

**Fifth Session - Thirty-Ninth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**DEBATES**  
**and**  
**PROCEEDINGS**

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

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## LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, May 13, 2011

*The House met at 10 a.m.***ORDERS OF THE DAY***(Continued)***GOVERNMENT BUSINESS****COMMITTEE OF SUPPLY****(Concurrent Sections)****HEALTH**

**Mr. Chairperson (Mohinder Saran):** Order. Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Health. As had been previously agreed, questioning for the department will proceed in a global manner.

The floor is now open for questions.

**Hon. Theresa Oswald (Minister of Health):** Just checking with member opposite, I have the answer regarding executive support. I could read it in if she wants me to do that now, and then I'll just finish up with the question that she asked me before. It'll take me two seconds.

**An Honourable Member:** Sure.

**Ms. Oswald:** Yes, thank you.

So the positions that we talked about the other day that I said I would provide concerning executive report: Breigh Kusmack, special assistant; Keir Johnson, project manager; Ben Wickstrom, project manager; Katarina Cvitko, intake co-ordinator; Brad Hartle, project manager; Colleen Siles, is my executive assistant; Linda Freed, appointment secretary; Vivian Jack, administrative secretary; Alice Steinbart, correspondence secretary; Chris Dewar, administrative assistant; Milton Sussman, DM; Janice Kereluk, administrative officer; Marilyn Warren, administrative officer; Prem Ellis, receptionist/correspondence secretary; and Sharon Sveinson, appointment secretary.

And, just finishing up on the discussion we were having when we last met, the member was asking about administrative review and review of RHAs. Just as a point of clarity, is—if the member is inquiring as to ongoing—well, near completion really—reviews of two specific regions, NOR-MAN and Parkland, there were some reviews going on of

senior exec and processes going on there that I could elaborate on, unless the member was asking what I think she was asking which was, is there a review actively under way concerning the complement and number of RHAs going on in the province or of administrative staff. Was that more of the nature of the question?

And so I can respond to the member by saying that this is really an ongoing process, as we look at the geography, the comments from the community concerning the organization of regional health authorities. Certainly the conversation was going on, early on in our tenure, with my predecessors when they amalgamated regional health authorities right in Winnipeg. The amalgamation in southwest Manitoba, you know, happened through discussion in that realm.

And, indeed, particularly with what's happening in the landscape across the country with other jurisdictions making different decisions, there's an ongoing dialogue about have we hit our stride in terms of the right number of regional health authorities.

Part of the external review advice was concerning really doing what we could to have regional health authorities reach out and have better contact with their citizens and we're always looking at that.

So has a formal investigation and review process been under way; the answer to that would be no. But is the geography, the function, the organization of RHAs, is it, you know, a constant agenda item; I would say yes.

**Mrs. Myrna Driedger (Charleswood):** Can the minister indicate who is managing that project? Is it an accounting firm that has been brought in to look at that, or is that just something internally within the department?

**Ms. Oswald:** Yes, again, there isn't a formal relationship or contract in looking at that. It's departmentally being done in partnership and discussion with RHAs. They have been very clear with us about wanting to have a voice, as you can imagine, in their futures, and we respect that.

**Mrs. Driedger:** Has the WRHA gotten into a contract with anybody to have a further look at administrative practices within the WRHA?

**Ms. Oswald:** Yes, I would have to follow up and get more information about that question or the answer to that question.

**Mrs. Driedger:** Can the Minister of Health please advise how many special assistants and executive assistants have gone into the Ministry of Health since October of 1999, and is she able to include names, positions and salaries?

**Ms. Oswald:** Again, it's something I think I'd need to do a little research on, to go back, most definitely, for any movement that occurred before my time and since then.

It would be my understanding that individuals going into the department are part of a competitive process as well, but, again, I'll endeavour to do that homework for the member.

\* (10:10)

**Mrs. Driedger:** And, indeed, if the minister could add to that and confirm how many of these positions were filled through a civil service competition.

So, if she could undertake that endeavour and provide something. I know after the last set of Estimates, it took in—probably about five months for some of this information to come back. I wonder if she could make a commitment today to do it on a little bit of a speedier basis.

**Ms. Oswald:** Sure. We'll try to go as quickly as we can.

**Mrs. Driedger:** Thank you.

Can the minister indicate what discussions have there been to provide gluten-free diets in personal care homes and assisted living facilities?

**Ms. Oswald:** I know that I have received correspondence in my office, some inquiries as to options for individuals needing a gluten-free diet, and have asked the department to do some investigation as to what kinds of options are available for residents.

And I would need to get back to the member to let her know the outcomes of those discussion and the lay of the land and what efforts are being made in facilities to work to provide those kinds of healthy choices for people who need them.

**Mrs. Driedger:** When the minister provides the information, could she perhaps also include a list of which personal care homes and assisted living facilities now do provide gluten-free diets?

**Ms. Oswald:** Yes, we'll do our best.

**Mrs. Driedger:** Have there been any discussions within her department about the sharp rise in celiac disease amongst the elderly?

**Ms. Oswald:** Yes, certainly in the context of these very discussions, there have been a number of discussions on how to best provide, you know, the most choices for residents in personal care homes and, certainly, across the system otherwise. So those conversations have gone hand in hand.

And, again, you know, as I committed to the member, we'll endeavour to provide our analysis of where the system is on this journey of making sure those choices are available for the health of our patients.

**Mrs. Driedger:** And I appreciate that.

I have met with a group of people that have been profoundly affected by celiac disease. And I have to admit I didn't know a lot about it before, but as I endeavoured to learn more about it and study it, I found out how really ill people can become from eating glutens, you know, from abdominal pain, indigestion, nausea and vomiting, diarrhea, weight loss, chronic fatigue, bone and joint pain, migraines, depression, and how sick they can become with all of that.

And I hadn't really realized the extent of all of this, and, you know, as—and they're telling me that the research is showing that a lot of elderly people are getting it. And so, as we're looking at baby boomers going into personal care homes, this could have a profound effect on a large number of people.

Now, I do understand, from what I have been told by the people that have been teaching me about it, is that it can be quite expensive because your food preparation area has to be totally separate from other parts because even crumbs, a small gluten crumb, can actually end up affecting somebody quite dramatically.

So I understand that there is expense to it. I know that to get gluten-free bread is something like \$6 a loaf. I've seen these, you know, on the shelves now in bakeries or in even, you know, the grocery stores, you're starting to see more gluten-free products.

So I know that this is probably, you know, a wave of increased preponderance of seeing this that is going to happen and, you know, I guess it's going to come down to, you know, how far is government able and willing to take this issue.

So the people that will—that are interested in this will certainly be interested in whatever comments the minister can make on that, and I'll let her know that I'll be sharing whatever she can provide with this group. I believe some of them are involved with the celiac—I don't know if it's called an association, but there is a group here in Manitoba and, you know, they're trying to champion the cause of how we can better deliver better care to people that do have celiac disease. So I appreciate the undertaking.

**Ms. Oswald:** And I appreciate the member raising this issue. We've likely heard from the same people, maybe some different people. You know, I think I'm well within the confines of FIA in sharing that I didn't know as much about the illness until a staff member with whom I work quite closely shared his or her journey with me. And it really is complex. And I have learned more about the range that people can experience where, you know, in much the same way, I suppose, that we have to take precautions for fear of anaphylaxis. We have to be considering and looking into what options are available.

So, again, I appreciate the member raising this issue. We know that as, you know, we learn more and more about the interesting medical backgrounds and health status of individuals that our system and our personal care homes, you know, want to be nimble and responsive to that and also do the best that they can to work with industry to help drive some of those costs down as well.

So, yes, I think awareness on all our parts on this issue would be very important and we know that there are a number of PCHs here in Winnipeg that already provide gluten-free meals and diets. But I think that as the member has noted, that across the province, you know, there's more work to be done, to be sure, to make sure that there are healthy, palatable choices that don't exacerbate any existing conditions.

**Mr. David Faurschou (Portage la Prairie):** I appreciate the honourable member for Charleswood (Mrs. Driedger) allowing me a chance to ask a couple of questions as it pertains to Portage la Prairie on the health-care field.

The two issues that I'd like to bring to the minister's attention is the shortage of staff at the

health-care aide level, and also, too, the significant need for assisted and supportive living. Now, what the minister undoubtedly is aware that—and will say in her response—it's not within her purview for—on either front because it's education for one and housing for another.

But what I'd like to ask the minister: Is it her intention to co-ordinate and work with her Cabinet colleague in this regard, because it is very serious? We need to get more persons into the education field of health-care aide and the—as we're all getting a little older, we do appreciate that there's going to be a greater need in the long-term care area. But, again, we don't want to have from home to long-term care. We want to have a gradual entry into the system and keep people out of long-term care as long as possible and as long as they're able.

So could the minister respond as to her plans to co-ordinate, to address these very serious needs in Portage la Prairie and, I'm certain, elsewhere around the province?

