.

**Hon. Bill Blaikie (Minister of Conservation):** Yes, indeed, I do have a few words of introduction prior to our review of the departmental Estimates for Manitoba Conservation.

Manitoba Conservation is committed to delivering programs and services that result in a clean, healthy and diverse natural environment for current and future generations. My department manages and protects the province's environment and natural resources, working co-operatively with many stakeholders, including First Nations and other Aboriginal communities, to balance the environmental, social and economic needs of Manitobans.

The department supports a wide variety of programs and services, but in the interest of time, I will highlight just a few of them today.

I want to start by acknowledging the efforts of Conservation staff in supporting Manitoba Water Stewardship and Manitoba Infrastructure and Transportation in flood fighting. Staff deployed throughout the province have assisted, where necessary, in this prolonged battle against the unprecedented number of rivers in flood stage this spring.

As you likely know, high water due to ice jams on the Assiniboine River caused a significant amount of damage to infrastructure in Spruce Woods Provincial Park. The damage is being assessed and is significant, and I hope to get out there to have a look at it myself very, very soon.

In terms of parks, Mr. Chairman, over the past two years Manitobans have appreciated having affordable outdoor recreation opportunities in the beautiful natural settings that our provincial park system offers. We have decided to continue to waive the entrance fees to provincial parks again this year and Manitobans have responded by once again increasing the number of campground bookings through the Parks Reservation system.

The many improvements undertaken last summer in parks will be available for users this year. These include the new Winnipeg Beach Provincial Park campground, along with a number of other expanded campgrounds and new energy-efficient

shower and washroom facilities at a number of popular locations. A new five-year plan for capital infrastructure in parks will see even more improvement in coming years.

In terms of protected areas, Mr. Chairman, our government continues to protect important natural areas in the province, having met its commitments in the Green and Growing strategy to create five new protected areas by the end of 2010.

Work continues to expand the province's network of protected areas. This year the focus is on a process to protect the tremendously important wetlands of the Saskatchewan River Delta.

In terms of Manitoba's forests, the Trees for Tomorrow program began in 2008 and has been a resounding success as part of Manitoba's plan to reduce greenhouse gas emissions. Expansion of the program will see one million additional seedlings planted, bringing the program's total to 5.6 million. Trees for Tomorrow supports many school projects and other initiatives in smaller communities, including several First Nations.

As you know, we took delivery, speaking of forests, of our first new Bombardier 415 turboprop water-bomber aircraft last fall, with three more to come as we replace our aging fleet. This major fleet upgrade will enhance our capacity to ensure the safety of the fire crews and to protect communities that may be affected by a fire hazard.

In terms of wildlife, the department is investing \$800,000, and that's new money, Mr. Chairman, to assist in recovery of moose populations in areas where significant declines have been seen—or not seen, as the case may be.

Big game surveys have identified serious declines in moose populations in a number of locations including Game Hunting Area 26 in eastern Manitoba, Game Hunting Area 18 in the Duck Mountain area and Game Hunting Area 14 in the Swan-Pelican Provincial Forest.

A moose advisory committee has been established, made up of local groups, Aboriginal organizations and governments, to partner with the Province in developing a moose recovery strategy. Funding will be used to increase aerial surveys and to hire staff for enforcement and to implement actions needed for population recovery. Hunting season closures, road access management and the surveys of wolf populations are also being undertaken right now to address the issue.

The department is also addressing concerns raised by municipalities about beaver dams causing flooding and damage to roads and fields by investing in a pilot program to manage beaver dams in problem areas and by increasing the problem beaver removal subsidy fee.

Manitoba is celebrating the 50th anniversary of the creation of its first wildlife management area this year. The wildlife management area system consists of more than 80 WMAs that conserve almost two million hectares, which, for those of you who like to talk about things in acres, is five million acres, of valuable wildlife habitat. This is land set aside for wildlife and people. WMAs are used year round for hunting, trapping and wildlife viewing in world-famous places like Oak Hammock, Narcisse and Churchill, all free of charge.

In terms of climate change, Manitoba's climate change plan, Beyond Kyoto, contains 67 programs and actions, many of which have already been implemented. Some examples include: introducing the 8.5 per cent ethanol mandate and the biodiesel mandate; regulating a minimum 92 per cent efficiency rating for all replacement furnace units; establishing a regulation that phases down Manitoba Hydro's Brandon coal facility to reduce emissions while still providing a reliable electricity supply.

Manitoba has also partnered with industry and Red River College to develop and test electric bus technology. This is just one of several initiatives to make Manitoba a leader in electric vehicle technology to create green jobs while working to reduce greenhouse gas emissions in Manitoba and beyond.

In terms of working with Aboriginal people within the Manitoba Conservation, Manitoba Conservation is building stronger working relationships with First Nations and Métis people across many different program areas within the department. Aboriginal communities are an important part of the solution for restoring moose populations. And, as I mentioned, they are being consulted as we move forward on that issue. And, of course, I had an opportunity to expand on that in the House just a little while ago, Mr. Chairperson.

Economic development is an important consideration in our work with Aboriginal people, whether it's through the MOUs that have been developed for cottage lots on First Nations land or for the broader issue of land-use planning.

The East Side Traditional Lands Planning and Special Protected Areas Act enables communities to develop traditional area land-use plans. The Wabanong Nakaygum Okimawin, WNO, planning initiative is bringing together local communities, First Nations, industry and environmental organizations, on the east side of Lake Winnipeg to develop a vision for land and resource use that respects both the value of the boreal forest and the needs of local communities.

Before I conclude my opening remarks, Mr. Chairperson, I'd like to extend my gratitude to all the staff of Manitoba Conservation who provide such a wide variety of services to Manitobans every day. There's a common thread among staff of this department, whether they are responding to emergency environmental incidents, fighting forest fires, conserving habitat and endangered species or serving as a park interpreter, they all share a desire to protect and conserve our environment, as well as our passion for Manitoba. And I very much appreciate their efforts, as, I'm sure, as do all Manitobans.

Thank you for letting me provide you with this overview of just a few of the activities under way in the Department of Conservation.

**Mr. Chairperson:** We thank the honourable minister for those opening remarks. Now wondering if the official opposition critic would have some comments to add as well.

\* (15:00)

**Mr. Larry Maguire (Arthur-Virden):** Thank you, Mr. Chairperson, and I certainly do. I commend the minister on his opening remarks. And there are many areas across the province that fall under his responsibility in regards to conservation, and with the depth and breadth of the province, it's a difficult area at times to be following everything, I understand.

But I, too, want to commend the department and all of the staff. I know more will be coming forward soon, but I want to commend those in the room and those outside the room across the province of Manitoba for the work they do on a daily basis to, as the minister indicated, take care of the social and economic needs that we have in our environmental circumstances, our conservation efforts across the province, in our provincial parks and throughout the land that we call Manitoba.

The minister has outlined many programs that they have on the go. I have—I will have questions on some of them as we move forward.

I agree that there are other partners that we have on a regular basis. The First Nations communities are very important in Manitoba in regards to future developments. There's great opportunities, I think, for all Manitobans, including First Nations, as we move forward in our environmental issues, in environmental conservation issues across the province.

Whether it's in the areas of—and I note with interest that, as the minister spoke about a few of them, you know, the—it's not a livestock division as I'm normally used to seeing when I was on a farm, but now that I'm Conservation critic I get to deal with moose and beavers and wolves and coyotes, and we've even seen some articles about beetles lately in trees in some of the areas. So, as we move forward, I'll be asking the minister questions in some of these areas.

There are a number of planning areas, I think, that are very important to the regions as well. The Pimachiowin Aki World Heritage project is a huge project and one of great importance to us in Manitoba, for the future of the province, as well, on the east side of Lake Winnipeg. And I think that there are many fine examples of opportunity that will come forward there in regards to developments as we move forward. And I note with interest that the minister indicated in a few places that there were programs that they have—that they wanted to bring into place here in the next, you know, certainly this summer. I'll ask more detail on those as we get to them.

But I just wanted to say that I've enjoyed my tenure over the last year, I guess you could say, as a critic for Conservation as well as, the minister mentioned, Water Stewardship. It's a pleasure dealing with climate change and the green initiatives that we have across the province as well, and looking forward to meeting with others in regards to those issues as they—as many have come forward to me with issues throughout the year as well.

And so with that, Mr. Chairperson, I would end my opening remarks, and just close by saying that I really as I want to have the staff pass on to those who aren't in the room as well, all of the department people, for the—and thank them for the great work that they do in this particular department of government of Manitoba.

**Mr. Chairperson:** We thank the honourable official opposition critic for those remarks.

Very quickly, under Manitoba practice, debate on the minister's salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 12.1.(a) contained in resolution 12.1.

And at this time, we now invite the minister's staff to join us at the head table, and perhaps, minister, after they are settled, you'd be kind enough to provide introduction.

**An Honourable Member:** Okay, well thank you—

**Mr. Chairperson:** Honourable Minister.

**Mr. Blaikie:** Sorry, yes. I got to remember that. I keep butting in. So I have the floor now, Mr. Chairman?

**Mr. Chairperson:** You have the floor, the mike, and everything else.

**Mr. Blaikie:** It gives me great pleasure to introduce the Deputy Minister of Conservation, Fred Meier; the ADM for Administration and Finance, Bruce Gray; the ADM for programs, Serge Scrafield; the ADM for Regional Services and Parks, Bruce Bremner; and the executive director of Corporate Policy, Jocelyn Baker; and the ADM for Climate Change and Environmental Protection, Dan McInnis.

**Mr. Chairperson:** Very good. Thank you for that. One other item of business before we get to direct questions, and that is how the committee wants to proceed. The usual two options are global or chronological.

**Mr. Maguire:** If we could move forward on a global nature, I'll try to go as chronologically as I can through the Estimates process, but I might have to bounce around a little bit, but I would appreciate that.

**Mr. Chairperson:** Minister, is that acceptable to you?

**Mr. Blaikie:** Fine with me, yes.

**Mr. Chairperson:** Very good. It's then understood that this Committee of Supply—

**An Honourable Member:** Think globally, act locally.

**Mr. Chairperson:** As you wish. This committee will proceed in a global manner and, oddly enough, the floor is now open for questions.

**Mr. Maguire:** Mr. Chairperson, I hope it's not oddly enough that we're asking questions but, anyway, thanks. And I'd just like to remark, as well, that I know how important the environment is to the chairman of the committee today, as well. I have heard him raise many issues in the House, and we just spoke one on parks here just a week or so ago that the minister brought—or the member brought forward, the member from Wolseley.

So, I guess, to start off with, I want to thank the minister for introducing all the staff again and welcome them all here as well. But I just was wondering if he has political staff that he has with us as well, or with him today as well, and—or—and if—even if they're not here, I wonder if he could just provide me with the names of those individuals.

**Mr. Blaikie:** Well, my special assistant Jess Irvine is here in the room, and my executive assistant, Darryl Livingstone, who's on a temporary basis while someone else is away on—has been away on leave for a number of months, and those—yes—those are—who are staff in terms of a direct appointment are Claire Still, who is my executive assistant but who is away on leave, and she is being replaced at the moment until she comes back by Darryl Livingstone, and also by direct appointment, Rachel Whidden, who is a communications co-ordinator. And then also, I think, we have the intake co-ordinator, Michael Keenan. I'm not sure whether intake co-ordinators are political staff or not, but anyway that's the name of my intake co-ordinator. And then there's also Don Sullivan, who's a special adviser on environmental matters.

**Mr. Maguire:** The minister indicated that Mr. Irwin, I believe it was, was filling in for someone. Derrick?

**An Honourable Member:** Darryl Livingstone.

**Mr. Maguire:** Oh, Darryl, pardon me, Livingstone, yes. How long has he been with the minister, then?

**Mr. Blaikie:** Just for a couple months. Yes, they—my executive assistant was—he's been since February the 16th.

**Mr. Maguire:** And can the minister just give me the name of the person that he's replacing?

**Mr. Blaikie:** Claire Still.

**Mr. Maguire:** Are these full-time positions, then, or can he outline to me if there's any part-time?

**Mr. Blaikie:** The—full-time position and she had to take leave, and she's being replaced on a temporary

basis by Darryl Livingstone. As I say, Claire Still is being replaced by Darryl Livingstone.

\*(15:10)

**Mr. Maguire:** Just—can the minister indicate how long he expects Mr. Livingstone to be with him then?

**Mr. Blaikie:** Until Claire Still is able to return to work.

**Mr. Maguire:** I guess, I was just looking for a bit more of a definitive time frame, but—I guess, I was looking for more of a time frame on that.

But, you know, I don't need to know the circumstances around why the person's not there that's for sure. that's personal, and so I just wondered, if that was the case, if this was a situation where the—Clarice, I guess it is, would be coming back and—as early as possible.

**Mr. Blaikie:** That's my understanding but, as you say, it is—it does—it is a matter that is—we're just not able to say at this point, you know.

**Mr. Maguire:** I wonder if the minister could list all the staff in the minister's and the deputy minister's offices.

**Mr. Blaikie:** Well, in addition to those that I have not yet already mentioned, we have Kathy Dobriansky, who is the secretary to the minister; and Jan Fontaine, who's the admin secretary; and Katherine Vandenberg, who's the clerk.

And in the deputy minister's office, Susan Binder, who's the administrative assistant; Ruth Kemp-Tschuncky, who's the secretary to the deputy minister, and Anita Berard, who is the administrative secretary.

**Mr. Maguire:** Thanks very much for that, Mr. Minister. I wonder if you could provide me with the number of staff currently employed in the department.

**Mr. Blaikie:** The number of full-time employees is 1,041. Yes, I should have said the number, instead of the number of employees, the number of full-time equivalents is 1,041.

**Mr. Maguire:** Thank you, Mr. Minister. I see that number in the Estimates book here on page 9 and, I guess I just wonder how much that's increased since the end of the 2010-11 year, or if it's increased at all?

**Mr. Blaikie:** Well, last year, Mr. Chairperson, the number was 1,032; that's the same number as this year is 1,041. So we have an increase of nine.

**Mr. Maguire:** I guess, my question related more to—has there been any increase in staff since the end of 2010-11 year here? That would have been the end of March—just in the last month or so?

**Mr. Blaikie:** Yes, there have been none added since the end of the fiscal year but, of course, we hope that with the passage of the budget, some of the new positions that have been created as part of the moose recovery strategy will be added to the departmental roster.

**Mr. Maguire:** So there haven't been any new hires since—[interjection]—since March 31st, okay.

Can he indicate to me how many new staff were hired in 2010-11, and maybe the names of those staff members? While you're looking that up, I know that—looks like there's nine positions that—according to the book there, but I just wondered if you could provide me with that number.

**Mr. Blaikie:** So I'm not sure if this is what the member is looking for, but in the last year, in terms of staff hired, there were a total of 310 staff were hired. Mr. Chairperson, 284 hires were done by competition, and 26 hires by direct appointment. So those were vacant positions that were being filled. I don't believe that I would have the names of all the people at my disposal. If you want to know, you know, if you wanted to know the names of everyone that was hired, that's—I'm sure that's available, but not something that we came to the table with here today.

**Mr. Maguire:** Yes, just the names of the staff that were hired in 2010-11.

**Mr. Blaikie:** You want all 310 names? Is that what you're asking for?

**Mr. Maguire:** Well, I guess, Mr. Minister, I was asking—I noted with interest that there's been an increase of nine personnel from the end of March, to be budgeted for the new year. And I know the member indicated—the minister indicated that there'd be some new hires with the budget now passed, and that sort of thing, and you'll hire those nine people, I'm assuming, to put them in place. Looks like 7.7 of them are under the Parks and Natural Areas. But, in regards to the names of the staff that have been hired in 2010-11, yes, if there was a—

**Mr. Blaikie:** The nine was the difference in the total. It wasn't like we hired nine new people. We hired

310 people. So it's—the nine is simply the difference between last year and this year. So there is no nine, so to speak. The new people that will be hired as a result of the budget being passed is—they're in a—they're not counted in that—those numbers that we've talked about.

**Mr. Maguire:** The minister indicated there's over 300 new hires then. Is that normal to have that many, or how many of these would be part-time equivalents?

**Mr. Blaikie:** Yes, I mean, these are positions that are—these are vacant positions that are filled. There's retirements. There's—we could give the member, for instance, a breakdown. Some are year-round positions; some of them are seasonal. Not everybody comes back. So this is part of the normal turnover within the department. It's not like there was 310 new positions created on top of what was there before. It's just that's the number of positions that were—new people that were hired. But it's not new positions per se. There was only nine new positions.

**Mr. Maguire:** Yes, I know, I understand that the—there's a lot of part-time work and summertime work in parks and that sort of thing that are under the minister's jurisdiction. And so he's indicated that he's given me the number on the record here that—as to how many part-timers were hired, and that sort of thing. *[interjection]*

Oh, okay, I thought he indicated that there was some 300-and-some, but if you could give me the—those numbers then that you have.

**Mr. Blaikie:** The 310 figure that I used was the number of new positions or people that were hired, but I can't give you the breakdown of how many of the 310 were seasonal and how many weren't. But I can give you the breakdown of the total number of people who were—regular staff would have been 707, and seasonal staff were 315, and there was term positions that were seven or something like that.

**Mr. Maguire:** Okay—*[interjection]* Yes. No thanks, Mr. Minister.

\* (15:20)

Are there any, or can he provide me with a description of any of the—well, and he's indicated that some of those were hired through competition and appointment. Can he just give me a breakdown on that again?

**Mr. Blaikie:** I think, of the 310, 284—I think I've said this before—but were hired by competition and 26 were hired by direct appointment.

**Mr. Maguire:** And all of the other 700-and-some remaining positions are just ongoing positions that person's in?

**Mr. Blaikie:** Yes, that's the number of people. That's—I'm talking about the people that were hired during that year; the rest were there the year before.

**Mr. Maguire:** Does he have a number of the number of employees that retired in his department last year?

**Mr. Blaikie:** That number is not available. We'll get back to the member with that as soon as we can.

**Mr. Maguire:** Thank the minister for that.

Can he provide me with a description of any positions that were reclassified in the last year?

**Mr. Blaikie:** Mr. Chairman, 90 positions were reclassified.

**Mr. Maguire:** Yes, can the minister elaborate on that, some, in regards to just what the reclassifications—where they would come from and going, or were they all within the same department or some of those people—did they go to other departments?

**Mr. Blaikie:** Have I got the floor?

**Mr. Chairperson:** You have the floor.

**Mr. Blaikie:** Yes, Mr. Chairman, there—as I said—there were 90 positions that were reclassified, and the breakdown is the following: there were 26 reclassifications that resulted in the classification going up; there were 41 reclassifications which resulted in no change in classification; and there were 23 reclassifications which resulted in the classification going down.

**Mr. Maguire:** I know the minister's indicated the number of employees that he hopes to have here in this year is 1,041. Can he indicate to me if—or provide me with a listing of any vacant positions that they might have at this time?

**Mr. Blaikie:** Mr. Chairman, the total vacancies at the end of the month were 128. I was going to say, of course, this is something that changes from month to month as people retire or whatever. So it's a snapshot.

**Mr. Maguire:** I thank the minister for that. Is that at the end of April? He said at the end of the month.

**An Honourable Member:** End of March.

**Mr. Maguire:** End of March, yes.

**An Honourable Member:** The last month in the fiscal year.

**Mr. Chairperson:** Sorry, just a quick clarification. When the poor folks in Hansard go through this, they're going come after me. Each time we speak it needs to go into the mike that's on. So, I love the dialogue that's going on and you're getting the info that you want, but Hansard will kill me. So, if we could just organize it so that when you're speaking, we make sure your mike is on and I'll recognize you and then you talk, and then we'll just go back and forth, and I will get to live.

So, with that said, I have lost complete track of who wanted to speak. So someone put their hand up.

**Mr. Maguire:** I could have a comment in regards to the member from Dauphin wanting to speak to Conservation considering he already had this portfolio once. But I won't go there.

I'd just like to ask the minister if he could provide me with information as to present staff positions. Are they all filled? I know he's indicated that there's some vacancies but, in regards to permanent positions, are they all filled at this time?

**Mr. Blaikie:** Well, Mr. Chairman, I mean, the vacancies are just that; they're vacancies. These are positions that are not filled at this time, so that would be the number of positions that aren't filled at the moment.

**Mr. Maguire:** I thank the minister for that. I don't think I've got any more questions in that area.

But I just wanted to move to contracts and that sort of thing that are awarded directly. I wonder if the minister can provide me with any—with details as to how many and what type of contracts are awarded directly and just why they're being awarded directly and—as opposed to the number of contracts that are awarded under tender. And, just because I'm not interested in minutia here, let's put a dollar value of anything over \$25,000 say, as far as a contract goes, in that regard, just so that we're not talking about—go ahead.

**Mr. Blaikie:** So I'm not sure, perhaps I could just get some clarification from the member for Arthur-Virden (Mr Maguire). He wants to know which contracts over \$25,000 were given out, of an

untendered nature. Is that what you're talking about? Okay.

So, over \$25,000—a contract with the Canadian Centre for Policy Alternatives, Manitoba, that was a contract for \$40,000. One with GENIVAR Consultants Limited for emergency work at the Traverse Bay shoreline after the weather bomb, or whatever it was called, last fall. Another one for \$60,000, again, with GENIVAR Consultants, having to do with engineering services for the assessment, design, tendering and basic contract admin services related to the reconstruction of the Grand Beach boardwalk and the new foundation for the beach safety.

\* (15:30)

Just making—trying to make sure there aren't any more that—there's one, yes. One, yes—one other one in the category that the honourable member was seeking, with Pineland Forest Nursery, which was a contract for \$180,000 for 400,000 cuttings for Trees for Tomorrow.

Another contract with Pineland Forest Nursery for eight hundred and seventy-seven six hundred and fifty-seven thousand dollars for the purchase of 3.650 million conifer seedlings to be grown at that nursery. The seedlings will be grown as an overwinter crop for planting in 2011.

A contract with O'Hanley Enterprises for twenty-seven thousand eight hundred and seventy-five thousand dollars to supply all labour, equipment and tools to develop two borrow areas where indicated on-site by Manitoba Conservation. This has to do with constructing the road embankment at the approach of the roadway to access the Black River.

Another one with Pineland Forest Nursery, forty-eight thousand one hundred and twenty-five thousand dollars, Trees for Tomorrow program, for 250,000 seedlings, white spruce seedlings.

One with the Rural Municipality of De Salaberry, \$34,000, sewage services and contribution towards purchase of diesel generator.

Another one with Pineland Forest Nursery, \$80,150, contract for the Trees for Tomorrow program, 450,000 seedlings.

A contract with the Manitoba Trappers Association for \$40,000 for predator removal services.

A contract with Manitoba Hydro for site services at Winnipeg Beach. That was \$29,053.

A contract with the Southwood Golf & Country Club for \$339,000—that is to say \$339,953.68 for servicing and drainage works along the rue des Ruines du Monastère, including pathway construction.

A contract with the City of Flin Flon for \$25,000 to deliver the remaining outstanding soil improvement work on behalf of Manitoba Conservation.

A contract with Criti Care EMS Incorporated for \$47,815 for paramedic service for fire—to supply first aid and primary-care medical aid to Manitoba Conservation when forest fires are being fought.

And one to the City of Brandon for \$96,000, a 911 services agreement providing services to the following parks: Birds Hill, Grand Beach, Whiteshell, Clearwater, Hecla/Grindstone and Duck Mountain.

Now, there are many others that were under the \$25,000 line.

**Mr. Maguire:** Yes, I thank the minister for that information. Can he just, maybe for clarity—he named a lot of them there, and I just wondered if he could differentiate between how many of those were awarded directly or how many were tendered.

**Mr. Blaikie:** Those were all untendered contracts over \$25,000. That was what you asked for and that's what I gave you.

**Mr. Maguire:** And does he have a number of—that—of contracts that are over \$25,000 that were contracted?

**Mr. Blaikie:** I can go back to the list.

Does the honourable member want me to read all those out or does he just want to know the number of them, how many of them there were?

**Mr. Maguire:** I was going to clarify that for the minister. Yes, if he could just give me the number and maybe provide me with a listing of them at a later date. *[interjection]* Okay. Over \$25,000. Thanks.

Can the minister indicate to me how many positions have been relocated in 2010-11? Like, last year, there—you know, people moving within the department from north to south, urban to rural, those sorts of things.

**Mr. Blaikie:** I can say that of the 10–1,030 FTEs in 2010-11, none of the positions have been relocated from rural or northern Manitoba to Winnipeg.

**Mr. Maguire:** Were there other movements from Winnipeg into rural areas or north to south region to region?

**Mr. Blaikie:** Yes. I mean, there may have been some movement. There's obviously movement within the department, but whether it's from region to region or—I mean, when I said holes, there were no transfers from rural or northern Manitoba to Winnipeg, but there may have been transfers either within—between regions outside of Winnipeg or within regions.

So I think that's not an analysis that I have at my fingertips, but I undertake to get back to the member with it.

**Mr. Maguire:** Yes, that's fine. If the minister could do that at some point, I'd appreciate that in the next short while.

Just a couple of questions in regards to departmental initiatives—any new—if you could give me a status update on any new initiatives that were determined and announced by the government in the—in this particular area last year?

**Mr. Blaikie:** Well, perhaps—I mean, we have—I'm not sure exactly what the honourable member is asking. He means new initiatives in the last year or new initiatives that are—you know, been announced in the budget that are imminent? I'm not sure whether he wants me to go back and talk about initiatives that were taken in the last year or those that are on the table as we speak in terms of the most current budget—for example, the \$800,000 that I think I mentioned in my opening remarks to—for the moose recovery strategy, which would see us hiring through—three new NROs and two new wildlife biologists. That's a new initiative.

But I'm—but that's something that is not—you know, it's in the budget, so it's—well, I think the budget's almost, you know—it's passed, so it's in train.

**Mr. Maguire:** Well, I would certainly agree with the minister. The budget is passed and it is moving.

But, no, my question was just in relation to the status of announcements that he made last year, how many new announcements—and I'm only talking on new initiatives, not announcements on existing programs and that sort of thing.

I'm just wondering if those—if he could just give me a quick update on—or a recap, I guess, of the last year, and I know—certainly appreciate the \$800,000 that's coming forward in the moose initiative, particularly.

So, first of all, we'll deal with the recap and if there's some issues there—just a number of any new initiatives, like I know there's existing areas, but just speaking on new ones.

**Mr. Blaikie:** I have a list of things here that were, you know, new initiatives in terms of capital projects which I'll go into in a minute, and these are things which—some of which, you know, have their beginnings in one year and their completion in another.

But the first things that come to mind for me when the honourable member asked the question was, we saw in 2011 the creation of three new provincial parks, Nueltin and Colvin Lake and at Birch Island. So we've got three new provincial parks which was an initiative taken. These were three initiatives that were taken with respect to the creation of provincial parks last year.

In terms of what I think were interesting and important new capital projects that will be completed in 2011-12 but have their origins in a previous year—the new north Whiteshell waste-water truck-haul lagoon at Dorothy Lake, which is, I think, \$2.8 million and something that is certainly needed in that area.

\* (15:40)

The honourable member himself has, you know, raised concerns about the situation there prior to the creation of this truck-haul lagoon, and we hope that with this brand new lagoon that the pressure on some of the existing lagoons will be greatly reduced.

The Grand Beach boardwalk redevelopment with the plaza and beach access improvements. That was something that was ongoing even before the weather bomb, but, of course, we had some new work that was done there and now we have more work to do in terms of rebuilding the entire boardwalk. And seeing that, as expensive as it is, as a kind of an opportunity to create a boardwalk that is more aesthetically pleasing than the old one. So we'll try and turn a crisis into an opportunity there to improve something at one of our signature provincial parks.

There's the Winnipeg Beach campground development which was constructed last year and which we hope—well, which will open very, very soon, and that's an exciting new campground development because it's designed in such a way as to make it for disabled people, and so it's a whole new sort of development in terms of camping for Manitobans. So we're excited to see that coming forward.

We've got work coming on the—that's happening on the Winnipeg Beach seawall and the safety railing expansion and upgrade. That's another \$700,000. Two new washrooms and shower buildings at Hnaua and Watchorn, and we've got drainage and lighting improvements at the Trappist ruins.

And there are some things that have just, you know, recently opened, but, again, these are things that were done in the recent past: the campground expansion at Wellman Lake; new washroom and shower buildings at Wellman Lake and Childs Lake in the Duck Mountain Provincial Park and at Nutimik Lake in the Whiteshell Provincial Park, at Birds Hill campground in Birds Hill Provincial Park; and a new washroom building at Grand Beach, boardwalk in Grand Beach Provincial Park, but I already made reference to that; new playground, overlook and trail development at Asessippi Provincial Park; new water-treatment plant in Watchorn, Hnaua and Winnipeg Beach; and a new waste-water treatment lagoon in Grindstone Provincial Park; and a new waste-water treatment facility and a disposal field at White Lake in the Whiteshell Provincial Park.

So a number of things happening, certainly, in the parks. And one of the other initiatives, in fact, that was a great thing to announce last year, of course, was the new canine unit for natural resource officers, and I think we had the dogs out in front here. One of them, I think, was named Rebel.

And, of course, the water bombers last year, the new water bombers. I already made reference to the Trees for Tomorrow, which is—people are—you know, people like to plant trees, and the Trees for Tomorrow program has really taken off. It's a real resource to everyone who wants to plant trees just because trees are nice and good, but they're also contribute to the struggle against global warming and the buildup of carbon in the atmosphere, so.

Other things that happened last year which continue is the free park entry, free entry to provincial parks, and, of course, last year—although I

think the announcement was actually probably made in December of 2009, but it's something that has proceeded throughout 2010, and that's the International Polar Bear Conservation Centre.