\* (10:20)

**Ms. Oswald:** Just before I begin my answer, I want to extend to the member and his constituents, you know, my appreciation for the work that he's doing in concert with officials. This is a very challenging time in your region, to be sure, and, while the 6 o'clock news will capture heavy machinery and dikes and sandbags and so forth, we know that the psychosocial effects on individuals going through these experiences are significant. And we're working really hard through our Office of Disaster Management to provide as many resources to individuals to help manage pre-, during- and post-stress, and I wanted the member to know that. And, you know, my door's always open if he sees an opportunity for us to be doing something differently on that front.

Yes, I would say to the member that we will require a multi-departmental approach in providing educational opportunities for health-care aides in those positions. We know that there are a number of initiatives being looked at to reach into high-school settings to engage people, even earlier on, in an interest in the health-care field, and I think there's opportunity to do more of that, in fact—well, across all sectors of health care. There's lots of research that shows us if we want, you know, people to start their path in medical school, you know, we should get them in grade 5, maybe sooner. So we're keeping a very open view on that.

I know our regions have done quite a bit of work, particularly recently, on looking at the—how the EFT is crafted for health-care aides and doing some mending to that process to make that a more attractive job to pursue, and there are some preliminary successes happening on that front. And we know that in changing staffing complements in different facilities to, you know, work to different individual scopes of practice, that there are more opportunities there. But there is no question, as all of us get older and need that assistance, so does the workforce, and we have to make sure we're renewing it. So I appreciate what the member is saying, and, you know, he certainly has my commitment to be working further on this with my colleagues.

Secondly, on the issue of assisted living and supportive housing, the member will be aware that we recently made an announcement concerning long-term care augmentation of investments through a capital fund to develop more personal care home situations. But part of that announcement was looking at a subsidy to provide for low-income individuals who found themselves in a situation where there was essentially a financial disincentive to pursue supportive housing, and we want to try to take that away because we know people want to have a breadth of choices for as long as possible. We think that's going to make a big difference, and working with our partners in the regions, we're wanting to build our complement of supportive housing around the province.

So we're trying to tackle that issue from a number of fronts, but I appreciate what the member is saying, and long-term planning is required.

**Mr. Faurschou:** I do appreciate the minister's understanding of it. The—just as an update, we did work with Red River College to have a dual-track health-care aide program initiated in the Portage Collegiate. It was well prescribed to a year and a half ago, but through the semesters, in fact, this January semester, there was no enrolment, and we're very disappointed in that respect, but—and that's why I mention it to the minister, that, as she said, perhaps grade 5 we've got to start showing interest and encouraging persons into the health-care career field.

But how do we do this? That's the question right now and—because we do really need a task force multi-Cabinet—or multi-departmental effort in this regard to do so.

So—and I appreciate the minister's response on the long-term care, and I will be meeting with her Cabinet colleague next week on this point.

And the other concern I want to raise here is that the proximity of the Central Regional Health Authority facilities at Boundary Trails and Portage la Prairie have been taking some pressure off the hospitals here in Winnipeg, and to a point that people—the word has spread that you do get really good care at Portage General and Boundary Trails, and we, perhaps, are suffering now from our good care and the word getting out that we are very much, right now, seeing a greater demand on those facilities, especially Boundary Trails. Boundary Trails is, along with the immigration and that, is woefully inadequate at this point in time. We've got staff members now co-ordinating their office spaces almost like a shift; you're in split-shift hours, as we did when we were building new schools, you know, so that they can have places where they can do their charting and see clients.

So I know it is a regional health authority responsibility, in this respect, to allocate capital. But in some—in a lot of cases, you just look on the historic funding model and don't really look at the dynamics of change, whether by immigration or by movement from other regional health authorities.

So I just want to leave that with—I know the honourable member for Charleswood has a lot of questions, but these are two concerns that I wanted to make certain the minister and the departmental staff—I thank the minister for her opening remarks. It has been extremely stressful, and friends that I've known my lifetime are showing frustration and all anger towards myself, and this is very uncharacteristic, and so she knows exactly what anxiety and the fear of the unknown can do to a person's character.

And, on the final note, I do want to thank departmental staff, including the minister, and especially the deputy minister, in regards to dealing with the Miss Klippenstein [*phonetic*], who was the Down syndrome lady that had fallen and was a spinal cord injury making her a quadriplegic. The family could not say more positive comments towards the departmental staff in resolving that very stressful and heart-wrenching situation.

**Ms. Oswald:** Yes, I thank the member for his comments. These are really special people here, and it's good for them to hear that as often as possible.

I, again, in the spirit of trying to keep things brief, will just assure the member that we work very closely with our regional health authorities as they do their five-year capital planning, and I have very good faith in the individuals that are working there in terms of looking at immigration, projection models and amending their plans accordingly as that dynamic grows or changes. We are developing a number of capital projects in the central region. They're a very effective group in terms of pushing those project forwards and articulating very strong business cases, and we'll continue to work with them with pressures that they are experiencing and help them with issues of throughput and so forth.

I just add, as I was saying before, but not specifically, the Pan Am Clinic just had a very successful partnership and pilot with students at Children of the Earth school regarding this very kind of education process for HCAs, and we think there's probably a very good opportunity to run a similar kind of partnership to build the complement in Portage and we'll look very closely at doing just that.

I think there were more things that you said, you know, broadly. But I just want to assure the member that we'll pay very close attention to pressures and capital needs and looking to the future as we do our planning with the regions on development. So good luck in the coming days.

**Mrs. Driedger:** Can the minister tell us what the health-care aide vacancy numbers are in Manitoba? I noticed—I've been waiting for the report to be put on the website. I saw that it did come out last week. What are the total numbers of health-care aide vacancies in the province?

\* (10:30)

**Ms. Oswald:** Yes, I'm looking at numbers here, and I may stand to be corrected. I'm not looking directly at that report right now; I'm looking at a note on the report, so if I need to correct, I hope the member will forgive me. But the info that—oh yes, I didn't have that number—it says 6.29 per cent as a vacancy rate. I think we've seen an increase of 1,696 more filled health-care positions today than in 2000. But, you know, with a vacancy rate of that nature, we know that just as the member for Portage la Prairie (Mr. Faurshou) has said, that there's no time to rest. We need to continue to build our workforce across the spectrum and HCAs are no exception.

**Mrs. Driedger:** Can the minister indicate what the numbers are, not the vacancy rate, but the actual total numbers from that report?

**Ms. Oswald:** Mr. Chairperson, 8,506 positions: 7,971 filled, 535 vacant.

**Mrs. Driedger:** Is there any breakdown when those numbers are looked at to see what the difference would be between urban and rural? I anticipate that probably there's a tougher time filling rural positions, but do you happen to break that down when you're actually crunching the numbers?

**Ms. Oswald:** It's my understanding that that breakdown does appear in the report online. If the member is looking at the report and sees the contrary, you know, we'll endeavour to provide more information. But I think the member is quite right that across the spectrum, you know, rural and northern positions are always a bit more challenging to fill than urban centres, that's true.

**Mrs. Driedger:** I think the numbers for health-care aide vacancies have been, you know, in the hundreds like this for years, and it seems to be a challenge in order to fill these positions or maybe keep people in the positions. In the minister's indicating that they're having a, you know, more in-depth looks at this, can she indicate, you know, what some of the ideas are for trying to keep these positions filled and to decrease that—those vacancy numbers because I know the impact that this has on nurses. When you don't have your health-care aides, all the work falls back onto nurses. And so, when you've got high vacancy rates with health-care aides, besides the work falling back onto nurses, you can have higher injury rates, and it just has a real ripple effect, and I know this has been a challenge probably for a long time. Any magic bullets in terms of what can be done to bring that—those vacancy numbers down?

**Ms. Oswald:** The member's right that it is an ongoing challenge to maintain numbers to an area where we really like to be, you know, whether you're talking about doctors or nurses or health-care aides. It's a competitive environment, whether it's nationally or internationally, or just, you know, within other skill sets and professions.

I'm informed, as I said, 535 HCA vacancies in 2010, down from 674 last year, and 727 the year before. So we are moving in the right direction, I'm pleased to report, and one of the strategies that has

been employed concerns home care which, of course, is a critically important piece of the puzzle. There—a lot of work has been done, as I referenced earlier, on trying to restructure EFTs to have more regular work hours.

In past, we know health-care aides have—you know, had some work in the morning, maybe later in the afternoon, and there wasn't a kind of consistency and they, you know, could be courted into a different profession that had more stable, regular hours. And we've worked with our regions to try to provide more opportunities with those kinds of hours, and we think we've seen some successes. But, admittedly, the challenge continues, and we're committed to try to do even more because the member quite rightly says that they are a critically important part of a team and we want that team to be complete.

**Mrs. Driedger:** I appreciate the response from the minister. Looking at that same sheet, can the minister tell us in terms of the numbers, what is the nursing shortage? I don't have my report here so that's why I'm asking these questions. What is the number in terms of the nursing shortage? And then, I guess, I'll add to that, what percentage are full—as a secondary answer in terms of nursing numbers in Manitoba—what percentage work full time and what percentage work part time?

**Ms. Oswald:** Yes, if we look across all types of nurses, we see 11,406 positions reported as filled by the RHAs, 1,330 as vacant. Vacancies are down from 1,473 vacant last year. The vacancy rate for the entire nursing workforce sits now at 8.8 per cent, down from 9.9 last year. That includes HCAs in that number I should add.

In terms of percentage of full time, part time, I would have to explore that. We'll look and see if we can provide that momentarily, and if not, I certainly will commit to get that to the member.

**Mrs. Driedger:** I thought in the past that that percentage full time, part time had always been included in those nursing resource numbers that were posted year after year, and I wasn't sure that I even saw it in this year's report, but I only had a quick glance at that so I could be wrong. But, if the minister could provide that breakdown in terms of percentage of full time and part time, and I'm just looking at nursing numbers and not health-care aide numbers.

The minister indicated that there was going to be some permanency and stability to the annual funding

for the nursing and recruitment and retention fund. Can the minister indicate how much is in this budget for that?

\* (10:40)

**Ms. Oswald:** Yes, just quickly, I believe in the report there is, towards the end, an EFT summary. I'm not sure that it's captured in the way that the member has asked as a per cent, but I will double-check on the nursing report. And if there isn't, you know, a satisfactory capturing of what the member's looking for, we can pursue that further. But I do think that that summary is in the report for the member. So I'll just draw her attention to that.

The nursing recruitment and retention fund budgeted this year is \$3.73 million and, of course, in doing our analysis, you know, with the nursing numbers, we know that we've made good strides in building our workforce. But, as the member and I have discussed before, we know that there is a work—a component of the workforce that is really contemplating retiring, and they've earned it. And, you know, while, you know, we would be delighted if they'd all continue working, we need to be planning for continuing to build that workforce and, you know, maintain the gains and sustain growth so that we can be providing the kind of care, and the nursing recruitment and retention fund has helped us in the past do this. And we know that we need to ensure that we redouble our efforts to be using those funds in innovative ways in partnership with nurses, with the colleges, with the educational institutions, with the MNU, with all voices that come to bear on what the best ways are that we can be investing to continue to build that workforce at the rates that we have been building, and beyond, even.

**Mrs. Driedger:** The minister indicated that the fund was going to be permanent, but it's been in—it has been permanent. It's been in every budget since its inception. So I wasn't—I was a little bit confused in terms of why the minister indicated in the budget speech that it would be permanent and stable funding because it has been there since the, actually, the Filmon government brought that in. I understand that it was also about \$7 million when it started.

Can the minister indicate why it actually decreased quite substantially over the years and now is sort of back at—up to about half of what it started as?

**Ms. Oswald:** Well, the statement about permanent and stable concerns the rate that is being posted. And

it is true that the Nurses Recruitment and Retention Fund was, you know, has ebbed and flowed as the time has gone on. I'm informed that the \$7 million was booked as one-time money.

And we know that, you know, we work in partnership with the—with our nursing workforce to, again, develop innovative ways to do this recruitment. The efforts that were needed earlier on in the mandate were substantial to rebuild from net losses. There was a stabilization of sorts, but, again, as we project forward and look at what's happening with retirements in the context of, you know, national competition for nurses, we do see the need to augment, you know, by some, I think, 70 per cent over last year, and stabilize that particular amount to ensure that we can continue working to build this workforce. There has been annual funding, I'm informed, the last two years—or reminded, I guess. It was at 2.18, and now we see 3.73 as the level that we're going to have as a floor, essentially, for what we're going to be doing.

**Mrs. Driedger:** Can the minister tell us where she plans to put these quick-care clinics, and when they'll open?

**Ms. Oswald:** It certainly is our hope that we're able to open one quick-care clinic as early as this summer, and that will very likely be in Winnipeg. We are still working with the regional health authority in finding the best possible location. High traffic, easily accessible areas are the goal, as stated early on.

We, of course, want to be working in rural environments as well, and we're working with our regions to, you know, find the first run of, you know, where that's best going to be placed. And, of course, we intend to launch the mobile primary-care bus as well, to go to even further afield environments, and we're working with a few partners on the best place to start that tour. But I hope to see our first one kicked off by summertime. That's the goal.

I'm not going to deny that there's a lot of work going on to drive to that date of opening, and I want to commend our folks in our primary-care branch and in their region, the Winnipeg Regional Health Authority. But, again, that's the goal for now, and there'll be lessons learned as we expand the remaining committed quick-care clinics to other venues, but, again, that would include rural.

**Mrs. Driedger:** I was really surprised when the government decided to call them quick-care clinics

because the beauty of nurse practitioners is that they have the ability to take more time and provide comprehensive care. I know GPs don't always have the time to put into what nurse practitioners can, and nurse practitioners were certainly able to take on more of a comprehensive view.

So can the minister tell us, you know: What was the reasoning behind calling them quick-care, and does that mean, then, that people, say for instance, with chronic diseases, can't expect to come here and be treated by nurse practitioners because the amount of time it takes to look after them is far more than just quick care?

**Ms. Oswald:** The quick-care clinic is, of course, just one piece of the primary-care strategy that is developing and emerging, you know, with the centrepiece, of course, being our commitment to have every Manitoban that wants one, have access to their family doctors. It is true, the quick-care clinic is intended for high volume, short types of visits, you know, immunizations, ear infections, the idea being, of course, that, you know, their expanded hours of availability.

I'm sure the member could speak to this from her own life and experiences, but I know that my son never gets an earache until after 8 p.m. and always before 6 a.m. And, you know, being able to have access to extended hours to get appropriate antibiotics and so forth, that is the goal, which will take some pressure off regular doctors' offices who will be working in a primary-care network. We have lots of good support from the College of Family Physicians, who have as their mandate, the development of primary-care homes that will, indeed, enable teams to be working with individuals living with chronic disease that really do require this longer care, that will enable them to have easier access in those environments. And those primary-care networks are intended to include nurse practitioners as well, and so it will be, certainly, the individual's practitioner's choice to seek a working environment that best suits the nature of the practice that they want to pursue.

\* (10:50)

So the quick-care clinics, indeed, are intended for shorter types of visits, but the—including them as one piece of a broader primary-care network strategy is an important piece. And we do believe that people that need more time to care for their—with their practitioners to care for their chronic diseases will be able to have that time when there is an alternative

avenue for the higher volume, shorter visit types of care that, you know, individuals, you know, routinely need.

**Mrs. Driedger:** Can the minister indicate whether the mobile primary-care bus in her budgets—in the budget speech here in Manitoba is modelled after the same primary-care bus that Saskatchewan has?

**Ms. Oswald:** Yes, I can inform the member that, you know, while that—the Saskatchewan concept was not the genesis of our idea—we were looking more closely at what exists in the National Health Service in the UK and success there—but, you know, we're certainly going to do, frankly, what we're always doing and that is working with our neighbours and looking at their successes, ideas, innovations, as they will be doing with ours, to see, you know, if there's an opportunity to develop synergies. But, as I say, the genesis, I think, through our primary-care unit, in looking at these conceptually, did actually come from the NHS.

**Mrs. Driedger:** Can the minister tell us when she anticipates the opening of the new mental health ER?

**Ms. Oswald:** Yes, construction's under way, I'm sure as the member is aware, and the project is estimated to be completed in the fall of 2012 and appears to be coming along nicely.

**Mrs. Driedger:** Can the minister indicate where the mental health strategy is at? I know the intent had been to have that out, I think, quite some time ago and I believe it hasn't been launched yet. Can the minister indicate where that is at?

**Ms. Oswald:** Yes, the work that's gone on regarding the new mental health strategy has been extensive. The consultation has been very broad. And one of the things that evolved in that consultation was an ask that once the document was crafted that there be a validation process, you know, did all the work that we did together actually get reflected on the written page? And that validation process is nearing completion, you know, if not on the brink of complete.

And I know that we're going to see the presentation of the final product, you know, which has been, indeed, the result of many, many important voices coming to bear. We'll be seeing that in the coming weeks, actually.

**Mrs. Driedger:** The NDP government had committed to adding 30 beds at the Selkirk Mental Health Centre for brain injury patients. I understand

that there's only 10 in place and that there is no—that the government has decided that that's all they'll put into place and 20 more will not be put into place. Is that accurate?

**Ms. Oswald:** I can inform the member that 10 are—10 beds are, indeed, currently open as stated; 10 more are slated to open in June; the remaining 10 are being used at present for acute care. It's an environment that they're using really to do some decanting while there's construction going on, but once that process is complete, it is the intent to use all 30 of those beds as ABI environments.

**Mrs. Driedger:** Thank you. I appreciate the response from the minister.

I'd like to now go on to the issue of Lyme disease, because there is really a lot of growing concern out there in terms of the lack of ability to diagnose and treat in Manitoba, and it's really been another disease, I guess, that I didn't know a lot about, but I have certainly been learning a lot from patients that are out there, and I've actually met with a number of them and their advocates, and it really is quite interesting.

And I'm also become aware of how sick some of these people actually are, and they are all telling me that in Manitoba nobody wants to acknowledge this as a disease or treat it, and there is a real reluctance in the medical community, I'm told, to do that.

So can the minister tell us what the controversy is around Lyme disease without getting into too much detail, but is there a quick response to, you know, what is the controversy behind all of this?

**Ms. Oswald:** Yes, the member is quite right that we could talk for a long time about this and I commit to her not to do that.