Give me another five minutes I'll probably think of a few more things but, you know.

**Mr. Maguire:** I thank the minister and his staff for that update on those issues.

I just wanted to turn to travel and see if the minister could provide me with any out-of-province trips he's taken in the last year, any details of those trips, sort of like the purpose, the dates, some of those, what the cost might've been and whether they were paid from his department.

**Mr. Blaikie:** Yes, well, I'm sure the honourable member will appreciate that I do a lot less travelling in this job than I was used to in the one I had before.

So I made two trips. One to the Canadian Council of Ministers of the Environment meeting in St. John's, Newfoundland, in October of last year, and the total cost to the department of that was \$2,006.78. And I went to the Prairie Regional Adaptation Forum on Climate Change in Calgary, and the total cost of that to the department was \$636.91. So, come in at under three grand.

**Mr. Maguire:** Yes, I acknowledge the minister probably did do more travel when he was a Member of Parliament. I used to do more travel, myself, when I was going to Ottawa to see him. And maybe not necessarily the he, himself, personally, but other Members of Parliament when I was a farm leader dealing with issues on the prairies as well.

And, I guess, I just wonder, as well, if the minister or the Premier (Mr. Selinger) takes—goes on trips and—during his regular line of work, as well as the responsibilities as Premier, and were there any that were taken through the Department of Conservation? Was there any trips that the—that his department had support for—financial support for the Premier's travel?

**Mr. Blaikie:** I'm not sure if you're—perhaps I could ask the member for clarification on that, if I've got the floor, which I do. Yes, are you asking whether or not I took trips with the Premier or the Premier took trips with us that we were paying for?

**Mr. Maguire:** You know, I'm just wondering if the Premier had any travel in the department on the tab of the Department of Conservation, I guess you could say, last year.

**Mr. Blaikie:** I don't know the answer to that question, so I'll have to get back to the member on that. I know that I travelled with the Premier at one point, for instance, to go up and look at the forest fire, but whether that was something that, you know, the Department of Conservation carried in order to have the Premier come and view the situation up there last year, or whether it was—just exactly how that was paid for, I'll have to get back to the member on that. Oh, are you talking out-of-province?

**Mr. Maguire:** No, I was just—I wasn't pertaining to any jurisdiction. I was just wondering if there was any travel like that that was, you know—and so I appreciate the fact that if there was a flight like that, if he could just let me know, that was paid for through Conservation, and out of the province, as well, or out of the country for that perspective, if there was anything picked up by the department on that expense.

**Mr. Blaikie:** As I said, I'll get back to the member on that, but—

**Mr. Chairperson:** Thank you for the clarification.

**Mr. Maguire:** Can he—can the minister just supply me with any information and details about his department's annual advertising budgets, sort of, detailing campaigns his department ran in the, sort of, 2010-11, including the costs and where the ads are that ran?

**Mr. Blaikie:** I'm not sure if that information is at hand. I'll just wait and see, but, obviously, there is an advertising budget, particularly for, you know, notifying Manitobans of hearings or information sessions with respect—or even when you create provincial parks, or whatever—you know, there's all kinds of things that require public notice and opportunity for public input and that's a big part of the advertising budget.

Yes, it appears that the kind of—that, you know—that the figures for the fiscal year that just ended in terms of advertising have not yet been compiled. So we will do that and get back to the member with a total on that.

\* (15:50)

**Mr. Maguire:** Yes, I appreciate the minister if he could get back to me with that. That'd be—would be beneficial, just the details of how much the ads cost and where they were aired.

**Mr. Blaikie:** Yes. I mean I could tell the honourable member that, for last year, the last fiscal year, for the

year 2009-10, there was \$442,871 spent on advertising. So I don't have a breakdown, but I think he'd probably be more interested in a breakdown for the most recent year if that's what he's looking for. And so we'll get that to him as soon as we can, along with the totals, obviously.

**Mr. Maguire:** I thank the minister for that information. It was the 2010-11 year that I'd be interested in, and if he could supply me with the list of just where the ads ran and—or what radio stations they were on, where they aired. That'd be most helpful.

I guess I wanted to just touch base in regards to, you know, looking at the overall Estimates of the financial plan of the department—find the page, here we are. It looks like there's a, you know, a 3 per cent increase in the—from the previous year, in regards to Conservation—

**An Honourable Member:** It's a bit over 3 per cent.

**Mr. Maguire:** Yes, I know. The Estimates book says three, but there's—so there's a change there.

**An Honourable Member:** 3.4 per cent.

**Mr. Maguire:** The—from the previous fiscal year at least the—it may be—I guess the one area that I was looking at, though, and I know there's a fairly large—you know, 5 per cent in regards to Regional Services and Parks, and a bit of a cut, 1.3 per cent, in Conservation programming and a little bit in climate change.

And I wonder if the minister can just elaborate on what the current plan is, I guess, in regards to what led to those decisions of putting some more funding into the Regional Services, as opposed to taking it away from the other two.

**Mr. Chairperson:** Just before recognizing the minister, there was a back-and-forth there about a percentage. I don't know if the minister's response to the honourable opposition critic's question about a 3 per cent—I don't know that that was recorded in *Hansard*. So, Minister, you want to wrap that in—or include that in your answer to this question as well, then it'll be on the record.

**Mr. Blaikie:** Yes, thank you, Mr. Chairman. I think the exchange we had before was just as—with regard to the global percentage increase in the department's Estimates. And the honourable member said that it was—looked like three to him, and I was—just said

that I think the number that we have is 3.4 per cent increase.

But in terms of the question that was most recently asked about, you know, where the increases were in Regional Services, the—Regional Services is kind of a big category and a lot of things fall into it because a—the enhancement to the provincial parks falls into that category, for instance, because a lot of provincial parks are in the regions. So you've got \$860,000 there, in terms of enhancement of parks and the maintenance and repair of existing infrastructure and the development of new facilities.

You've got the \$474,000 for the new Winnipeg Beach campground. That's in that increase. The increased support for recent campground expansions, that's in the—and a big-ticket item here, increased air services recovery for parts inventory and insurance costs for the 415 water bombers. That was almost \$1.5 million there. So a lot of things go—and, I mean, I could go through the whole thing.

But, you know, the moose population restoration program, that's another \$800,000. That all comes into the category of Regional Services because—so that's why the increase in that particular category.

And then the decrease that you're referring to really has to do—some of it's just, you know, grants that, you know, that came to an end, and so they look like a decrease in that respect, reduction in grants funding for electronic waste, the roundup program, reduction in grants for household hazardous waste and the diversion programs and a reduction in funding for the community-based timber volume sampling project in the Highrock forest section. That was \$569,000 right there.

So that's—to give you kind of a flavour for what that's about.

**Mr. Maguire:** Yeah, thanks, Mr. Minister, there's—before I go further, there was—I appreciate Ms. Baker being here today, as well, and noted—I'm just looking at the flowchart here, and I'm wondering which assistant deputy minister does Corporate Policy report to or just how does it work?

**Mr. Blaikie:** Yes, well the—so you're asking about the position of executive director of Corporate Policy? Is that what you're asking? *[interjection]* Yes, so that's on the same line, if you like, in the chart as the assistant deputy minister.

So there's four assistant deputy ministers with folks underneath them, so to speak, as well as the

executive director of Corporate Policy, which is Jocelyn Baker, who also has various shops working underneath her supervision.

And that was as a result of a reorganization of the department that followed from the addition to Manitoba Conservation of Climate Change and Green Manitoba, and there was a—well, it followed from that reorganization. We wanted someone to be responsible for the overall policy environment and rebalancing of the areas because things were added on, and we needed to—I think if you were to compare this chart to previous ones, you'll see that some things went here and some things went there, and some ADMs have things that they didn't have before and they don't have things that they did have before.

**Mr. Maguire:** Yes, just to clarify that, then, that position reports directly to the deputy minister?

**Mr. Blaikie:** That's right.

**Mr. Maguire:** The other question I had in relation to the \$800,000 that the minister had indicated for the new program had—I believe he said three natural resource officers would be hired out of that and another position? Can he just elaborate on that?

\* (16:00)

**Mr. Blaikie:** There are five positions associated with the \$800,000 for the moose recovery strategy, three new NROs, two in the Duck Mountains and one on the east side of Lake Winnipeg, and two new wildlife biologists, one in the—in or near—I'm not exactly sure where they'll be operating out of, in or near the Duck Mountain area, and one on the east side. So those are the five positions, three on the enforcement side and two on the wildlife biologist side, and all of them, you know, working in the context of the moose recovery strategy.

**Mr. Maguire:** Yes, I note with interest on page 29 under the Corporate Policy section that there are three full-time equivalent staff increases there—due to the realignment, it indicates. And, of two of those full-time equivalents from the Programs division and one from the Climate Change, and I'm wondering if the minister can just indicate to me how these staff positions will be used and what their role will be.

**Mr. Blaikie:** I mean, basically, in keeping with the idea behind having someone in charge of Corporate Policy, that those positions have been created there to work with the new executive director for Corporate Policy on those—on developing policy in those areas which we have identified as areas or

issues or subject matters, however you want to describe it, that we've identified as areas that need special attention, indeed, either because they're new or because they've, you know, because they're presenting policy challenges or whatever the case may be. And those issues tend to be issues that cut across all the existing categories in the department. And so it's a place where you can do that kind of integrated policy thinking and formulation, if you like.

**Mr. Maguire:** Yes, can the minister just give me an example of, you know, some of those special issues that he feels are important in that area?

**Mr. Blaikie:** Well, one example would be the protected areas program, which touches on a number of different concerns within the department. Another one would be the whole question of, you know, what provincial policy should be. The policy of the provincial government, I think, is something that the honourable member is well aware of with respect to all-terrain vehicles. You know, this touches on provincial parks, it touches on environment, it touches on Crown lands, it touches on a number—it touches on wildlife preservation. There's a whole host of things there, and to try and—it's a good example of, you know, the difficulty of dealing with a particular issue by trying to deal with it within the existing boxes, so to speak, that exist in the department.

One of the reasons we created the Corporate Policy division was so that when we did have an issue that was—that cut across all the different concerns—traditional administrative locations, if you like, within the department, to get people together and say, all right, this is a challenge. We have, obviously, a great diversity of opinion on, for example, on all-terrain vehicles. Some people want to ban them; other people enjoy them greatly; some people see them as a way to, you know, experience nature more directly because they can go further and farther into the bush; other people think the bush should be left alone. You know, so there's lots of things to sort out here, and that would be an example of the kind of thing that we're working on in that department.

**Mr. Maguire:** Can the minister indicate to me how many Freedom of Information and Protection of Privacy Act requests he gets in a year through his department?

**Mr. Blaikie:** I'm told that in the calendar year of 2010 there were 134.

Did you get that? You shouldn't let that guy distract you like that.

**Mr. Maguire:** Yes, can the minister just give that information again? I was distracted by this gentleman beside me.

**Mr. Blaikie:** Well, I won't quarrel with the description.

The number was 134 freedom of information requests, in the calendar year of 2010.

**Mr. Maguire:** Yeah, can he just indicate to me of the 134, how many were replied to within 30 days?

**Mr. Blaikie:** I can't say at the moment, but we'll get back to you on that.

**Mr. Maguire:** I wanted to touch base in regards to one of the areas of great concern in Manitoba is the protected areas that we have and parks and those areas. And I guess I just have some quick questions in regards to flow of information and responsibilities in that area. And if he could just indicate to me which assistant deputy minister the responsibility for Protected Areas Initiatives is under?

**Mr. Blaikie:** Yes, the Protected Areas Initiative falls under—actually falls under the executive director of Corporate Policy.

**Mr. Maguire:** And how many full-time or part-time staff years were dedicated to the protected areas establishment, or are dedicated to that at the present time?

**Mr. Blaikie:** There are three FTEs, full-time equivalents, associated with the Protected Areas Initiative, but there may be from time to time people who are working either in parks or wildlife who, you know, who work on that—work in co-operation with the Protected Areas Initiative on matters that are sort of tangential or overlap with the Protected Areas Initiative, but within that category itself, three.

**Mr. Maguire:** So three full-time and really no part-time?

**Mr. Blaikie:** Three full-time and no part-time.

**Mr. Maguire:** Can he just indicate to me what new protected areas Manitoba Conservation brought in, in '09 and in 2010?

\* (16:10)

**Mr. Blaikie:** Well, actually, in terms of protected area initiatives, there was, as I mentioned before, the three provincial parks that were created in

2010: Nueltin Lake, Colvin Lake, and Birch Island. And in the late—I believe it was already in December of 2009, there were the two areas on the Hudson Bay area of Manitoba, the Kaskatamagan and the Kaskatamagan Sipi, which were not provincial parks but wildlife management areas that were designated at that time for their importance, among other things, to polar bear habitat.

**Mr. Maguire:** I thank the minister for that. Can he indicate to me what his plans are, then, for the, you know, how much land they expect to set aside under this initiative in this fiscal year?

**Mr. Blaikie:** Well, that will depend to some degree on a number of things, particularly where protected areas, whether they be provincial parks or WMAs or whatever they are, when there's concerns to be addressed by neighbouring communities, whether they be, you know, municipalities or, in particular, First Nations communities.

So, you know, I think I've indicated before when the member's been present at the Chamber of Commerce and elsewhere that—of at least two other provincial parks on the radar, so to speak. Little Limestone Lake, which is, as the member may know, is one of the—may even be the outstanding marl lake in the world, and there's been—it's a park reserve at the moment and we would like to move very quickly to create a provincial park there and we hope to do that very soon.

The other one that's on the radar but is—the proposal for—and again, it's already a park reserve. Fisher River—Fisher Bay, sorry, provincial park, and that was something that we had hoped to achieve earlier, but we weren't able to address the concerns of one of the neighbouring First Nations communities and we wanted to do that if we could. And so we had to extend the park reserve in the fall of 2010 to give us a bit more time to try and bring that to completion.

**Mr. Maguire:** I won't be catty about that perhaps part of that might depend on the outcome of the election. I won't be too catty in regards to the outcome of that might depend on, somewhat, with—the outcome of the election this fall, Mr. Minister. But I don't see much change there.

**Mr. Blaikie:** Nothing should depend on the election unless, of course, those who think they might be the government are less committed to the creation of provincial parks than the current government.

**Mr. Maguire:** Oh, and of course I was thinking the other way around, that there may be more put in place.

Can the minister indicate to me—just provide a bit of an overview on the marine protected area initiatives and how they work in Manitoba, how the—for an overview of just how the marine protected areas initiatives works?

**Mr. Blaikie:** Yes, I mean, at the moment there isn't a, you know, a well-defined policy with respect to marine- protected areas. Obviously, the two areas, the wildlife management areas that I referred to that were created in December of 2009 are an example of us, you know, being concerned about the Hudson Bay shoreline, for instance, and the Hudson Bay waters, and we work with, you know, we work with others who may have a more well-developed policy in that area, for instance those—the national park, for instance, Wapusk National Park.

But, at this point, you know, it's fair to say that, at least from my point of view, I've have been preoccupied with protected areas that wouldn't necessarily fit the description of marine protected areas. There's water in them, but I don't know.

**Mr. Maguire:** Can you indicate to me if there's a legal framework that allows for their protection?

**Mr. Blaikie:** Well, it's just—after consultation, it's as I thought it might be, Mr. Chair, and that is, of course, when you start to talk about marine protected areas, you're primarily in the jurisdiction of the federal government, the Department of Fisheries and Oceans, the federal Department of the Environment or all those departments plus others probably.

So, no, we don't have a provincial legal framework for developing protected areas in an area that jurisdictionally is primarily a federal one.

**Mr. Maguire:** Then, Mr. Chair, I wonder how many wildlife management areas—I'm going to move on to some other areas there. The wildlife management areas, how many have been established in the last five years and are they protected as well under some provincial policy?

**Mr. Blaikie:** Well, as I indicated before, the two most recent wildlife management areas that have been created are the Kaskatamagan and Kaskatamagan Sipi, and they are fully protected wildlife management areas. Not all WMAs are fully protected in the sense that there are some in which

some activities can go on that can't go on in other WMAs.

But that, you know—if the honourable member wanted the list of all the WMAs and which ones are fully protected and which ones permit this, that or the other thing, I mean, that's the sort of thing that I could generate for him if he'd like, or perhaps it already—hopefully it already exists because it sounds like it would be time-consuming work.

**Mr. Maguire:** Yes, if you can supply me with that for over the last five years, so that'd be helpful, and I just wondered, as well, maybe you could supply me with information in regards to the number of new parks and park reserves established in Manitoba during the '90s that have a management plan as well.

\* (16:20)

**Mr. Blaikie:** Well, it sounds like two questions there: one, how many parks and park reserves were created in the '90s and whether they have management plans, or whether there are wildlife management areas that were created in the '90s as opposed to parks?

**Mr. Maguire:** No. The minister's already indicated that he'd provide me with the information for wildlife management areas. I'm wondering about the parks that were—there were a number of new parks and park reserves that were developed in the '90s, and I wonder if he could supply me with that list and how many of those would have a management plan as well.

**Mr. Blaikie:** Well, I don't have that at my fingertips, Mr. Chairperson, but I certainly would undertake to supply the member with that list.

**Mr. Maguire:** Yes, thanks. No, I appreciate that. I didn't expect the minister to just rattle it off like that, but thanks for the—if he can supply me with that, that'd be great.

And is the standard for community and industry consultations about protected areas available and accessible to the public? Is this posted some place in regards to—well, and first of all, the standard for consultations in that whole area when you're looking at new developments, can the minister just indicate to me how public would be aware of that and just where they could go, if it's online or that sort of thing, to look at?

**Mr. Blaikie:** Well, two things, Mr. Chairperson. There are at least two websites, the provincial parks website, where a protected area is part of a provincial

park, and there's a protected areas website. So, on both these websites, there would be information about specific protected areas.

And, of course, when we move to create a new protected area, whether it's a provincial park or whatever the case may be, then there are notices placed in the newspapers and—because, generally, that sort of thing is accompanied by or presaged by an opportunity for public input.

**Mr. Maguire:** And I'm just wondering what the department maintains—or does the department maintain the principles and standards in the First Nations protected areas, MOUs, from 1998?

**Mr. Blaikie:** I'm not sure exactly why the honourable member mentioned 1998 in particular, but, you know, whatever MOUs have been signed between the government of Manitoba and First Nations, either in 1998 or in any other year, it certainly would—our policy to honour them.

**Mr. Maguire:** Yes, just—and I'm wondering if the minister could indicate to me, in regards to the protected area strategy that they're presently working on that they're currently using, can he just indicate to me how old that model is?

**Mr. Blaikie:** Yes, I mean, my understanding is that the Protected Areas Initiative started some time in the '90s. I can't nail down the year but we could always do that. But seeing as it looks like it happened when the honourable member's party was in power, that's probably information that might be available.

So it started then and the strategy, you know, strategies evolve and as we learn more about how to go about things, I would suspect—but—as we—as the—as people came to accumulate more experience with that particular policy area, that there would be new and, hopefully, improved strategies for consulting stakeholders and First Nations and whatnot, as people acquired experience, as to who felt left out the last time something was done. And so, to the extent that governments are always trying to be more inclusive, I would imagine that the strategy became more inclusive as it progressed.

I'm told, Mr. Chairman, that the Protected Areas Initiative began in 1990.

**Mr. Maguire:** I guess I'm wondering, you know, is the minister indicating that it's a work in progress, or is the department developing a new protected areas strategy?

**Mr. Blaikie:** I guess what I'm saying is that these kinds of things are always a work in progress; that we learn from every initiative that we take and as to how we could go about it better the next time. So, in that sense, yes, they—they're always a work in progress.

**Mr. Maguire:** Just in regards to conservation easements, can the minister indicate to me how much land is being set aside for them in this year?

**Mr. Blaikie:** I'll have to get back to the honourable member on that one. That information is not at our fingertips at the moment.

**Mr. Maguire:** Can he indicate to me just how lands that—if he can provide me with the number of hectares later, but when they are set aside, how are they monitored and managed?

**Mr. Blaikie:** Land set aside as protected areas or conservation easements?

**Mr. Maguire:** Yes, I'm just wondering, how are the lands set aside, under the conservation easements, managed and monitored?

**Mr. Blaikie:** Yes, I think one of the reasons why we don't have the information that the member is looking for is that those lands that he referred to as conservation easements are managed by the Manitoba Habitat Heritage Corporation. And the MHHC actually reports to Water Stewardship and not to us because a lot of those lands are set aside as wetlands. And so, we'll endeavour to get that information to the honourable member nonetheless, but that's one of the reasons why it's not at hand.

\* (16:30)

**Mr. Maguire:** Mr. Chairperson, I guess one of the things that I was wondering about the Conservation Department and any other departments was the relationship to the Nature Conservancy, and I wonder if he can indicate to me how much funding they've made available for the Nature Conservancy.

Yes, Mr. Chairperson, either the minister's department or other departments as well. *[interjection]* I'm still on here, I guess. And that's the amount of dollars that would be provided to the Nature Conservancy for acquiring land.

**Mr. Blaikie:** Yes, Mr. Chairperson, I think I'll have to get back to the member on that one.

**Mr. Maguire:** Okay. I just wonder if the minister could supply me with criteria around how they make the determination of acquiring lands or providing

funds for—to the Conservancy for the acquiring of lands that they would purchase?

**Mr. Blaikie:** We'll do that at the same time.

**Mr. Maguire:** You may need to reply to this, as well, at a later date, but I'm just wondering about the management of those particular properties as well, and my colleague from Emerson reminded me of that. And I just wondered if the minister can indicate to me the criteria around the management of these lands, and, you know, is it to the same standards the provincial government would apply to lands it sets aside for protection in other areas?

**Mr. Blaikie:** Yes, well, I think what we'll do when we get you those numbers as to what, you know, whatever monies have gone to the Nature Conservancy, we'll also get you the answers to the questions that you just asked about, the one that you just asked and the one you asked before that.

**Mr. Maguire:** I'll flip the page into some of the Aboriginal Relations areas, Mr. Speak—Chairperson, I should say. And can you supply me with how many staff are in the department's Aboriginal Relations branch and what their primary responsibilities are?

**Mr. Blaikie:** In the Aboriginal Relations department of the department, we have seven full-time equivalents: one managerial, four in professional-technical and two in administrative support.

**Mr. Maguire:** Yes, there's a responsibility, of course, as the minister indicated, to—for the government to consult with First Nations, and I think that's under the expected results in the pages in dealing with Aboriginal Relations in the Estimates books, and I'm wondering.

And I'm wondering if the minister can give me an update on the department's role in those consultations related to the development of policies related to the provincial government's duty to consult with these First Nations.

**Mr. Blaikie:** Well, I mean, there are many things that the department consults Aboriginal communities about. Some of them are related to a constitutional duty to consult and some of them are just related to good policy and the fact that in the same way we might want to consult local communities or municipalities, we would also want to consult First Nations, even if we didn't feel that we had a duty to consult that emanated from court judgments that are relevant to section 35 of the Constitution.

So there's consultation that's constitutionally required and that's when the government has a reasonable expectation that something that it's contemplating will infringe on a treaty or Aboriginal right, and then there's consultation that's just treating Aboriginal communities like you would treat any other community, that you would want to consult them if you feel that it's something that they might have concerns about.

**Mr. Maguire:** And, Mr. Chair, has the department had any role in the development of a co-management agreement regarding Lake Dauphin and the fishery there, or has that fallen exclusively into the Department of Water Stewardship?

**Mr. Blaikie:** Yes, Mr. Chair, with respect to the question that the member for Arthur-Virden asked, I would—Conservation doesn't have the primary responsibility for the Dauphin Lake fish management plan or whatever the formal name of it is. It's—we do have a wildlife biologist that sits on that particular committee or whatever it's called, but, you know, we work with the West Region Tribal Council on a number of other issues, and, of course, we're working with them, for example, on the moose management issues, moose recovery issues.

But the—when it comes to the fishery, it's basically the responsibility of Water Stewardship. But, as I say, we do have a regional director—I think I earlier referred to the—said a wildlife biologist, but a regional director who is part of the process there, but it's more by way of keeping Conservation informed and us maybe having some input certainly, because ultimately whatever the management strategy is, Conservation would have responsibility for anything having to do with enforcement when such a plan actually came into being.

\*(16:40)

**Mr. Maguire:** Mr. Chairperson, I'd like to move on as well to the—some of the area of the WNO, the Wabanong Nakaygum Okimawin, WNO, as we move, and I'm wondering if—I'd like to ask for an update on the activities related to that planning initiative on the east side of Lake Winnipeg. Just, if he could supply me with a quick update on the activities and where it's at, at this particular time.

**Mr. Chairperson:** Honourable Minister.

**Mr. Blaikie:** I don't believe I stuck my hand up.

**An Honourable Member:** It's okay; give him time.

**Mr. Blaikie:** Well, I—yes, I think the best thing I can do is just—then it sounded like maybe that's what the honourable member was looking for, at least at this point, was just a kind of an overview because we are talking about 14 different communities on the east side. And, you know, it's part of a process that goes back to 2000, trying to work with all the communities on the east side to come up with land-use plans, with community development plans, and our focus most recently has been on the four communities that make up the Pimachiowin Aki, the UNESCO World Heritage Site, that the honourable member referred to earlier this afternoon.

And we are making progress with all those communities, in terms of getting their land-use plans in and approved because when it comes to those particular communities, we're working to a bit of a deadline because we want to have the nomination forwarded to the federal government I think it is first, to Parks Canada. We have deadlines to meet there and so we've been not focusing to the exclusion of all these other communities but nevertheless, that has been a top concern of the government's and also of the WNO. But the WNO is made up of 14 different communities, not just those communities that are part of the Pimachiowin Aki proposal.

**Mr. Maguire:** And how many full-time or part-time staff in the Conservation Department would be working on these WNO-related matters? That is, you know, like, sort of secretariat activities on the land-use planning side as well, and of course there's the World Heritage Site process that he mentioned just a minute ago, as well as dealing with all of the consultations with the communities. And I just wondered if he can tell me how many staff members he's got working in those areas.

**Mr. Blaikie:** Mike has feet.

Yes, so the answer to that question, Mr. Chairman, earlier, when the member asked me about Aboriginal relations, and I said there were seven positions, seven people working in Aboriginal Relations, four of those work on the Pimachiowin Aki project. So it's not as if there's another—that's part of the responsibilities of four of the people who work within the Aboriginal Relations.

**Mr. Maguire:** Yes, so is it only the four people under the Aboriginal part of the minister's department in Conservation that are actually from the Department of Conservation, or are there other people that liaise with other departments of government in dealing with this as well?

**Mr. Blaikie:** Yes, I'm sorry, when I said the four out of the seven worked on Pimachiowin Aki, I should have said the WNO, because it's not just Pimachiowin Aki. It's the—all the communities that are part of the WNO.

I mean there are people that provide oversight and supervision to those four who could technically be said to be giving time to that particular—to the WNO. The assistant deputy minister, I'm sure, spends—that's one of the things that he does. That's one of his files; it's one of my files. But in terms of the people who are directly working on it, it's the four out of the seven in Aboriginal Relations.

**Mr. Maguire:** Yes, their salaries and that sort of thing are recorded in the Estimates books and procedures here as well. And I know that, you know—indicated that there's a number of folks that would work in that area, and I'm wondering how many, you know, we can find their annual salaries. But is it—I'm sure that all of the other folks that are working in that area, or personnel I should say, these are all paid through Conservation. How many other departments would be contributing to this as well, or are any of them contributing to that type of funding? I'm thinking of an executive councillor or wherever.

**Mr. Blaikie:** Yes, I mean there are people from other departments that provide information and advice from time to time—as needed basis. But there's no funding, per se, coming from other departments. Just people are consulted in other departments about things that they might know that we need to know.

**Mr. Maguire:** Well, I asked the minister earlier about the update on the activities related to the WNO planning initiative, and can you supply me with a little bit of an update in regards to the World Heritage Site proposal itself, including the deadline for submissions to that as well?

**Mr. Blaikie:** I think—well, I can try and do that, or maybe what I could do, is actually get you something a little more detailed. But the deadline though for the Parks Canada, established by the Parks Canada agency national office for submission of the nomination, is September 30th of this year.

And then after that, Parks Canada must review and approve the draft submission by February 1st, 2012. But as to just where all the different communities are, the four communities in Manitoba and the one community in Ontario, Pikangikum, where they are and the exact stage of completing what each community needs to complete, I could get

that—I think I could—will provide that to the honourable member.

**Mr. Maguire:** Yes, thank you, Mr. Chairman, that would be helpful as well. And I just wonder, you know, how many—are there outside contractors, that sort of thing, that are providing services in relation to WNO? I'm assuming that there are. There'll be a lot of discussions that need to go on there with consultants and that sort of thing, and what's the total annual cost allocated to their activities in regards to land use planning?

\* (16:50)

The World Heritage Site's just one of them, and, you know, there's a lot of consultations going on with communities. There must be a number of individuals that are travelling and working and developing consultations and contracting out their services in relation to the WNO program, and I wonder if he can supply me with how many contractors would be working on that and the cost to the department of that.

**Mr. Blaikie:** Yeah, I think the best thing we can do for the honourable member is to get him something in writing because I'm not sure I could adequately summarize all the information that I've just received, so we'll have it put down for the honourable member and that'll be easier for him and for me.

**Mr. Maguire:** Can the minister indicate just—will he be able to do that in the near future or—

**Mr. Blaikie:** Yes.

**Mr. Maguire:** Yeah, thanks, Mr. Chair. I'm sure that these—you know, I'm looking at the departments of Conservation here for contributing these—for paying for these contractors' costs and I guess—is it all through Conservation or are there other departments that are helping with that cost as well? And if I could—you know, if there are other departments, which ones.