And, indeed, there have been a number of meetings with advocates with the previous deputy minister, with the current deputy minister, to really work to address the issues that these groups bring forward about, you know, feeling that they're not being heard, feeling that they're not being acknowledged in terms of surveillance and information.

I think there have been some very good strides that have been made over time. There is a regular forum, in fact, that the deputy minister chairs with them.

I know enhanced human and tick surveillance has happened since '08. There is a fall campaign for

black leg ticks, tick submission programs, and that occurs in daily and weekly newspapers, something I think the group really wanted to have happen.

This forum that I mentioned—a Lyme disease symposium with experts from across Canada is planned for 2011. Public communications are going to be enhanced. As I said, encouragement of the reporting of clinical cases prior to lab confirmation is under way and happening with providers.

I know that, you know, I personally reconnected with a colleague or a friend, you know, back a hundred years ago when I was doing my student teaching—well, it wasn't really a hundred, let the minutes reflect—with an individual with whom I shared those last studies in education, who ended up staying at the same school—brilliant, brilliant girl—you know, was the gold medal winner and, you know, one of those, you know, your perfect nightmare, right—a fabulous girl who has been on this journey and has, you know, de facto, written a thesis on this, and I've met with her a couple of times, and she has had some really insightful advice.

I know that she has met with Dr. Kettner and others to discuss her findings and her advice, and we're going to continue to use not only her seemingly limitless intellectual capacity with her very personal experience to try to transform the kind of work that's going on here in Manitoba.

So, while I commend our department again for the work that they're doing, we have lots to learn from the people that are on this journey and we're very committed to learn it.

\* (11:00)

**Mrs. Driedger:** I, too, have met with some incredibly dynamic people, one being an RCMP officer who has been incredibly affected by this. There's another, a young woman who couldn't get anywhere with treatment in Manitoba and ended up going to the United States. And there's another woman that has just recently held a forum in—on Ste. Anne's Road, I believe, on a Saturday, inviting people to come and attend to it.

They're all telling me that there's probably hundreds of Manitobans that could be affected by this disease, that there is an underground system here in Manitoba that's developed for people who suspect they have Lyme disease and they can't get treatment here in Manitoba. They're also telling me that doctors here, many don't believe in it, that there's a real

education problem and a real reluctance for even acknowledging this disease.

Now, I'm told that the test that we do in Manitoba, I think it's called ELISA, if I'm pronouncing it correctly, has been highly, highly criticized by a lot of these people, and they're saying that many Manitobans that have had this test have been tested negative. They've gone to the States and had the Western blot test, and that they've been treated—they've been diagnosed positive for Lyme's disease with that test.

And so I want to ask the minister why we would be using a test here that doesn't seem to be accurate and why not just go into the Western blot. Is that what they use in the States? My understanding is they have that one test in the States.

Now, I could be wrong, but I know in Manitoba we do the ELISA and, then, based on sort of a doctor's clinical diagnosis, they may go the step further to do the Western blot.

But I'm also told by these patients that many doctors, because they don't believe in Lyme disease or they don't have the educational background, that they might not be able to clinically diagnose. So it's putting a lot of these people in a real predicament.

And I wonder if the minister could explain why Manitoba wouldn't just go to the Western blot test, considering the other one seems to be an unreliable test.

**Ms. Oswald:** And the member does cite an issue, of course, that is not unique to Manitoba. We know that practitioners, you know, have, over time, you know, in—across Canada, indeed, North America, you know, had some questions about conflicting evidence and which is the best testing.

And we have recently, you know, within the last couple of years, sent out information to doctors reminding them to treat suspected cases, not wait for lab confirmation to engage in a treatment protocol. The advocates have said to us they really liked the letter that the department sent out, you know, as the result of a lot of their advocacy and learning that they really appreciated the letters that practitioners got.

The issue of the testing has been raised, and it's part and parcel to why the forum is being developed. It's certainly going to, I'm sure, be front and centre on the agenda of discussion. We know that the practitioners, you know, order the testing, but the

more education that we can do to provide more tools for them, whether it's the aforementioned Western blot or otherwise, we're, you know, we're committed to look at different kinds of opportunities that practitioners can use to help with diagnosis and, indeed, treatment protocols.

The advocates, of course, as I said, have been much more encouraged with what's happening with Manitoba about engaging on the issue, and they've been using their network in other provinces to try to engage them to be connected to practitioners in the way that we have developed. They're also looking at the Public Health Agency of Canada, wanting to—wanting them to model some of the work that's been done right here through these—this committee that's chaired by the deputy.

So I would say to the member that I really do commend what the deputies have done on this issue. We know that advocates have seen a marked improvement but that we do have a way to go. And if the issue is specific to the testing, we're going to learn more about that. If it's on the education towards—or among practitioners, we, I think, have all come to consensus on that and raising awareness, and we're committed to continue to work with our front-line providers and with the advocates to put more of a focus on this issue so people can get an early intervention with treatment. So testing will be a piece of that puzzle, and we're very committed to look at.

**Mrs. Driedger:** Can the minister indicate whether there are any patients on that forum or involved in the forum that the deputy minister is involved in?

**Ms. Oswald:** Yes, just to be clear, I might have interchanged some language here, I'm not sure. So there's a committee, a group chaired by the deputy minister that meets regularly; it's been an ongoing meeting. And that's predominantly patients or people living with Lyme or someone connected to someone with Lyme disease. The forum that I spoke of is a scientific forum where issues like the testing and other forms of treatment and research will be upcoming. And, yes, I do think that I interchanged those words. Sorry about that.

**Mrs. Driedger:** Can the minister indicate whether Wayne Laurie is one of the individuals involved in—as a patient, involved in any discussions?

**Ms. Oswald:** It's my understanding that he is, but I would want to double-check.

**Mrs. Driedger:** The one person that I heard from recently that held her own forum actually has an incredible story to tell because of the difficulty she had after she was bitten by a tick. And when—and she's probably pretty typical of this whole group of patients. And the amount of times they're going to visit the health-care system and the cost this must be because of improper diagnosis, but just, you know, one example, and the symptoms were really, really bad, but she said over the next three months, three times she went to emergency, she saw hematologists, infectious disease specialists, dermatologists, internists, neurologists, my GP. She had CAT scans, monthly blood work, MRIs, chest X-rays, countless tests for MS, Parkinson's, lupus, AIDS and other diseases, all of which came up negative, and yet no one would consider Lyme disease. She was sharing this information with me actually just in April.

\* (11:10)

She spent \$1,300 US to be tested by a lab in the United States, and the results came back positive in the United States, and then, at the same time, she was tested once again in Canada and came back negative. And that's actually happened to a number of patients. And she said after doing a lot of her own research, she discovered that the testing in Canada is very inadequate for a lot of reasons. She also indicates that she's aware of 31 patients being treated in the United States right now for Lyme disease, and none of them this government would even know about, because none of them can get doctors here to agree to diagnose them or treat them. So they're off the radar altogether and that's, part of, probably, part of some of this underground system that's developing here.

She also has indicated that—and it's probably in reference to the letter that the minister said she sent out—in November, 2010, a letter was sent out from the office to medical practitioners that Lyme disease required a clinical diagnosis and that practitioners were not only just to rely on the lab tests, but to also look at a clinical diagnosis. But she said, while she lauded that effort, she said nobody she talked to read the letter. She said no doctor she spoke to or other Lyme patients' doctors, when asked, had seen the letter or, at least, was willing to say they saw the letter. She recommends that it would've been better to send the letter to grassroots Manitobans who would've made sure that she saw it. She, apparently, asked for a copy and never got one, and she said there are 17 doctors and specialists that admitted to not even seeing the letter.

Is it possible for me to get a copy of that letter?

**Ms. Oswald:** Sure. We'll get one for the member.

Again, of course, we rely on our front-line providers, whether it's in an emergency room or otherwise, to use their best judgment in pursuing a diagnosis or a cause for someone's condition, whether it's, you know, through a variety of diagnostic tests or what have you, and that is not apt to change. You know, we are going to have to rely on these individuals to make their best judgment.

What we are working to change and, for the sake of clarity in what I'm saying, I'm going to call the committee that the deputy minister chairs, that's the regular forum. I'm going to call it that as I go forward, wherein the deputy is the chair and a number of patients sit on that committee. I'll call the upcoming event that's planned a symposium, a scientific symposium, so I don't confuse either myself or others any further.

Part of the upcoming symposium, the scientific symposium, will be to really drill down into some of these scientific questions about efficacy of tests and rapid diagnosis and the benefits of, you know, enhanced tick surveillance and so forth. That—the outcomes of that symposium, I think, will really help to further inform our practitioners about what it is that they should be looking for, to try to have earlier intervention.

And, again, while I can't speak to this woman's individual experience, it sounds very challenging. We know that we have had a number of advocates tell us that they are pleased with the communications that, really, for the first in many—in that respect, had gone to front-line providers—so much so that they want other provinces to follow suit—and the Public Health Agency of Canada. And I think it's reasonable to say that a refresher message to practitioners is never going to do any harm and it can do good, and we can look for different environments and methods by which we can impart the same information and, indeed, any new information that comes as a result of the upcoming symposium.