**Mr. Blaikie:** Yes, Mr. Chair, as far as I know, the Department of Conservation is the only department that contributes to this, but I'll double-check that. But I think this is pretty much a Manitoba Conservation matter, at least with respect to funding.

**Mr. Maguire:** There's a number of traditional area land use plans that needed to be completed in that particular area. The minister's talked about the regions and I wonder if he can tell me how many of those have been completed and which ones, if any?

**Mr. Blaikie:** Well, that's sort of what I undertook to do earlier when you asked the original question about the WNO, because it's—you know, all the communities are in different places in the process, including even the communities that are involved in Pimachiowin Aki or the World Heritage Site. So that would be a very lengthy answer as to exactly where all that was at, and I undertake to provide that to the member.

**Mr. Maguire:** I just wondered if he could provide me with an update on the status of the Poplar River proposed land management plan.

**Mr. Blaikie:** Yes, the Poplar River plan has been completed and submitted, and it's undergoing sort of internal examination and review at the moment, and when that process is complete, it will become part of the east side—I think there'll actually probably be a kind of a public review of it at some point, and that will become part of the east-side planning framework. But it also represents progress in terms of the UNESCO World Heritage Site, because that's actually—Poplar River is the first community to actually complete its land-use management plan, and—but, of course, we hope that the other three will very soon accomplish what Poplar River has already accomplished.

**Mr. Maguire:** How many regional resource management boards have been established, and if the minister can indicate to me which communities that those resource management boards have been set up in.

**Mr. Blaikie:** Yes, well, there are a number that are being worked on, some in the context of the WNO, some in the context of the Pimachiowin Aki, but the fact of the matter is is that none of them have actually been completed at this point.

**Mr. Maguire:** But can he tell me how many have been—or how many of them have actually been established?

**Mr. Blaikie:** I'm just saying, yes—none of them have actually reached the stage of being completed and established, whether either in the context of the WNO or the Pimachiowin Aki.

**Mr. Maguire:** In the previous answer, not this one, but the previous one, the minister indicated, you know, that it was—these were part of the whole broad area plan for the east side of Lake Winnipeg, and can he give me an estimated time frame for the completion of that broad area plan for the east side?

**Mr. Blaikie:** Well, I think, you know, frankly, the answer to that question is very difficult because it depends on the—on each community, and we certainly work as hard as we can to get communities to the point—

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

### **FAMILY SERVICES AND CONSUMER AFFAIRS**

\* (14:50)

**Madam Chairperson (Marilyn Brick):** This section of the Committee of Supply has been dealing with the Estimates of the Department of Family Services and Consumer Affairs.

Would the minister's staff please enter the Chamber.

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

**Hon. Gord Mackintosh (Minister of Family Services and Consumer Affairs):** I know the department was busy this morning and early this afternoon collecting information as a result of questions yesterday. And I thought I will put what they have compiled on the record then.

First question, I was going to confirm whether the policy person that helps out is costed to my office, and it is not; that's to Executive Council.

The Policy and Planning questions that the member had, it referred to a difference between the annual report for '09-10, and the number of FTEs in the Policy and Planning unit, compared to the number of FTEs in the '11-12 Estimates supplement. So the difference actually is that the '09-10 actual in the report had 18 FTEs, then the Estimates for '11-12 showed 19. The Adjusted vote for '10-11—19—the difference is one.

You go to Financial Admin Services, the FTE from the '09-10 actual in the report—in the annual report—was 32, and then, sure enough, the Estimates for '11-12 show 31, and the adjusted vote for '10-11, 31, for the difference of one, so that nets out.

No, the explanation provided by Mr. Tess was that the department transferred a policy function, then, from Finance and Admin to Policy and Planning to better align the function, to consolidate that kind of effort in one co-ordinated unit and

resulted, then, in an increase to 19 in Policy and Planning, with a decrease to 31 in Finance and Admin.

Salary costs is the next issue. The Policy and Planning unit has been confirmed as responsible for co-ordinating FIPPA responses across the department, but that also includes across-departmental FIPPA requests. In '10-11, the department gained efficiencies by reorganizing the way FIPPA responses are prepared by assigning responsibilities to the various divisions for FIPPA requests pertaining to their respective divisions. So that's a more recent change. And they wanted me to note, as well, in '09-10 the department also incurred costs within Policy and Planning related to the start-up of the poverty reduction strategy.

On grants, I understand that actuals are not yet available for '10-11. Over the next two or three months is usual. I think it was into fall last time, but we can make those available to the member when they are available.

There were questions that she had about information technology. '10-11 Estimates show 11.5 FTEs with a budget of 2.219. The Adjusted vote to Innovation, Energy and Mines showed a reduction of 1.725. So the '10-11 Adjusted vote was 1.34. The explanation provided was in fiscal '05-06 the department transferred FTEs to IEM as part of a government-wide transfer of function for IT services through the Adjusted vote. The matching funding for the FTEs remained within the Family Services budget.

During the fiscal years '05-06 to '10-11, IEM charged the cost of these IT salaries to Family Services. The salary cost in the Family Services '09-10 annual report of 2.455, as the member acknowledged, includes the cost of staff that worked in IEM.

The Adjusted vote transfer from Family Services to IEM in '10-11 will mean that the costs, FTEs and budget will be shown in the IEM appropriation going forward.

There were questions on the allegation of fraud. There was the fraud matter that was raised, and I'm advised that there were some changes to ensure greater clarity regarding the details of hours worked and hourly rate and some greater controls to ensure accuracy, compliance and reconciliation of funds as a result of the allegation, and the agency has also enhanced information regarding respite forms and

claim procedures. And it was confirmed, as we said on the record yesterday, after some back and forth with memos that—or emails that the matter is still before the Winnipeg police services, and it appears that there was a very timely referral to Winnipeg police services as early as early May of 2010.

I don't know how my time is, but there's only a—there's two other items. I'll just keep going perhaps.

In response to the member's question about the reporting of EIA expenditures from '03-04 to '06-07, I'm advised that the '03-04 annual report reflects a restructuring of the department which resulted in the EIA programs being split between two divisions. For the years in question, the member will find expenditures for the EIA program under Employment Income and Housing division and under the Services for Persons with Disabilities division. There was a restructuring then in '07-08, and all the costs for EIA were housed within the disability programs and Employment and Income Assistance division. I remember that.

Then the last area that I had here, I believe, EIA caseload stats for January, February and March. Discussed this with the department. The staff are—the staff are working full out right now, revising the data which will impact on the FIPPA information the member has as well, because the EIA statistics include the participants that were—that are receiving or have been receiving the Rewarding Work health benefit that's been counted in the caseload statistics, when, in fact, they're not on welfare. In fact, the Rewarding Work health benefit is only for those who are off welfare. It was extended. And so that skews the numbers to a higher amount, actually, and so they have started to work month by month, I understand, on netting out those individuals.

Now, that Rewarding Work health plan was introduced in '08 to support persons with disabilities and single parents who do leave welfare for work. So they're not receiving traditional EIA benefits, and the department will be reporting them outside of the EIA caseload. So that record will have to be corrected, and the member will get the information as soon as we can net that out, as I will.

**Mrs. Bonnie Mitchelson (River East):** And I thank the minister for getting back as quickly as possible with answers to the questions.

I guess, just on the last one, when he indicated that the caseloads would be different as the result of

individuals being counted that really weren't on EIA, are they still being counted under the Employment and Income Assistance line within the Estimates? Where do we find the dollars that are going to the health services benefits for Rewarding Work, and in what line in the Estimates do we find that?

**Mr. Mackintosh:** First of all, the—we should just make it clear, though, that those people receiving the health benefit, Rewarding Work health benefit, would not be, or should not be, of course, included as a caseload—just in terms of terminology.

The EIA line in the Estimates book does contain several Rewarding Work initiatives but not the health benefit. That comes out of a different line there that I believe has the title Health Services, and I'm just getting—what page is that? What page? Eighty-one? On page 81 on the list there of—it says 62,304 for '11-12.

**Mrs. Mitchelson:** And then would the support for Rewarding Work be under the Building Independence line?

**Mr. Mackintosh:** I'm advised that there are some Rewarding Work initiatives under that line.

**Mrs. Mitchelson:** And then where are the other Rewarding Work initiatives found? What line?

\* (15:00)

**Mr. Mackintosh:** As we're going through this question-and-answer, I'm actually thinking that it would be useful, perhaps, for the public and members, for us to separate out a Rewarding Work line, perhaps with some categories in there, just so it's distinguishable because it looks like many of the initiatives are put into lines and may have existed earlier. For example, the EIA line. But under the Employment and Income Assistance line shows around 306 there the following Rewarding Work initiatives are included.

Earnings exemptions, we've recently enhanced them. I think the—they're called work incentive allowances, usually, and we've made sure that those are among the strongest. The Rewarding Work volunteer benefit is included in there. That's been very highly regarded, well received. That's a—as I recall, the amount of the benefit is \$50 a month for a certain number of hours worked, up to a \$100 a month to get persons with disabilities volunteering in the community, to recognize the value of that and to ensure the right incentive is in place.

The Rewarding Work allowance is in there. Get started, which is the training-and-education support initiative that has been recognized, and I believe the Ombudsman was recognizing that. The job-seekers' allowance is in there. The Rewarding Work rent allowance is in there.

And there were some improvements to shelter allowances as well. Some of that was—there was a human rights case on that one, and as a result of that matter there were adjustments made for those in room-and-board situations, and care and supervision.

And then you'll see, then, underneath the Employment and Income Assistance line—we already talked about the Health Services; that includes Rewarding Work, health, and you see there are some other Rewarding Work initiatives there, including marketAbilities. As we said that Building Independence there's some amounts. The Manitoba Child Benefit is a Rewarding Work initiative. And there are portions of RentAid that are also, for those that are not on social assistance, would certainly be in the nature of making sure that work pays.

**Mrs. Mitchelson:** I thank the minister for that explanation.

I guess my question would be, given that the actual spent in '09-10 on Employment and Income Assistance was \$296,990,000, is the Estimate of expenditures for 2011-2012 realistic or—because it appears to me that over the last number of years that line has increased by about 15 per cent per year and it was at 296 million two years ago? Can the minister indicate to me—and I know you won't have the final numbers, but the experience in the last part of—or I guess in the last fiscal year.

He talked yesterday about maybe trying to give me an indication of what the trends are and the number of people on employment and income assistance. And, are we seeing—are we continuing to see increases in the number of participants? And, if we are continuing to see an increase—I would make a case to say that the estimates for employment and income assistance, in that line, in this year's budget, would be certainly lower than reality.

So I would ask him to try to help me understand why if in '09-10 we spent 15 per cent more than what was estimated, that we would be seeing a lesser increase last year—or a decrease last year—because the estimate last year was only 293 million, when we spent 296 million the year before.

So, if I'm making sense, I wonder if the minister could try to explain for me what the trends are and what's been happening, generally speaking, over the last year.

**Mr. Mackintosh:** Well, the department is somewhat cautious about speaking of trends just because they are netting out this number which will impact on numbers going back a ways. So, having said that, the sense from any number crunching that has taken place appears to indicate that there's a slowing of any growth and that was certainly an expectation as well, that, I think, would have been a factor.

Looking at the allocation for this coming year, recognizing that you're really looking at a three-year difference then between '09 and 2012. So that would—that was the thinking in terms of the preparation, I understand, of that line.

**Mrs. Mitchelson:** But in the 2009-2010 fiscal year—and I think I may have put a 15 per cent increase on the record and that's not accurate, it was a \$15-million increase, which would have been a 5.5 per cent increase. So I correct that if I put the wrong comment on the record.

But there was an increase in that budget line of 5.5 per cent in '09-10. And I guess my question would be: Is the trend continuing and would it be fair to say that the number of cases are continuing to increase? And are we seeing a slowing of the increase, or what information could the minister provide based on—I'm sure there's been some assessment of what the trends are over the last couple of years.

\*(15:10)

**Mr. Mackintosh:** I think, generally, across government, and, given outside reviews of the economy in Manitoba, there are expectations that the economy is recovering, which then would lead to an expectation of persons who are—were displaced as a result of the downturn getting the retraining or other jobs in the economy. So, like, that's the general context.

We always know too that EIA can sometimes lag a recession because individuals may go on EI for a while, and we know there have been some concerns about the breadth and application of EI to deal with some that have been displaced, and I'm sure the member will be aware of some of those issues. And so there have been some representations, and there was some adjustment for the downturn by the federal government, but there are still some

shortcomings. So the expectation is that there is some lag there. But the early indications from the department, as I say, without the drilling down and netting out, is that growth appears to be slowing somewhat, which then would, I think, be reflected in the kind of projections that the department had attempted around expenditures for EIA. And, as well, we all know that there have been some successes shown by the Rewarding Work initiative, and it's not just a matter of getting people just to the first job, but getting them trained and allowing for larger—or longer training opportunities, and the time for, you know, for those that have come on, when Rewarding Work was announced four years ago, now, many of those people are able to get into employment. So those were considerations, I understand, that the department had in looking at these numbers.

**Mrs. Mitchelson:** And about a year ago, the—there was an article in the *Free Press* about the Province hoping to replace cheques with direct deposits for EIA recipients. That was a year ago, and can the Minister of Family Services indicate today what the status of that initiative is?

**Mr. Mackintosh:** This was an issue that came from some developments in Alberta, as I think it was. There was another province that had tried this. I think, though, that there was a—the vendor—the service provider—the company—I think they went out of business or something. We thought that this was worth pursuing again. The technology was developing to the point of being applicable to allow for this option, and there were other real good benefits with this. I might say that we have also proceeded in other directions at the same time to ensure that we can have EIA clients with direct deposits, so I'll just—so the—there was this experiment out west—or this attempt to have prepaid cards for EIA in addition to developing direct deposit. In Manitoba, we decided that we were going to go ahead on both fronts as best we could, so we launched a direct deposit strategy here to get EIA recipients using bank accounts so that direct deposits could be used increasingly. And I'm advised that there has been some success: now about 78 per cent of recipients are on direct deposit; that's continuing to grow. And I just asked for sort of the—some more detail on the statistics that we hopefully will get in here.

Then, on the issue of prepaid cards, which I think is still worth pursuing even though we're now up to—we're nearing 80 per cent on direct deposits,

we asked for interested companies to talk with us, to show any interest or come back with information on the state of technology and the possibilities that could be launched here in Manitoba. There were a number of vendors that we had discussions with as a result of that process.

There were some concerns, though, that didn't really fit the criteria of what we wanted. It was sort of more of a credit card approach that they were proposing, but we thought that there might be some combinations there, there might be some way that we could incent a proposal back to us that would really meet the needs. So now the plan is to actually proceed based on that information, based on the state—the lay of the land on an RFP. So that's the state of that right now.

But I'm very pleased with the direct deposit initiative. We think it's very important that we move in this direction, and I think, across the country, we're showing some leadership now in this area.

**Mrs. Mitchelson:** Can the minister explain to me—I think I have to go back here. Just a moment.

Under the Rewarding Work strategy there's income—increased income assistance for persons with disabilities. How do people go about receiving that or is there an application process in order to receive the additional funding?

\* (15:20)

**Mr. Mackintosh:** Yes, under the Rewarding Work strategy there was an enhancement of \$25 per month for persons with disabilities. Under the Income Assistance for Persons with Disabilities, the total now is \$105 a month. Did I say the increase was January of '08, that \$25? And they receive that benefit automatically if they are receiving EIA benefits as a person with disability.

And I should just add as a footnote that the Manitoba Shelter Benefit, now called RentAid, is—we added, as well, \$50 a month there for persons that are in private rent. That, as well, was automatic. So those were the two enhancements for a single person with a disability, or a person with a disability.

**Mrs. Mitchelson:** And even just with a nod, so that is the \$105 per month for an individual, plus the shelter benefit of 50? Or was it the 25, plus 50? I just need clarification on that.

**Mr. Mackintosh:** The Income Assistance for Persons with Disabilities is the name of the title, or the title of the line; it's 105 total, which includes

\$25 increase January '08 under Rewarding Work. The other change was the introduction of the Manitoba Shelter Benefit, which is \$50 a month for persons in private rent on welfare.

**Mrs. Mitchelson:** Madam Chair, so automatically if you're in the disability category you receive those dollars. There's no application process?

**Mr. Mackintosh:** Yes, the two changes that I talked about really reflect the recognition that people in this category needed more help in stable housing in order to provide them with the—to help ensure greater opportunity of not just stable living, but getting into employment, having sort of the basic foundation of living that can enable participation and in concert with other Rewarding Work initiatives.

**Mrs. Mitchelson:** Madam Chair, but I don't think the minister answered my question. My question was: Does everyone that is on EIA, under the disability program, receive the extra \$105 per month automatically and the \$50 for rent supplement automatically, or is there an application process?

**Mr. Mackintosh:** Well, just to be clear, the answer is: Of course, there are—there's an application that is required and then the oversight of that application process and the person continuing in that category to start with. And then, when it comes to the specific benefit, the Income Assistance for Persons with Disabilities and RentAid, it is not for everybody. There are criteria there. So it is not automatic.

Like, for example, I can give two examples. The Income Assistance for Persons with Disabilities is only for those individuals who are living in the community, and the Shelter Benefit would flow only to those who are in private rent situations.

**Mrs. Mitchelson:** Okay. So, for clarification, every person that is on the disability program under EIA would receive \$105. The—I understand the rent piece is based on living in independent or private accommodation, but is there an application process to receive the additional \$105 per month?

**Mr. Mackintosh:** Well, with the understanding and the caveat that there is criteria that apply, and if there's other criteria I'll let the member know, but the one criteria that we were talking about is it is only for those who are living in the community and those enrolled that have been—have applied and been accepted, then, on income assistance in that category.

And, again, for the—for RentAid, it is not for those that are in, for example, Manitoba Housing. It's for those that are in private rent accommodations.

So there is some caveats. I don't want to—I think we have to be careful—but, I think, hopefully, that answered the question.

**Mrs. Mitchelson:** Is there a lag time between the time people do apply by application and when they're accepted? I have heard some concerns from the community that people have applied and are on a wait-list to receive the supplement. Is that the case?

**Mr. Mackintosh:** If there is a complaint from an individual that we could look at and, you know, all these individual complaints can sometimes be informative in terms of any other—or the treatment of others. But if the member has an example—but I was just told by staff that there may be, sometimes, lags due to the need for medical information to become enrolled in the disability category as opposed to the general assistance category. And there's some criteria there for that category. That might be where you could see some of that.

In the meantime, though, the person would usually be enrolled so long as they met the other basic criteria, the EIA. They could be enrolled in the general assistance caseload.

**Mrs. Mitchelson:** So there are resources available for absolutely everyone that applies if they meet the criteria, immediately? There isn't anyone that's told that there is a wait time before the money is available?

\* (15:30)

**Mr. Mackintosh:** Those who apply for EIA will usually receive a cheque at the end of the month. That's when payments are usually made, unless there are exceptional circumstances. We do provide for emergency payments.

I'm also told, though, that any benefits would be paid retroactive to the date the application is made, whether that's for basic EIA or other supplements.

**Mrs. Mitchelson:** So if—I just want to be clear on this. So if someone applies for an additional disability benefit and it takes some time to process the application and the application is approved, they would receive money retroactively to the date that they applied?

**Mr. Mackintosh:** That's what I'm advised and, of course, that assumes that on the date of application,

there was eligibility that was later discovered. But, if there are cases where that's not happening, we would take a run at it.

**Mrs. Mitchelson:** I do want to indicate, too, that, you know, from time to time there are individuals that do call about Employment and Income Assistance, and I just want to say to the minister that—and on many issues the—in the department that the staff from his office certainly via the department and the departmental staff respond very quickly and very efficiently with those requests that come forward. So I do want to say that to staff. There are—I know the minister deals with a lot of difficult issues and people that are in difficult circumstances, some of the most needy and vulnerable in our community, and staff in the department, for the most part, I have to say, respond in a very professional and very expeditious way. So I just want to put that comment on the record.

Can the minister indicate—and I don't know if I'm asking the right minister or not, but what's happening with accessibility legislation?

**Mr. Mackintosh:** Well, I can talk just very briefly about my experience with this area. I think the member, though, should be advised that those questions should be raised with the Minister of Labour and Immigration (Ms. Howard). She is now charged with—as the Minister responsible for Persons with Disabilities, and it's an area that transcends the provision of disability services that the Department of Family Services provides.

My role was looking at the advantages and challenges with that kind of approach, and it was included as part of a proposed disability strategy called Opening Doors that the Province released. And I was involved with that as was the now Labour and Immigration Minister when she was charged with responsibilities for disabilities in my office. So I think that would be the best place to go.

**Mrs. Mitchelson:** I'll just move on to child care, child daycare. And, you know, this is an area when—I think every year in the Estimates process, since I've been the critic, I have indicated that, you know, I like to give credit where credit is due, and I have to give the government credit for expanding the number of child-care spaces on a regular basis in the province.

But I have been hearing some legitimate concerns, I think, from many of the funded centres out there today that their operating grants have been frozen and that they're in very difficult situations

where they have no way to raise additional revenue, other than going to their parents and doing significant fundraising to make ends meet. Because, you know, as the minimum wage increases, so then is their expectation that those within—working within the child-care system will receive some increases in salary. If there's a lack of increase in operating grants, that doesn't allow the ability for facilities to increase wages and, as a result, I think we're seeing people move out of child-care centres and into other jobs which might be into the school system. And that's a real dilemma for child-care centres.

And I know that last year, operating grants were frozen, and I guess I'd just like to ask the minister what accommodation is there in the budget this year for increases in operating grants.

**Mr. Mackintosh:** We know that the last year or so has been challenging for outside agencies, given our budget pressures, and, as well, it's been difficult for internal Administration and Finance in some ways too. You know, the Estimates book sets out what our plans are for the funding of many of the operations that we have.

And I've paid very close attention to what the outside agencies have been saying in terms of their pressures and, in particular, though, when it comes to child care, the MCCA has been very vocal and I've also heard directly from child-care centres, from directors, by and large, about some of the challenges that they face.

We recognize last year there was a hold-the-line approach for operating funding generally, but there were exceptions, and that is where we were able over the last number of years under Family Choices to address unfunded spaces. So, first of all, that is one very important way to address funding challenges for centres because, of course, if you have a child in the centre that does not have a recognition under the funding formula for, you know, funding for that space, the funds will only come from the parent fees.

So that has been one way to address that, and, as well, when there have been emergencies from time to time, the child-care branch has been always attentive to getting involved, sometimes very proactively, because we always want to ensure that we don't lose any spaces as we proceed. And so, when emergencies come up, it's important that there be a formalized method of responding to that, and we've just done that. We just created a new emergency funding authority, and we did that sort of on an ad hoc basis in the past, just because it had to be done,

but now we formalized that. And it's gone to work. Even in the last couple of months, there have been some emergencies that have arisen, whether they're fires or whether there's, you know, sometimes there can be a breakdown in board-staff relationships and so on. Unfortunately, that can happen and does from time to time.

But I think the question that the member was trying to get me to answer alone without recognizing those two other ways of helping centres with operating was just the grant for operating. And I'm pleased that in this year's budget, we were able to not only increase funding for 2,100 spaces, the majority of which will be newly created, but there will be a sizeable number that will go to unfunded spaces.

So there are centres that have been waiting. And I know of one, for example, in south Winnipeg, where they set up a program just in August with all unfunded spaces. It was a before-and-afters program, and those are the kind of programs where funding of the spaces can make all the difference to whether the program is on solid ground or not.

\* (15:40)

So we will prioritize those. And I know the department now that has—it has the budget numbers and the commitment they've been working on where the funded spaces should be this year. So we expect—there's still—there's an expectation that the allocation of those funded spaces will be made in spring—this spring.

The other part of the budget includes a 1 per cent increase for operating, specifically to deal with priorities such as minimum wage adjustments, other, you know, priorities like rent and so on, effective October 1st.

**Mrs. Mitchelson:** And I had heard that, not officially, but unofficially from some that are working in the child-care field. But their argument to me is that a 1 per cent increase that kicks in in the middle of the year is only a half per cent increase in operating funding for the year when their budget runs for a full fiscal year.

So can the minister confirm that centres will be receiving 1 per cent for half a year, which means that for the full year they'll only be receiving half a per cent?

**Mr. Mackintosh:** No, it's 1 per cent for half the year, not half a per cent for the full year. The—that's for—specifically for operating and, as I say, in

addition would be funding for existing spaces and, of course, funding for newly created spaces.

But, as well, because the member talked about this in the context of retention and recruitment of workers, that is only one part of a multi-faceted workforce stability strategy that was unveiled under Family Choices.

We're seeing the impact of that now. We've got into the sector over the last few years alone, about 2,100 workers; I think about 600 of them are ECEs. And when you look at the exemptions that—you know, in, what was it, '04 or '05 we brought in among Canada's— if not Canada's toughest, strictest staff-to-child ratios. And at that time we—the Province thought it was important to have that marker in there, and it was agreed that the best way to move ahead is to allow—recognize exemptions so long as centres had some training plans in place to fully meet the ratios.

So we've seen—and, again, this is a good objective measure of the improvement, but there's been a significant improvement in the number of centres now that are—that have the full training requirements, the ratio requirements, very significant. And, I think, I've got some numbers.

So the exemptions have gone from, well, 35 per cent of the centres in '06 to 27 per cent as the most recent number, and those have training plans in place. And so that's an improvement of some 20-some per cent, I think it would be, if you did the numbers on that.

But since '04, we've had a 69 per cent increase in the number of ECEs employed. We're—there's been a campaign. I don't know if the member has seen it, "It's the small wonders that make this career great." But recognizing that child care is a career, it's highly important for the well-being of Manitoba and for families.

The pension plan that was introduced last year was an important part of, perhaps, a recruitment, but I think even more so a retention strategy. It had been asked for for many, many years. Only Québec had one. We brought it in, and I know there were some out there who were very critical of the Province for doing that, but we thought it was a bold step that had to be made to address workforce stability.

And in this year's budget, the member should know that there's been a significant investment in wages as—or as an incentive for workers who will join the pension plan. In other words, we have tied a

2 per cent, two-year remuneration increase for those enrolled in the pension plan. So, in other words, they can get an 8 per cent pension for 2 per cent with that strategy. And, of course, we fund the 4 per cent employer share. That's a sizeable part of the increase in the budget this year for child care.

So, in addition, we just started the Family Choices scholarship. We've made sure that there are abilities for people to transition up to access training, and so there are dollars available for that. So, it's a very significant investment, and the outcome has been an addition to, of course, the numbers of those who are now employed and attracted to child care. What I understand is Canada's second highest wage rates now for child care, that's the last numbers we had, at least. And, I think the starting wage now for an early childhood educator is about \$32,000, so it really represents an increase of well over 40 per cent—way ahead of inflation over the last 10 years.

*Mr. Doug Martindale, Acting Chairperson, in the Chair*

We're going to continue to look at how we can better attract and retain. We do recognize the need for workforce stability. But as I've said to many people in the field, there are labour shortages in many, many sectors and disproportionately in social services, and child care has not been immune. So it's an area that—or it's a challenge that, unfortunately, is shared in many, many sectors in Manitoba's economy, but when it comes to Family Choices, there's been a real directed effort to make a difference there. We will continue to see improvements to remuneration for child-care workers under Family Choices. The job is not done yet; we know that. We've made improvements but there is still more to do.

So, I think those are—that's—that would be my rebuttal to the member's concerns. But it's a—I will say, though, that, of course, the Province shares concerns about workforce stability, and you'll often hear anecdotes, well, you know, I—from a director—I lost a worker to become an education assistance—assistant in the schools. Our response to that is to urge child-care centres to get out the word that there is a higher annual remuneration for being an ECE than an EA. There really—some interest in some of the hourly rates there in the school divisions, but when it comes to annual salaries and a career that is so rewarding, we think ECEs have just as much to say out loud. So, that is part of the ongoing effort, and this year's budget has not turned a blind eye

whatsoever to the need for funding child-care centres, both in terms of operating and specifically workforce stability through the 2 per cent pension incentive, let alone the funding of more spaces.

**Mrs. Mitchelson:** And can the minister indicate—I think there was an extra \$150,000 in the budget last year for the province-wide online child-care wait-list initiative. Can he indicate to me where that's at?

\* (15:50)

**Mr. Mackintosh:** For a number of objectives, the online child-care registry was included in Family Choices. Job 1 was to make it easier for parents to register for child care. Second of all was to relieve child-care centres, if they so chose, of the paperwork burden that often comes with maintaining a list. And No. 3 was recognize value in identifying needs province-wide and, as a result, before Christmas or last fall, the online registry was piloted in Brandon and we went down there and explained it to the community. It was then advertised in the community. The child-care centres and providers received outreach from the department, from the provider, from the people that were putting the registry together. And the idea then was to expand the registry province-wide. As a result of the planning and the working out the glitches—which there haven't been many I don't think, nothing that has really been notable—they were able to expand the registry to the rest of Westman, Parklands and, I believe, northern and Interlake regions. So, it is in the course of expansion now, province-wide. And it's, you know, there's—I think there's a briefing coming up for me, actually, in the days ahead so I'll get the latest in terms of what the lessons are that have been learned. Make sure that it is parent-friendly first and foremost and discover what other lessons can be learned.

**Mrs. Mitchelson:** And when is it going to be up and running in Winnipeg?

**Mr. Mackintosh:** The—I'll—we'll just get the latest in terms of all the plans when I meet with the—and the reason there's a provider, there's a contracted provider that is—they're doing the technological piece in concert with the department. So I look forward to hearing what the latest is, given the rollout.