Bottom line is we are hearing of what the advocates have to say. We are pushing our front lines to know more about the illness with a view to making a speedy diagnosis towards more rapid treatment, and we'll continue on that journey to have that be at the forefront of our practitioners' consciousness when they're endeavouring to make complex diagnoses.

**Mrs. Driedger:** Thank you, and one of these individuals that spoke with me had indicated that there were five Manitobans who were misdiagnosed by the Cadham lab, and then, also, I note that the Public Health Agency of Canada said that a review of its Lyme disease testing methods had turned up 24 patients in five provinces who received false negative test results. Was Manitoba one of those provinces then?

**Ms. Oswald:** I'm informed, yes, we were.

**Mrs. Driedger:** Thank you. I appreciate, you know, the responses from the minister, and just to indicate that I will share that information with these individuals that brought their concerns to me, so that—I'm sure they'll be very interested to know about the—this symposium that's coming up, and that, you know, Manitoba's moving in the direction to look more at this.

At this time, can I ask the minister if the decision to move towards having a family doctor for every Manitoban by 2015, is that based on the same type of plan that was put forward in British Columbia?

**Ms. Oswald:** It's similar, yes.

**Mrs. Driedger:** Moving on to a different topic, and that's on midwifery. Can the minister indicate when the birthing centre will be open?

**Ms. Oswald:** We believe it'll be complete and ready to go in the summer.

**Mrs. Driedger:** What is the capacity of the birthing centre in terms of how many moms can be birthing at the same time?

**Ms. Oswald:** Four rooms.

**Mrs. Driedger:** Can the minister tell us where they're going to get the midwives to work in the birthing centre?

**Ms. Oswald:** Yes, we're recruiting and there's lots of interest.

**Mrs. Driedger:** Now, I'm sure there's going to be lots of interest, but because we have such a small number of midwives in Manitoba, we're probably going to be taking from Peter to pay Paul because they're going to have to, you know, come from facilities that are now using, you know, that have now hired midwives. I understand that right now in Manitoba, while we have 45.5 funded positions, we only have 34 practising midwives, which is actually down from 38 that were practising in 2004. So we have less midwives today than we had a few years

ago. Can the minister confirm that there are only 34 midwives practising today in Manitoba?

**Ms. Oswald:** Yes, I will have to double-check for the member, but it does appear that, just from my preliminary review, that the vacancy numbers that she cites are accurate. There are 45.5 funded positions, but we have showed recently nine vacancies, but I'm going to confirm that for the member. Certainly, our goal for the recruitment into the birth centre and into the system is with net new midwives, and, as I say, there is a lot of interest, and those expressions of interest are also coming from out of province and, you know, specifically Ontario, but don't tell them, so they stop them from coming. But—so we—it is certainly is our intent to be building that workforce at present.

\* (11:20)

**Mrs. Driedger:** Can the minister tell us what has been happening with the UCN midwifery program? We know that they started up, but we have also received a FIPPA response that, as of fall 2011, there is only one student entering the fourth year and there are eight students entering year 2. However, according to a recent FIPPA response we received from UCN, they said there are no students enrolled in the 2011–2010–2011 program.

So the information is not matching, and I would ask the minister to explain those discrepancies and indicate what her knowledge is in terms of how many students are actually in that program, what is happening to the northern program versus the southern program and what happened to all our students in the program.

**Ms. Oswald:** Of course, we're working with a number of stakeholders in midwifery and with UCN to provide, you know, a really effective model for training for midwives. And, in '09, we did make a substantial investment to work to expand UCN's midwifery training program. We do know that there have been challenges, without a doubt, in maintaining the complement of students there. There have been some challenges concerning clinical opportunities, particularly in the—in and around Norway House, and this has been an ongoing concern. We know that the southern midwifery program is running very successfully eight students. It's full in its capacity, and we are committed to, you know, providing as many opportunities as possible.

The UCN situation, admittedly, has been a challenge. It was down to one student. I would want

to, you know, absolutely confirm whether or not that one student is continuing. I believe that that one student possibly joined the southern program complement so that that work could be completed. There have been a number of issues, you know, of a personal nature for some of the northern students, you know, putting studies on hold, you know, moving, you know, from one province to another with a spouse and some other personal reasons that have caused them to cease their studies.

But we're not going to give up on the program. It has had a bumpy start, admittedly, but we want to try to smooth out any barriers that we can identify out—that are within our ability to smooth out. Sometimes people's lives do take a turn for unpredictable reasons, and this would certainly be difficult for our folks in education and in clinical environments to predict.

But, again, I can say that the southern complement of students is full, and, again, I'd want to double-check, but it is my understanding that one of those students did come from the northern program to enable completion of the program.

**Mrs. Driedger:** Is the southern program run by UCN?

**Ms. Oswald:** Yes, it is.

**Mrs. Driedger:** And did the southern program remove the criteria that it's an Aboriginally based program, and now it's opened up for broader purposes?

**Ms. Oswald:** I would inform the member that the initiative has always been based, you know, with a traditional medicine focus, so, in the north, there certainly was an Aboriginal focus, and our intent would be, you know, in trying to work with the northern group that that would be maintained.

In the south, I understand, the focus is to adapt to local populations. So, you know, a German, you know, Mennonite heritage may be incorporated into the work that's going on. The emphasis is to, you know, be a good fit to the accompanying and appropriate populations for the locations, so that really is what's happening.

**Mrs. Driedger:** So, just for clarity, can the minister just confirm that there still is a northern program with students in it?

**Ms. Oswald:** As I said to the member, it is my understanding that the students that were enrolled in the northern program have, for a variety of reasons,

not completed the program. One of those individuals did move into the southern program, I have been able to confirm. So, at present, there aren't students in that northern milieu taking the course.

And, as I said, there have been some bumps along the way that we have experienced, but it is—certainly is my view that, conceptually speaking, we're not giving up on the idea. We just have to go back and find ways to smooth out these bumps in the program. I don't think that we would want to lose sight of what is a really important concept about bringing a choice of a variety of maternal care to different regions of the province.

We talked earlier on another matter about how it can be more challenging to recruit into northern and rural environments, and the intent and the hope was always that, you know, educating closer to home would provide a workforce closer to home.

Again, there have been some challenges, but, conceptually, we don't want to abandon that notion. We just need to find a, perhaps, a different way to approach it.

**Mrs. Driedger:** Well, the minister is indicating, basically, there are no students, then, in the northern program. But, just recently, we had a FIPPA from her office that indicated there are eight students entering year 2 of the UCN program.

So could she clarify, then, where exactly those eight students would be, in entering year 2 of the program, when I understand that the southern program just started, and the minister has indicated that it's started and has eight students in it. What happened to the eight second-year students from the northern program?

**Ms. Oswald:** So, if I understand correctly, I think the issue is that it says the UCN is running the course. It is the southern course, and this fall will be year 2 for those eight students.

\* (11:30)

**Mrs. Driedger:** So, basically, then, the northern program is finished. And can the minister just confirm, then, that it's now a southern program? Is—am I understanding this correctly?

**Ms. Oswald:** There are eight students beginning year 2 in the southern program.

There have been challenges with the northern cohort, and we're going to find a way to—well, it is my hope that in partnership with other departments

involved that we will find a way to build that complement in the north so we can meet the original dream of the program to provide midwives an opportunity to—well, individuals to become midwives in a northern milieu so that there are opportunities for people to have access to midwives in a northern milieu. And we've got more work to do on it, there's no question.

It's going to be more challenging than I believe was originally estimated, but we're going to learn from that and soldier forward.

**Mrs. Driedger:** So I'm taking from the minister's answer that there is now no northern program; we're now into a southern program, but it is run by UCN. And can the minister indicate where that program is run from and is it UCN that still delivers the program?

**Ms. Oswald:** Yes, again, it's UCN that does run the program. As I said, there are satellite locations for the programs, you know, Winnipeg, Steinbach, Morden-Winkler, I believe.

But I really want to be clear that while there have been some challenges, like I said, with the practice opportunities in the north—you know, the hospital there, you know, we did have some challenges, you know, within the context of some of the opportunities or lack of opportunities that existed through the way the federal hospital was run—I don't think that these issues are insurmountable. I think we need to sit down at the table and work through some of these issues with scopes of practice and supervision. But I believe it can be done.

I wouldn't want to characterize the northern program as finished, as a dead issue. I just think that we need to go back and find new ways to make this program as accessible and functional as humanly possible to achieve the original goal and dream of the program.

**Mrs. Driedger:** Will women from outside of Winnipeg be able to give birth at the birthing centre?

**Ms. Oswald:** Yes.

**Mrs. Driedger:** That's a big change, then, because right now rural women aren't allowed to use Winnipeg midwives. There are all these rules between RHAs that they have to stay within their own regions, and midwives are assigned to RHAs. And I know that even just outside the boundary of Winnipeg, in Oakbank, there had to be, I guess, a special agreement made to allow this one woman to

have a birth with a midwife in Winnipeg. So is this a major rule change, then?

**Ms. Oswald:** And, indeed, the development of protocols at the birth centre are, you know, continuing to be developed, but the overarching belief at the beginning was that non-Winnipeg midwives would have access to use through the birth centre. And I can endeavour to provide more information to the minister—or the member, about how that's going to develop and work out. The idea is to endeavour to have opportunities for as many women as possible to be using the birth centre as appropriate, and so I can let her know how the process or any amending of existing rules will happen to enable this to occur.

**Mrs. Driedger:** Can the minister indicate whether the amount of dollars that had been targeted for the birthing centre is still the same? Is it on budget for about \$3.5 million?

**Ms. Oswald:** We do believe that the current cost estimate is higher than the 3.5. We think it is, indeed, going to come in over 4. There have been some, you know, developments and amendments to costing on construction. We will endeavour to provide as accurate as accounting, but I do believe it is going—at this point our estimate will be that it will exceed the 3.5.

And I wonder if the member would be agreeable to just a short recess.

**Mrs. Driedger:** I would be and, while we are taking the recess, when we come back, if the minister could just indicate very, very briefly what the current capital debt is for health care and what the annual payments are, and then we can do that when we come back.

\* (11:40)

**Mr. Chairperson:** Okay, it's agreed for a recess for five minutes.

*The committee recessed at 11:38 a.m.*

*The committee resumed at 11:43 a.m.*

**Mr. Chairperson:** Order, please. Will the committee come back to the order.

**Ms. Oswald:** Yes, and thank you for that necessary break.

Yes, I can signal to the member that in the Estimates book, page 127, capital funding, there is a page that would, I believe, provide the member with some information. A number—a round number that I can give—we would be paying debt on \$892 million and this would be—yes, this would be the number as of now.

**Mrs. Driedger:** So can the minister indicate whether that debt number has come down? I thought it had been over a billion dollars. So has it come down?

**Ms. Oswald:** Yes, the number, of course, comes down once projects are completed and they're finished being paid for. If there's a little more historical context that the member might wish, we can endeavour to provide that, but I'm informed that that is the number we're working with right at the moment.

**Mrs. Driedger:** Can the minister indicate whether the information that came out there in the media about the increasing hospital costs for the women's hospital, was that accurate numbers that they were talking about that the cost went from \$40 million to \$240 million?

**Ms. Oswald:** I can inform the member that there's absolutely no question that the original announcement of the hospital, that there would be an investment of over \$40 million, has increased, and it has increased in not a small way, quite significantly. I would have to get some more information on a current estimate, but we do know that when we spoke with—in more detail with our stakeholders—and not that I'm a big fan of that word, but it's all-encompassing; it means people working in the system, with moms, with families—we certainly did endeavour to take a broader look at what that project would be. We did, of course, as I've said before, the largest consultation, public consultation, on a health facility in Manitoba's history, and the themes and the messages coming from that consultation were very, very clear in terms of a very passionate need for more privacy in those settings and more private rooms. And the project was really reconstructed and—or reconceived and developed with the outcomes from that consultation in mind, not only from a clinical perspective but taking into account what citizens in the neighbourhood were so desiring to be part of the construction.

So there's no doubt that there has been a significant increase. I know that there is a lot of work going on now with tendering and developing, and so it would be irresponsible of me to cite any numbers

that are available just now through that process, but I will say to the member that the initial announcement of over \$40 million has had a substantial increase as a result of what we learned and developed through the consultation. So that is a fact, but I would not want to confirm a 240 number cited in the media as where we are, particularly in light of the tendering work that is ongoing.

**Mrs. Driedger:** And I appreciate that, and I hope the minister doesn't take my questions and torque them into something that I, you know, that I'm asking for a reason. And it's not because I disagree that we need a new hospital. I had a baby in that hospital. I trained in that hospital, and I certainly know that we need a new women's hospital.

So my questions aren't based on the fact that I'm disparaging of what's happening. I'm just trying to clarify some of the information that is out there and, certainly, I know that as far as health infrastructure goes, we probably need a whole lot more, you know, going on over the years. So my questions—I hope she doesn't take and twist them into what they're not.

Mr. Chairperson, eHealth, I can't seem to find information online anymore, and I know I've asked about this in past Estimates and after we asked a lot of information about this, after we had put forward a lot of freedom of information, now, all of a sudden, the annual report and the financial statements aren't online anymore for this past year. Can the minister tell us why not?

\* (11:50)

**Ms. Oswald:** Yes, I mean, we have had discussions about this before, and, of course, the intent is to provide more transparency, not less. They remain—eHealth remains administratively housed within the WRHA and if there's some difficulty accessing information online that, you know, has been there in the past, I'll investigate it. It certainly did not come at my direction, you know, quite the contrary, so we'll check.

And, again, I—my answers regarding the women's hospital were not in any way to insinuate motives from the member opposite. I was just trying to provide a comprehensive answer. So, no, I'm not passing judgment on what the member thinks about the women's hospital or not—just wanting her to know that.

Just to confirm for the member, in the WRHA annual report '09-10, page 45 has information about Manitoba eHealth. I think one of the things we talked

about in past was that there was a desire to see a separate, you know, a breaking out of these numbers, which has been achieved this year. But, again, I'll investigate for the member what issues are existing concerning online access.

**Mrs. Driedger:** Previously on the eHealth website they had put their full annual report. They had had an actual financial statement that was more substantive than what they've included in the WRHA report this year. And, in fact, there are a number of categories that are—have been removed from the WRHA reporting section that they used to have on their own site. And, in fact, about half of the information is missing, and some of it was pretty important information, you know.

In the past, we've certainly wondered about professional fees, especially after the problems in Ontario, and I would think that after the problems in Ontario and British Columbia that there would be a greater movement towards increasing transparency in eHealth. Instead, the WRHA has basically buried half of that information, and they've also told me now to FIPPA for their annual report.

Can the minister tell me why I have to FIPPA for an annual report?

**Ms. Oswald:** And, again, I want to inform the member that information that exists within the context of the WRHA report about eHealth, this is audited financial information provided by the WRHA. The previously existing reports, I'm informed, were unaudited, and so this, you know, this is information that is, we think, very strong.

I also want to put on the record and remind, you know, all Manitobans that certainly during the time that Ontario was going through its controversies with their eHealth entity, we made sure that we asked for review of what was happening of, you know, in regards to the recommendations that the Auditor General of Canada made about eHealth in Ontario. And, at that time, we had been advised that the governance structures and administrative processes was actually already following what the AG of Canada was recommending. So I—just to be clear on that issue.

On the subject of what the member is being told concerning needing to FIPPA information that she is of the understanding was available to her before, I'll commit to her to investigate why if any kind of change like that is existing. I don't know the answer to that question. As we said last year, we are moving

forward to provide more information, more transparency than has ever happened before. So, if there is a snag going on here, I want to know about it, and I commend the member for bringing it to my attention.

**Mrs. Driedger:** The minister's intentions may be good, but the WRHA, that won't be the first time that they have indicated that I should be FIPPAing for information when, in fact, half an hour later they might turn around and give it to the media without a FIPPA. So it's not something that is a rare occasion with the WRHA; just so the minister knows that.

Also, even though the information in the WRHA report is based on an audited statement, it's only, you know, a tiny summary of an audited statement, because I also get all the audited statements from all of the RHAs and audited statements are quite substantive, including the WRHA's. And all they do, really, in this annual report, is just take pieces and summaries and you don't get the full details. So that's not a full detail of an audited report. There were will be many lines in there that won't be shown.

And, in the past, the minister knows, we had some concerns because we tried to get information further about, I think it was travel costs by eHealth and there were a number of other sections, untendered contracts, and they were going to charge us thousands and thousands of dollars for that. And, you know, knowing full well we don't have that kind of money, that information we were never able to get.

And the reason we were asking is because we have concerns about eHealth and the costs. We talked in the past about cost and I know when the government announced eHealth it was earmarked for \$150 million. Last year, it became public information that costs were now, last year, at over \$600 million. Can the minister indicate whether or not that number has again escalated as of this point in time?

**Ms. Oswald:** And, again, we are pleased that the WRHA is capturing this information in the context of it being an audited statement. Again, we'll look at the member's comments and suggestions about providing even more information concerning eHealth. And, as I say, I've committed to look into what she's saying about what's available to her online and not online.

\* (12:00)

We—the number, I believe, that you're speaking of, you know, I stand to be corrected, but I think it

relates to projects that are ongoing. You know, \$51 million is the annual operating budget of eHealth, but the number concerns projects. We know we're working very hard in partnership with Infoway and with our front-line providers on electronic health records and, you know, other entities. And so, you know, we'll endeavour to try to provide as much information as we can.

Our goal is to be more transparent and, again, I do want to say for the record, as I have in the past, that, you know, the structure, government structure, administrative processes, you know, really already fell within what was being criticized in other jurisdictions. We were already doing the things that were being recommended for others. Again, I think I've said last year, you know, contracted consultants that are used for specific projects, you know, when shorter term, kind of specialized technical experience is required, you know, this does happen, but it happens through a competitive tendering process.

You know, almost all of eHealth's procurement is subject to that competitive and rigorous and transparent tendering policies. And in the event that there are sole-source kinds of contracts that are approved, it does have to be signed off by eHealth's chief information officer, but also logistics in WRHA. So, you know, there are processes in place, you know, RFPs are published on the Bidding website, which is publicly available. And we're going to continue to learn from what happened in other jurisdictions and work to make sure that there is as much transparency as possible.