But there are plans to get that done and, hopefully, in this calendar year.

**Mrs. Mitchelson:** And there is an increase in the budget under Supplies and Services for Child Care. And it says it's primarily due to the Parent Zone website. Can the minister explain what this is?

**Mr. Mackintosh:** It was recognized—well, the Parent Zone website isn't the online child-care registry. It's another initiative to provide parents with information about child rearing and child development, parenting tips.

**Mrs. Mitchelson:** I guess I'd like the minister to expand a little bit on that. Is this website up and running, and what kinds of information is available? This is not then related to child care or facilities. This is additional money for a website for all Manitobans, all parents. I'm just having a little difficulty, and I would ask the question: If it is sort of a Healthy Child initiative, why is it in this minister's budget under this line rather than under Healthy Child?

**Mr. Mackintosh:** The website is in the final stages of development. It's development really hinged on partnership with Healthy Child, so there was a linkage there. For example, the Triple P Parenting initiative, which is about parenting discipline, is a link that'll be very important.

So there's been development work with the people in Healthy Child, I think, ongoing, but as well in other departments. What we're trying to do here is bring into one portal, one area, all the Q and As that parents would have when it comes to child care and ensure that it is in very readable form, that it is linking to all of the other appropriate websites that can help parents with the questions, the everyday questions that they might have.

**Mrs. Mitchelson:** So this is, then, a Parent Zone website that is focused on helping families access child care because the minister indicated in his response that this was child care related. Is this only regarding accessing a child-care facility or some site—type of support for working parents or—I mean, I guess I'm just trying to figure out what he means by this.

**Mr. Mackintosh:** Yes, I was referring to child care in the broad sense of the word, or youth care, and is really included there. It's to provide information for parents of—any questions that they might have, everything from, perhaps, bullying to breastfeeding. It's intended to be a one-stop shop website.

\* (16:00)

**Mrs. Mitchelson:** Is this line in the minister's department the only line across government that will have money for the Parent Zone website? Is the Department of Family Services the lead on this?

**Mr. Mackintosh:** Well, there's been engagement by a lot of departments and, in fact, you know, outside of government, as well, and other governments, but Family Services is the lead on pulling that together and that's why it's identified in this department.

**Mrs. Mitchelson:** So then—I don't think the minister fully answered my question. Is there money in any other budget line in any other government department for the Parent Zone website?

**Mr. Mackintosh:** Well, I just want to—I don't want to be criticized later for not answering it right. I wanted to ensure that the member knew that there certainly efforts from other departments. There were, you know, not just consultation efforts in providing advice but, for example, the Triple P, which will be a major link to Parent Zone, is costed under healthy—the Healthy Living portfolio. But the Parent Zone specific spending is in Family Services alone. I think that answers your question.

**Mrs. Mitchelson:** Thank you, Mr. Acting Chair, and very often when there are cross-departmental government initiatives there can be allocation of resources from different government departments. I understand that. I guess my question is, is this a portion of the funding for the Parent Zone website, or is this the total funding for the Parent Zone website?

**Mr. Mackintosh:** This is the total, specifically directed Parent Zone funding, but there may be costs incurred by other departments in helping with this endeavour. But they would be incidental to the operating or the salaries of those other departments as part of somebody else's other broader job description. But the Parent Zone website funding for the immediate development is all here.

**Mrs. Mitchelson:** Who is the person that is the lead on the Parent Zone project, from the minister's department?

*Madam Chairperson in the Chair*

**Mr. Mackintosh:** Yes, there was an effort across some divisions in the department and so, you know, these costs relate to, you know, development costs, content costs. They're looking at an ask the expert kind of function that I think they're still, you know, developing so that the questions can be posed to people who have expertise in certain areas of child development. You know, awareness costs, IT-related costs, I would think, would be in here. So it's been an effort with a number of people. I had a briefing on this a few weeks ago and there was a full room.

**Mrs. Mitchelson:** The minister didn't answer my question. Who in his department has the lead responsibility for the development of the Parent Zone website?

**Mr. Mackintosh:** The head of Policy and Planning, Lissa Donner, has been the co-ordinator, but—I think that's the answer to the question, is the co-ordination function is that person, but there've been an involvement of a number of others in the department.

**Mrs. Mitchelson:** And why, then, does the—it looks like it's about \$250,000, fall under Supplies and Services in the Early Learning and Child Care budget line in the department?

**Mr. Mackintosh:** I'm advised that the department had to park the investment somewhere in the Estimates, and it was thought appropriate that since it was related to children and it wasn't specific to any other area like child protection, for example. It's a new kind of area for the department, so whether in the future it would be going somewhere else, I don't know, but it was thought that this was appropriate so long as it was identified in the Estimates for this line.

**Mrs. Mitchelson:** But I guess my question to the minister is there's \$250,000 that isn't going into the child-care program in the budget for Early Learning and Child Care, which, basically, is to fund child-care spaces for working families. So I am questioning why it would go in here, and I am also questioning why it would be in this minister's department when this sounds very much like a Healthy Living initiative. This government has created a Healthy Living department and a Healthy Child branch within government that is supposed to profile intervention and up-front supports and services so that every child can grow up healthy, and we have a minister that stands up on a regular basis and talks about how wonderful it is and how it's co-ordinating everything within government.

My question would be: Why is this kind of initiative in the Department of Family Services rather than in Healthy Living? It appears to me that it's kind of been hidden down in a line within this minister's budget, and I would question why that is happening. And, certainly, when there's a significant new initiative, I am surprised that the minister only had a briefing on this a couple of weeks ago when it's something that, you know, I would hope that he would have taken to Treasury Board and had approved. He should have been fully up to speed on what this was all about, and he would have had to, I'm sure, sell it to Treasury Board. He seems to be

very evasive and he seems to be spending a lot of time talking to his staff about what this program is all about. So I'd like him to try to be a little more forthcoming and try to explain to me why he now is taking responsibility that the Minister of Healthy Living (Mr. Rondeau) should have for a program or a website.

\* (16:10)

**Mr. Mackintosh:** Well, first, there's been many briefings over some time to develop this, so the member was incorrect or made a wrong assumption there. And, of course, this has been all vetted through the appropriate channels in government. The Healthy Child Committee of Cabinet is one example of how this government has recognized that when it comes to the support for families and children we shouldn't silo approaches. But the member is asking: Why is Family Services funding services to family initiative? And the answer is self-evident, I think. Family Services has a responsibility to empower families, to support families and, indeed, to provide a role to prevent child protection concerns that can develop in families when they don't have access to the proper answers to questions that can arise on an everyday basis. So it's important that all the ministers who have responsibility for families and children look for better ways to serve those families.

I should also just advise the member that the child care, in other words, the provision of child-care services through—under Family Choices did not include this amount in the announcement for child care because, of course, it is not going to child-care centres. But it is related to child care in the broad sense of the word.

But the provision of help for families is something that the department strives to get better at all the time, and this is a good step forward recognizing that the new way of communicating with families, of course, is not just through the traditional methods of brochures and phones, but using the Internet to provide the readily available answers that families need, and I think, in today's world, even more so. It's tough to be a parent, and it's time that governments always recognize that we have to, not only, stay up with the times, but we've got to catch up to technology and recognize that parenting in this day and age has additional challenges that even a few short years ago would never have been thought of. And I even look in the papers for the last number of days and I come across all those challenges, whether it's sexting, whether it's bullying, whether it's

cyberbullying, in particular, whether it's access to information, that is not just Healthy Child issues such as even mental health or addictions or bicycle helmets or the family visiting programs and FASD and suicide, it goes beyond that.

It goes into everyday issues that may not be at crisis proportion but are festering concerns that every family may have, and maybe if there's a family out there that doesn't have some serious questions about how they can successfully raise upstanding young people, I'd like to be introduced to that family and maybe we can get them as a—on the Ask the Expert function on the website. But it's under development and it's our intention that we can get this rolled out once we get a sense that it is comprehensive enough and responsive enough to meet the needs of Manitoba families and worth all of the investment that the member was recognizing in this line.

**Mr. Stuart Briese (Ste. Rose):** I want to direct my questions at a couple of specific areas that have happened in my constituency, and the minister, I know, is aware of the one situation. Christine Debeuckelaere is a foster parent in Ste. Rose. She has four children in her care—or had four children in her care. But, specifically, she had boys that were four and seven years old. The youngest was a baby when he came to her place, and she and I both agree that reunification of families is very important. But these two boys had two supervised visits over a six-month period in hotels in Dauphin and then were returned to the family for a whole weekend and—well, two weekends in a row. They were picked up at 8:30 on a Friday night—and she found out by accident that they were going to be picked up by a phone call to her social worker—they were picked up on a Friday night at 8:30 for a four-hour car trip with a person that was a total stranger to these children and no paperwork presented to Debeuckelaere at all on identification or anything, and I just—I feel that's very inappropriate and I would like to get the minister's thoughts on that case.

**Mr. Mackintosh:** Even with 9,000 children or more in care, whenever even one of these concerns pop up in terms of visitation protocols and communications, that raises questions as to whether appropriate respect was shown or whether communications were robust—are matters that have to always be taken seriously because it's important that all foster parents in this province know that there are professional dealings that must be—and standards that must be followed. And they have to know that there are

processes available when there are concerns or complaints.

And from time to time there are concerns or complaints raised. Sometimes they are, you know, there's some background in terms of a breakdown in communications or a breakdown in relationships and, quite frankly, in my view, if there's a breakdown in a relationship, that is not a reason to fail to comply with any standards that are in place.

And I wouldn't suggest for a moment, by the way, in this situation—and I want to be very careful talking about any individual situation on the record, but, it is, therefore, of profound interest to the branch, the Child Protection branch, that there be a follow-up. And I understand that that, in fact, has occurred in this case where the branch spoke with the family. As I recall, there were communications with the appropriate officials, and whether this was a breakdown in relationships or not, I will leave that. But my understanding is that, subsequently, there's been a change in the situation here. And—but, you know, the children are—I understand that there's a change in the placement now.

So I think that would be my response. Again, it disappoints me when I hear about situations like this, and I did express that to the member face to face as well. But, at the same time, I recognize that there has to be investigations into these kinds of matters, and I understand that inquiries have been made and may still be being made by the department. I can get an update.

\* (16:20)

**Mr. Briese:** I thank the minister for his answer. My concern, obviously, is that the foster parents—we're looking for foster parents in this province. We need more foster parents and good foster parents, and my concern is that they, in this case, they did not seem to be part of the process. They found out by accident that the children were going to be leaving that weekend and, even then, they weren't informed of a set pick-up time or anything. And these—this wasn't, I think, in the best interests of the children either, to be picked-up at 8:30 at night for a four-hour car trip to a home that they'd never been to.

So I just want to encourage the minister to make sure that the foster families do become part of the process in some of these long-term placements and in the process goes through.

As I said, Mrs. Debeuckelaere has no problems at all with family reunification.

I might just add, though, that I have found out in the last day or two that the older boy, who is school age, has not attended school since he left the Debeuckelaere home, which was March the 15th.

If the minister wants to respond to those remarks, I'll—I'd appreciate it, but if he—I have another case I would like to mention to him.

**Mr. Mackintosh:** The assistant deputy minister is here, and we can certainly undertake to make follow-up inquiries about the well-being of the youth since returning home or going to the other placement.

The—but the objective, the member is right. The objective of enhancing the number of foster resources is very important and foster parents are a bedrock, a foundation of child welfare in this province. That's why we have to not only have recruitment efforts and support them through foster rates, but we have to, as well, recognize that they are a critical part of a child's life and should be part of planning, and given all—and respected by the application of standards.

So that is our strong view, and when it doesn't happen from time to time, it's important that there be a follow up, and I know the department has been responding to this case.

So whether it's—well, I should say there's been about 3,230 new foster and emergency beds created in Manitoba under Changes for Children. And part of the reason that we can make increases to the availability of foster beds is recognizing that foster parents also need to have the costs of raising the child recognized in the foster care rates. So we've made a number of increases there, getting back from the reductions that we saw earlier on. And, as well, of course, helping the foster family network be able to advocate for foster parents on their behalf and provide other supports, peer-to-peer program and training and provide a forum for them to share concerns about fostering. So we've restored funding to the foster family network, and are continuing to meet with them and learn from them and take advice and, as well, look to see if there are other opportunities for an enhanced role for them.

So, but in the particular case we will find out if there's more that can be done here in the interests of the child.

**Mr. Briese:** Interestingly, in that case, when Christine tried to get a hold of the Foster Family Network, she couldn't get through to them.

The other one that I want to just touch on, and this was a case last summer, but it's a foster family, Gary and Gloria Anderson, at Reedy Creek, who have four siblings that they've had in their care for about four or five years, and had been approached last—a year—about a year ago, now, for a long-term placement on these four brothers. And when they approached me, one of the boys had been removed from the home, the five-year-old. The reason given was for his—for help with his development. But where I'm going here is that the legislation, I believe, says that within seven days they will have a written reason why the child was removed. This wasn't an emergency situation because the other three siblings were left in the home. And it was day 17 or 19 when they approached me, and they'd had no notification of why the child was removed. By day 25 or 26 they still had no notification. Eventually, some two weeks later, the child was returned to the home. But, once again, what I'm getting at is the breakdown of communication with the foster family that, I think, is—I think there has to be some safeguards put in place for the communication, the role that the foster families play when children are moved out of homes and the notification they get upfront before it happens.

**Mr. Mackintosh:** Well, I'll just ask the department if they're aware of any of the concern or complaint there, and—but I can just assure the member that standards for situations like this are being strengthened.

**An Honourable Member:** I appreciate that answer—

**Madam Chairperson:** The honourable member for Ste. Rose.

**Mr. Briese:** Sorry, Madam Chair. You'd think after four years in here I'd start to catch on.

I just would like to ask a fairly quick question on the number of children in care as of this date. We have FIPPA numbers for some time ago, and I was just wondering what the numbers are right now.

**Mr. Mackintosh:** This—and I think this is already in the public domain and the media reports. In terms of the latest numbers, we had—2010, then, 9,120; that was the subject of media reports. And 2009, our finalized numbers were 8,629. In 2008 we had 7,837. Going back to '07, 7,241 and '06, 6,629. What we see

here is a very significant decrease in the growth of the numbers of children in care—the—for 2010.

The new funding formula that has been arrived at with the federal government is, by and large, directed at making sure that there is a shift in the focus of child welfare from being solely apprehension-based to including or enhancing prevention services. And the federal funding will now allow for dollars to flow for prevention that had never existed in the history of Canada. So we were very pleased to have a very responsive position develop by the federal government. In fact, I will say that Minister Strahl really got the whole picture, got the need that we had been describing. As the member should know, in 2006 we did launch a strategy directed at the federal government to get them to equalize funding on reserve for child welfare and to start to focus on prevention as well.