You know the 150 number versus the 600 number—again, I believe, she's referring to ongoing projects. We know that there has been a flow of money from Canada Health Infoway that was being held for a while, but we're happy that it's flowing now. And so, you know, again, we'll work to provide as much information as possible within the context of eHealth. We don't want any money going astray that can be for the purposes of providing better care for patients as a result of electronic records and so forth.

**Mrs. Driedger:** And the minister, you know, has clearly articulated that the over \$600 million is project related. So can I just confirm, then, that in the 2009-10 operating results for Manitoba eHealth, which showed a spending at year end of almost \$52 million with a deficit of \$306,000, is that basically what you would call, then, what it costs to run the eHealth corporation or entity?

**Ms. Oswald:** Yes, I would say to the member that, you know, we are talking about people working on the installation and development and maintenance of the projects that are going forward within the system. So it's very much, you know, on the ground, hands-on care of these projects, enabling them to be operationalized. So, you know, it's what it costs to run eHealth but with a very direct and, you know, hands-on approach to what it is to convert an idea into something that's being used operationally with our front-line providers.

**Mrs. Driedger:** In 2007, Manitoba eHealth employed actually 277 people and, right now, they're actually employing about 443 people. Can the minister indicate why there has been such a growth in the number of people employed at eHealth?

**Ms. Oswald:** Again, we are seeing an increase in folks working in eHealth because there are, indeed, a number of projects that are going live, and as these projects go live we do need to have ongoing support and development for those that are using them. These would include things like the Emergency Department Information Systems or EDIS; HISP at St. B; the RIS-PAC-PACS initiative; SIMS, the Surgical Information Management System. So there has been growth in terms of technology available to do very important things across the system, but we also need supports as those initiatives go live.

**Mrs. Driedger:** Can the minister indicate why eHealth felt it necessary to spend almost \$200,000 for advertising associated with the launch of eChart?

**Ms. Oswald:** One of the most important things with the development of eChart is the fact that there is personal health information being dealt with, and within the context of eChart, one of the key pieces was to provide information for the public about what their rights would be concerning the protection of their information. We got advice from the Ombudsman on this and said we had to inform Manitobans that their electronic health records were going live and what efforts were being made to securely store that information.

And, you know, we—we're not of the belief that this could be trifled with in any way, and letting people know that there were processes that would be existing for them to be able to, you know, steward their own health information was important, and that is really predominantly why there was a communications plan and a budget line in place to ensure that that happened.

**Mrs. Driedger:** Can the minister tell us why eHealth was set up in the way it was? Saskatchewan, I notice, set theirs up as a Treasury Board-Crown corporation, and it would seem to me that they created more independence that way. And, in fact, with the way it's set up in Manitoba, we've got a provincial program council, and then we have an oversight committee made up of, you know, even people that are on the provincial council on the oversight committee, so one's—look, you know, has oversight over himself.

\*(12:10)

There's no real effective oversight in Manitoba, and it's all the same people that tend to be involved in how this government sets up, you know, different programs, whether it's DSM or eHealth. And I'm just curious why it's just the same people being put on all of these different councils or committees. And we really don't have an effective oversight ability because of the structure here in Manitoba, so—especially, no external oversight because it's people working within the system that are all involved here and it's people within the system that are actually on oversight committees.

And I know we had this discussion last year, so it won't be new to the minister, and the oversight committee only meets twice a year. I don't know how that really is effective in keeping a close eye on what's happening in eHealth in Manitoba.

So can the minister just explain why she's gone the way she has and not set it up in a different way, as Saskatchewan did?

**Ms. Oswald:** Certainly, you know, there's no question that different governments will take different approaches to things and, you know, with varying degrees of success in a variety of jurisdictions. I mean, it is arguable setting up an entirely separate entity like that, you know, would result in more admin costs which, you know, we are all sensitive about increasing, you know, at any time. And so I know that the oversight that has been involved, you know, and improved—you know, auditing of financial statements, you know, has shown very good results.

Again, when we saw what was happening in another jurisdiction like Ontario, you know—scandal, I guess was the word that was most commonly used—we immediately, you know, sought to review, you know, had, you know, had we done the right thing in how we were setting up our eHealth entity and how

do we stack up, if you will. And it was, you know, very clear and interesting to see that what the Auditor General of Canada was recommending to happen in Ontario was already happening here, and that, indeed, the review was very, very positive in terms of what kinds of oversight was being provided.

We know that the deputy is the chair of eHealth, and ours has been a view that an integrated approach with the RHAs was a critically important method that we wanted to create or pursue in order to get these, you know, many projects under way and we believe that that particular approach has been successful. We know that even with the incentive program for the electronic medical record, you know, we saw that, you know, before the structure was set up and the incentive was set up, that roughly about 26 per cent of doctors or NPs were making use of EMRs, and we created the incentive program, you know, and worked it within the structure that we had, and we're up to 61 who have an EMR or who have applied for funding through the program.

So, I mean, I'll concede the member's point, that there are different ways of doing things. We believe that the oversight that we have in place, you know, through our investigations is effective, but, you know, ongoing monitoring, you know, has always been part of the plan and it will be part of the plan.

**Mrs. Driedger:** Can the minister indicate, is there one specific office for eHealth and where that would be housed?

**Ms. Oswald:** Certainly, the work of eHealth is embedded across the system, so there are plenty of workers that are out across the system. There is a primary data centre and some of the senior management located in the Air Canada building across from 300 Carlton, but, again, the majority of the work that's done is across the regions and embedded, you know, right into the system where actually they need to be.

**Mrs. Driedger:** Is the \$50-million eHealth budget that is accounted for in the WRHA annual report part of the WRHA's administrative costs?

**Ms. Oswald:** I'll commit to the member to find out the details of how that is captured. We don't have that right at our fingertips today.

**Mrs. Driedger:** There are over 200 people working in logistics at the WRHA. Are those people included in the WRHA's administrative costs?

**Ms. Oswald:** Again, these people, you know, are predominately, you know, tasked with procuring materials for the front line, and there's some discussion at the table about how it's captured, so we'll need to do more work and I'll get back to the member with a precise answer to that.

**Mrs. Driedger:** This group was housed at 287 Broadway last year. They're now at 33 Maryland. They take up about 9,000 square feet. I'd also heard that there was a third location that they might've been in. Can the minister indicate whether or not they have actually had a couple of moves in the last few years?

**Ms. Oswald:** Yes, they have.

**Mrs. Driedger:** Can the minister indicate where another home was for them besides 287 Broadway and 333 Maryland?

**Ms. Oswald:** We're going to double-check. There may be some work going on to move another group to another location, but I just want to clarify that.

I would note that these folks are, you know, a critically important entity in dealing with central bulk buying and other kinds of procurement innovations with a view towards savings in the system. So, you know, they, you know, while they exist within a structure in the WRHA, they do have a really important job in terms of what it is that they're endeavouring to do.

**Mrs. Driedger:** Is there a separate budget line within the WRHA budget that actually indicates the cost of that department?

\* (12:20)

**Ms. Oswald:** I'm informed that what the WRHA reports, it's a rolled-up number. I don't believe that they breakdown each one of those centres in what they're reporting publicly. I could pursue finding a bit more of that information for the member.

I just wanted to inform the member, just going back to the eHealth annual report, we can provide the member with a copy of the annual report. I understand that there's an issue at the moment concerning French translation. I believe that that hasn't been dealt with and, as a result, there have been some reports saying it's not available to the public, but it's for that reason, it's not that it's not available, but perhaps that it's not ready. And so we will ensure that we get a copy in English for the member post haste.

**Mrs. Driedger:** Considering that there's 200 people working in logistics, can the minister explain why HealthPRO is also contracted with as part of that system? If we've got that many people actually doing the job there, why also is there this relationship with HealthPRO?

**Ms. Oswald:** I'm informed, certainly, that the relationship with HealthPRO has been a very important one. We see that most jurisdictions in the west are now becoming part of HealthPRO, with a view to, you know, having, you know, bulk power in buying, and this is converting into very significant savings for a number of jurisdictions.

Not every product, I suppose, that needs to be procured, is yet captured under what HealthPRO can do or is doing and, so, there is a need to have additional work that's being done. It's an option for the WRHA to use, to achieve some of those savings.

But, you know, I actually quite like this analogy that's being used here; that it's a little bit like Costco, you can go there and, you know, get some really great savings but, perhaps, not everything that you want would be available, you know, under that roof or that umbrella. And you would have to try to develop bulk buying and procurement practices that would be cost savings outside of what HealthPRO has to offer.

I imagine as the other western provinces engage in a more fulsome way, that the menu of things that can be procured through them will grow as well. That would be my—I'm not an expert in procurement but that would be my guess.

And so that's something that we'll, you know, be facing, ongoing review in terms of how we use, through the WRHA, HealthPRO, and how we use the logistics personnel that exist in there.