\*(16:30)

So we did see a response and, I think, too—I thank the grand chiefs for working on this and getting this kind of result. I will tell you that the federal funding, which phases in over three or four, five years, was not arrived at as a result of any short-changing on their part. They fully committed to what we had identified as a need, and I just hope that that will unfold for the other provinces that have not been able to arrive at such an agreement. But Manitoba was able to and, I think, as a result of the collective efforts following the Changes for Children recommendations, that we were able to achieve that investment. So the MOU has been executed and we are off. And I understand agencies now are submitting their business plans, as the federal government requires, in order to flow the funding.

So it is our expectation that by focusing more on prevention activities, the numbers of children that have to come into care should be better addressed, recognizing that I think the expansion of child welfare and the more local delivery of child welfare is in part responsible for some of the increase in growth of those that are coming into care. There were some communities that we now recognize were severely underserved up north, and I think the—we've seen, for example, distribution of some of the staffing resources to smaller communities that didn't have people. There are child welfare workers now living in several of these communities in northern and eastern Manitoba.

But, as well, we recognizing increasingly that exposure to domestic violence could be a reason for

a child coming into care. It was recognized as one of the reasons for the increase in numbers, and there are a lot of other analyses as well that have been brought to bear on the numbers. Manitoba's numbers are part of a trend that is international, or national, at least, as I recall.

**Hon. Jon Gerrard (River Heights):** In the Children's Advocate report, the most recent one, there's a discussion about the care extensions, that there were about 500 youth reaching the age of 18 and leaving F—the CFS annually, but only about 143 of those received care extensions in, I think, the most recent year that was reported. I wonder if the minister can answer the question that the Child Advocate poses: What happened to the other 350 youth?

**Mr. Mackintosh:** I'm sure the member will also see in the Children's Advocate's report a recognition of some of the efforts that have been made when it comes to the time of—the time for aging out from child welfare.

There's a number of initiatives that have been launched, but specifically to the member's question in terms of active extensions, in the last four years, we've increased the number of youth who stay in foster care after age 17 by about 200 per cent. The numbers in 1999 were 19 extensions and now, the last numbers I have, and these are dated even, but in 2010, we were up to 326.

So what we have done across agencies is do a case-by-case analysis of those youth that could benefit most by remaining in care. Sometimes they are those that really need to stay in care to have a stable—get to graduation, for example. I understand, as well, that those that are living with FASD have been kept or allowed to stay in care, but this is a remarkable shift in how child welfare is delivered in Manitoba. And we are, I mean, this is a jurisdiction, after all, that does provide for the extension of care, but it is going to work in ways that have never been seen historically in the province and, in fact, in the year-over-year shifts, are quite remarkable as well. It's not just, you know, there's been a big change all at once. You can see the mounting numbers over the last number of years.

**Mr. Gerrard:** The Children's Advocate says that there's significant discrepancies in services throughout the province. I'll quote: Consider, for example, two youth reaching the age of majority who present with obvious challenges, such as difficulty following through on expectations. One agency may

regard this as a young person requiring additional assistance and yet not ready to launch on his own. Another agency may see it as a young person who's demonstrating behaviours that suggest a lack of commitment or cooperation of maturity. While the first agency extends the care to the youth to allow him to develop the needed skills, the other agency may discharge the youth it's caring for, regarding him as noncompliant.

I wonder what the minister's doing in—you know to try and get, you know, a more uniform approach.

**Mr. Mackintosh:** I think the foundation of child welfare is an individual assessment and a recognition of significantly varying needs and conditions of youth who are in care. For example, when it comes to extensions, it's absolutely critical that there be an individual analysis and not just blanket policies, blunt instruments to determine who should stay in care and who should not. Because there are many, many, in fact, you know, most children that are in foster care that are—that have developed and have been supported and continue to be supported by foster parents.

In fact, I'm aware of a foster family where a child who was in care of the family was very close to the family many, many years later. And that's the kind of fostering that we have to celebrate, where there are those kinds of ongoing supports, even though foster parents don't get any rates any more. They certainly recognize, very often in Manitoba, the bonds, the love that can develop between a child that was formerly in their care officially, and the child's—the child later on.

In terms of the Children's Advocate, I know that she's compared a couple of cases there. But, you know, it's hard to comment when I'm not privy to all of the different needs and assessments that would have taken place for the children that are mentioned there. But, of course, care plans and supports can vary widely depending on specific needs and analyses. So I think that would be how I'd respond to the member.

**Mr. Gerrard:** Yes, the Children's Advocate says this office has seen examples where two youth receiving services from separate child welfare agencies, but residing in the same group home, received vastly different service with respect to age of majority of supports. So I think that there's a real issue here, and I think the minister should look a little further.

I want to move on to ask a question about Jordan's Principle. As the minister knows, I've pushed the government to make sure Jordan's Principle is implemented since the fall of 2005. And just wondered if the minister could provide an update on the implementation of Jordan's Principle.

**Mr. Mackintosh:** Just as a further note to the first case, I don't even know, for example, if the cases that the Children's Advocate compared and, you know, we can hear her further about that, but whether there was federal funding for one and provincial funding for the other. Because we certainly are well aware of where you can have differences—even in one family actually as I've heard from one of the CEOs, over the authorities when it comes to the supports for children in care. So I don't know if that's even a factor or not, but that will just be a question.

\* (16:40)

The—and by the way, but I certainly heed the concerns of the Children's Advocate that we have to move to comparable supports across the province, and that is why we have put in place a standing committee that develops standards. And we have a joint training unit so that no matter what agency it is in Manitoba or what authority, there is joint planning and development of training and standards so that Manitoba children can access comparable services or standards.

When it comes to Jordan's Principle, the Province of Manitoba was the first jurisdiction in Canada to enunciate agreement to work with the federal government for Jordan's Principle in this province. And, of course, there are two parties to Jordan's Principle in terms of funding, but there are four parties when it comes to its application, that being the federal and provincial governments for funding and, of course, then First Nations and the individual family when it comes to service delivery.

So Jordan's Principle was developed and—or the application of Jordan's Principle was developed in consultation with the federal government to address the needs of children living on reserve with complex medical needs that could be receiving services off reserve, and the deal was that there be a mechanism put in place to address issues like that Jordan had to—or was victim to, a mechanism to address disputes about funding for children in the circumstance I described.

The—so Sheila Fraser, the Auditor General for Canada, commented to the House of Commons on

how they've been actively involved with Health Canada in the provinces, particularly Manitoba, to have active case management, and she concluded, I understand, that kids are being dealt with and the principle is being applied as a result of the mechanism that's been put in place for the resolution of any of these complaints.

We're not aware of any situation like Jordan that has again come forward, but I think our next responsibility is twofold: First of all, to engage First Nations now in the further development of this mechanism and address other gaps in service which goes beyond just Jordan's Principle, but, as well, to formalize what our understanding is with the federal government. And so we have written to the federal government to ensure that we move towards a formal, perhaps ministerial or senior official MOU about what has been worked on, and so we look forward to a response from the federal government to our request.

I might just say that we have asked the federal government to recognize and confirm the common understanding of progress made to date on Jordan's Principle. We certainly have a better appreciation of each other's service delivery as a result of the working group and the work of officials, and the need for each government to take responsibility for services to First Nation and children in cases that, in the past, would just have led to a dispute.

And so it's important that the Province have this role, but that there be, then, response from the federal government if, in fact, there are cases where the Province has put funding in place in order to facilitate support and that they not just be off-loaded on the Province, but that there be a federal compensation for that.

So it's only in exceptional cases, clearly, where this should be arising and, at the same time, we recognize that there may be more to do. So we've asked that the agreements be formalized, that we confirm the shared understanding of the agreed-upon processes to date, reaffirm the commitment to Jordan's Principle and get on with the job of inviting First Nation representatives to join us in our efforts.

So that's the status of it right now. The other provinces, I think, are interested in this. Some have developed protocols of varying degrees perhaps. I don't know if it's been finalized or not elsewhere. I'm not sure that's the case, but I know that there certainly has been some interest in other provinces. I think there's been some expression of adoption of a

principle. I don't know if they've put in place any staff arrangements.

So my understanding is, in Manitoba, it would be if there's a dispute at a hospital, then the officials are to resolve the matter right then and there. And if not, go to their senior officials and get the funding flowing, if that's what the dispute is—will be resolved by.

**Mr. Gerrard:** Yes, I know the minister's talked about missing and murdered women. And one of the children who has tragically died in care was Heaven Traverse. And I know there was some discussion at one point about there being an investigation or a full inquest. But, to my knowledge, it didn't happen. Maybe the minister can provide a status update on this.

**Mr. Mackintosh:** If the death was of a child who was in care, or the family had been receiving services, the Children's Advocate is required by law to launch a special investigation report and look at the services that were provided, or not provided to the child, make recommendations for improvement. And, as well, the Chief Medical Examiner can certainly call an inquest. It's been the practice in Manitoba that that independence of the Chief Medical Examiner's decision be respected. And that is a decision that the CME would make in this province, based on any concerns that the CME may have that have not been addressed.

In terms of the specific case, we can endeavour to discover from the Children's Advocate whether there are, you know, the status of—and from the CME, the status of any reviews that may have been launched. And I don't want to say that—I don't—well, I'll leave it at that.

**Mr. Gerrard:** I, you know, it received—this story received a lot of coverage about the same time as Phoenix Sinclair and yet, I mean, there's now an investigation in terms of Phoenix Sinclair. And this case, Heaven Traverse had died, you know, in a Winnipeg hospital in January 14th, 2005, which may have been before the switchover in terms of the responsibility for investigation to the Children's Advocate.

And I mean it was described that this Heaven Traverse had—was in foster care, that there were a lot of bruises on her body, and there was a lot of concern that the death was due to physical abuse while the child was in care. And so I just wanted to

try and follow up and maybe the minister can provide me a follow up subsequently.

**Mr. Mackintosh:** We can provide any update information we would be privy to.

**Mr. Gerrard:** One of the, you know, questions which has come up and that is the placing of children in hotels. Can the minister tell me to what extent this is still happening?

\*(16:50)

**Mr. Mackintosh:** The use of hotels to house children who come into care has a very difficult history in this province, a recent difficult history. You're certainly aware of the exclamations from headlines in the '90s and so on of efforts that were made to reduce the number of children in hotels, and I think we recognize that even into the years of this government it was an ongoing challenge to maintain reductions. But I think there were some reductions and then the numbers went back up again, and it was very difficult to have sustained reduction over, I think, probably over a decade and perhaps even more. At least, Manitoba became more alert to this challenge over the last decade or so, or couple of decades.

So, under the Changes for Children initiative, we prioritized action to introduce a sustained effort that would reduce the use of hotels. One of the first things we did is launch a foster parent recruitment strategy called the Circle of Care. Ian Ross, a playwright, also known as Joe from Winnipeg, was a spokesperson, and radio ads and posters were produced. That was followed up by others, a couple of others who were well known, particularly in the Aboriginal communities for their talents, to speak on behalf of the need of foster children for more foster beds.

As a result of the strategy and the expansion of emergency beds, we've been able to add 3,230 net, new foster and emergency placements—placement beds. It's been a great success, and other provinces have asked how we were able to do that. We recognize still that there is an ongoing need, though, for local placements or foster parents to take in children, especially older ones with very complex needs, and I guess that shouldn't be a surprise to anyone, but we are continuing to make efforts in that regard.

The development of emergency placements as well has been important, and we've made investments there. And there's a new facility in

Winnipeg, and there's other placement expansions and more specialized resources as well as regular resources. We've also just recently announced new resources for sexually exploited kids that—and this is not—you know, we've been focusing on sexually exploited kids in care, for example, with the specialized foster beds. I think it's the only place that I know of anywhere that has that. Ka Ni Kanichihk provides the—is the service provider there.

But we now have two residential facilities. They're relatively small, but they're just coming on stream for children who are aging out of child welfare. We were talking earlier about the extensions. We have a number of initiatives, and there's MY TEAM initiative to blanket kids with supports, but the—under Tracia's Trust, our sexual exploitation strategy, we're developing that specialized resources.

As well, we developed new standards for placement in hotels. We have new placement development people that went to work on this one. In other words, we have to—we had to commit some investment for the staffing that was necessary. So the question was, you know, what's going in hotels? We had reports in 2006, I recall. I think it was August or so, of 166 kids in the hotel on any given day. We've been tracking the monthly average hotel usage, and we are, I'm pleased to report, sustaining the reduction. And it appears that the numbers have, in the last year or so especially, been around between one to 2.6 on average on a monthly basis. And I want to clarify that that was what we had hoped for on the best-case scenario, because we want to make it clear, we had never, ever, committed to no children in hotels ever. We did not want to see situations where children were sleeping on the floor of a police station or in the back seat of a social worker's car or—there—you never know what exceptional circumstances can exist, particularly in a province as vast as Manitoba. And, particularly, when there are—there can be very exceptional needs that have to be addressed. So there were exceptions that were put into the policy. For example, where there were health issues that—I think the most common exception, and it's recognized in the standard, is when there are large sibling groups that—where we just can't find a foster home immediately for four or five kids, which by the way, isn't uncommon anymore.

And so I was aware of a case where there was, like four kids that could only be accommodated in a hotel, just for a few days, but until—and there's some medical needs I said, and I think there's some other

exception there but—anyway, it's all set out in law. So there is—it's an exceptional needs basis only for use of hotels, and I think the numbers are bearing out that it looks like we're sustaining that. But we have to remain vigilant and so, if the numbers start to rise, we will have to tune the strategy. But it looks like there's been some success here, and I think I can say that now, after looking at the numbers.

You know we did have a spike a couple years ago in the summer, but it was nowhere near 166 kids. It was a spike up to seven on average for one particular month. And otherwise, it went back down to 2.5 the next month. So this isn't about me, this is about some tremendous efforts by people at the authorities and the agencies. And we want to keep it that way.

**Mr. Gerrard:** Just to be very clear in terms of the numbers. Is that the one to 2.6, is that one child per day average in a hotel? What is the—

**Mr. Mackintosh:** Yes, the numbers are addressed and reported and, indeed, publicly, as monthly average hotel usage, which the authorities and agencies concluded was the best way to express that. Because it can change in the course of a day or from one day to the next. But to look at a monthly average was a way to provide an accurate picture of any trends and any changes.

**Mr. Gerrard:** I mean, is that one child, one family, one hotel per month? I mean, what—

**Mr. Mackintosh:** Actually, there had been some consideration about counting it as whether it's just one family or not, but it's known as each child is counted. It's child-based counting.

**Madam Chairperson:** The honourable member for River Heights. A short question.

**Mr. Gerrard:** So it's one child per day or one child per month?

**Mr. Mackintosh:** Well, one day you could have none, and there have been days like that. Other days you can have two, some days you can have four or six, and the next day you can have zero. So what they did was they looked at the monthly average, and that's how the numbers are being reported.

**Mr. Gerrard:** And I have heard recently of problems of children who've been taken into care, but not allowed to go to school. Can you comment—

**Madam Chairperson:** Order. The time—the hour 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, May 4, 2011

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