**Mrs. Driedger:** Is there then a contract with HealthPRO that is engaged in by the WRHA?

**Ms. Oswald:** Yes, there is.

**Mrs. Driedger:** Can the minister indicate the value of that contract?

**Ms. Oswald:** That is some information that I would have to seek for the member.

**Mrs. Driedger:** Considering that HealthPRO is looking after probably a significant amount of the purchasing for the WRHA, can the minister indicate, then, why we have to have—that HealthPRO is looking after probably a significant amount of the

purchasing for the WRHA—can the minister indicate, then, why we have to have over 200 people also working in logistics within the WRHA structure when you've got this other entity out there that does, as the minister said, you know, a fair bit of the purchasing?

**Ms. Oswald:** I would say probably two initial things about this. One, the relationship with HealthPRO is a relatively recent one, and so, you know, workforce issues are, you know, dynamic and evolving, and every single person that is in logistics isn't specifically dealing with procurement. There are other matters that they deal with like negotiating of contracts, you know, dealing with RFPs and so forth.

It's also worthwhile to note that—I'm informed that the WRHA joined HealthPRO because the members of HealthPRO are not all required to make their purchases through HealthPRO. That means if the WRHA can do better on their own through negotiating, then they go in that direction and it does happen, but when buying through HealthPRO means, you know, we're getting a better price, then that's the direction that that would go.

So there's still ongoing analysis and work and negotiating that does go on in that context.

**Mrs. Driedger:** Can the minister indicate what level of bulk purchasing there is with any of the other western provinces?

**Ms. Oswald:** It would be pretty difficult, I think, for me to speak for the other provinces in terms of levels of engagement. I can say that the WRHA, when they joined, were joining 485 other hospitals across Canada that were members of HealthPRO. I believe it was in July of '09 that Alberta and BC announced that they'd join HealthPRO to get the bulk purchasing benefits as well and that was good news, you know, to have—you know, to such provinces engaged as well. It would likely reap benefits for even more savings through bulk purchasing. We know there's a fed-prov commitment to look at more bulk purchasing across Canada, but we did get in on the ground floor, if you could call it that, with those almost 500 other hospitals in Canada, and it was Alberta and BC that joined after that.

So it would be difficult for me to say to the member, you know, what is the level of. I'm not sure how to answer that question exactly, but we know that it's growing and we know that Manitoba's engagement, you know, was a little bit earlier, and

we've reaped some pretty good benefits as a result of that.

**Mrs. Driedger:** In a March 2011 document out of Saskatchewan, they have an initiative where they have implemented group purchasing in collaboration with Alberta and British Columbia as identified in the new partnership, and I would note that Manitoba is not part of that. And they're indicating that 20 per cent of the purchases that they make are going to be—

**Mr. Chairperson:** Order. The hour being 12:30 p.m., committee rise.

### INFRASTRUCTURE AND TRANSPORTATION

\* (10:00)

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

This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Infrastructure and Transportation. As has been previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions or suggestions.

**Mr. Ralph Eichler (Lakeside):** In consultation with the minister's staff, it's been agreed that we would have the committee rise for the day and resume at the earliest possible date in the beginning of next week.

**Mr. Chairperson:** Thank the honourable member for Lakeside for that very much.

**Mr. Doug Martindale (Burrows):** I just wanted to thank the opposition critic for their understanding and patience with the minister not being able to be here due to being in a briefing due to unprecedented flooding. So we appreciate their co-operation.

**Mr. Chairperson:** Very well, then. I want to thank all members of the committee for their co-operation and understanding on this. As mutually understood, this section of the committee will now officially rise.

Committee rise.

### AGRICULTURE, FOOD AND RURAL INITIATIVES

\* (10:00)

**Madam Chairperson (Marilyn Brick):** Would this section of the Committee of Supply, which has been dealing with the Estimates of the Department of

Agriculture, Food and Rural Initiatives, would the minister's staff please enter this Chamber.

If, the honourable Minister for Agriculture, if there are some additional staff here, if you could introduce them.

**Hon. Stan Struthers (Minister of Agriculture, Food and Rural Initiatives):** Madam Chairperson, today I understand our focus is going to be on the Manitoba Agricultural Services Corporation, so I've asked that Neil Hamilton, the CEO of MASC, join us, along with Jim Lewis, who is the vice-president of Finance and Administration, and Kevin Craig, the vice-president of Lending Operations, and, of course, we're again joined by my deputy minister, Barry Todd.

**Madam Chairperson:** Thank you. We are on page 41 of the Estimates book. As previously agreed, questioning for this department will proceed in a global manner. The floor is now open for questions.

**Mr. Cliff Graydon (Emerson):** Madam Chair, I'm just getting organized here, so if you'll give me half a minute.

**Mr. Struthers:** While the member for Emerson is getting ready, I do have some additional information from a question from Wednesday that the member posed.

We were talking about how frugal this minister is in his travel, and I was bragging about a good deal we got on a trip to Toronto at \$180.50. The actual cost of the trip was \$703.21, and that included a \$482.71 credit that was applied to that ticket. As we talked about, I couldn't go to the meetings in Arizona, so the flight from Denver was a credit that was applied to the flight from Toronto. So, still a good deal, but I wanted to be accurate for the record.

**Mr. Graydon:** I thank the minister for that. I thought he had some creative accounting when he had his \$180 and a gift certificate. We—perhaps, the minister can tell me. Have there been any changes in the staffing of MASC?

**Mr. Struthers:** There've been, in terms of the numbers, there's been no changes: 153 permanent positions, 150 adjusters.

I do want to take a half a minute to recognize someone who did retire as of the end of December, Charlene Kibbins, who was the senior vice-president. She had been with the corporation for 35-plus years. Any time that this minister was briefed by Charlene, that briefing was always thorough and accurate and

timely, just as I've become accustomed to in dealing with MASC. So I wish Charlene well in her retirement and thank her for all the years that she served the people of Manitoba and MASC.

**Mr. Graydon:** And I, too, would like to extend my well wishes to Charlene in her retirement, and I'd be remiss if I wouldn't have—and haven't welcomed the staff today. It's a—I know that this is a challenge for a number of the staff to leave Portage, come in to Winnipeg, and with the challenges they're facing, the area out there with the flood challenges. And then, of course, the day being Friday the 13th always builds up your confidence as well when you're leaving home and heading down the highway. So I thank the staff for coming in today.

And the—if there were no changes, perhaps what we'll—maybe what I would like to do is go to a—we'll get into the meat of things. We'll go to July 15th, when the Manitoba Excess Moisture Assistance Program was announced. Mr. Minister, I—we certainly were looking forward for a program at that time. My question would be: Was it not possible to announce that sooner?

**Mr. Struthers:** Well, my guiding principle in this is the sooner the better. I think that—I think when we're dealing with a deadline of June 20th in terms of seeding, to make an announcement coming out of a federal-provincial-territorial meeting just a matter of three weeks or so later is a pretty good turnaround time. I was very impressed with the—with a number of things.

First of all, I was very impressed with the speed by which our staff in MAFRI and the staff at MASC were able to put together numbers coming out of the June 20th seeding deadline so that we could be prepared for that federal-provincial-territorial meeting that we had in Saskatoon, because ministers from Alberta, Saskatchewan, Manitoba, plus Minister Gerry Ritz, we made it very clear that we wanted to have something coming out of that early-July FPT meeting and an announcement made there, which is the way this all developed. I was very impressed by the turnaround time on that. That, of course, was the \$30 announcement on unseeded acreage.

I do want to take a minute to make sure that everybody in the Manitoba Agricultural Services Corporation knows that I appreciate the work that they did, not only to get us to that announcement but the rollout that followed. It was—we got hit by a lot of rain last year, and we had a lot of farmers that

were really up against it and struggling and doing their best to get their crops in.

Farmers have been very clear with me. They've said that, first and foremost, they want to make a living by selling their product into the market and getting a fair price for that product in the market. Failing that, they want to be able to—and when you look at the 85 per cent or so participation rate that MASC has with its—on the crop insurance side, the farmers are clear that they want a solid, bankable, predictable insurance program that they can count on, that they can go into their credit unions and into the banks and say, here is what I've got; here is what I can count on.

\*(10:10)

If that, as we saw last year, if that between the market and insurance doesn't cut it for farmers, then they have to know that ministers like myself and others, including the federal minister, will be there with programs. Now, one of the very basic tenets of the program that we announced and was very, very important to me, was that we would announce a program that wouldn't undercut insurance in the first place. And we were very careful not to put something forward that would provide a disincentive for farmers to buy insurance in the first place.

And to their credit, I heard from farms—farmers and farm leaders that they agreed with that approach and that they wanted that to be reflected in the announcements that we made. So we were careful when we made the announcement to not provide that kind of a disincentive. We were careful as we rolled out the program to not provide a disincentive to the purchasing of insurance. That was a guiding principle that we used there and in the subsequent announcement that we made later in the year having to do with—on the livestock side.

So, Madam Chairperson, I always want these programs to roll out quickly. I don't want farmers waiting unnecessarily for some support, but I also want to make sure that the programs we put forward are solid and are dependable and don't provide any kind of an unintended consequence that we wouldn't be happy with.

So I also want the member for Emerson (Mr. Graydon) to know if he has some advice on those sorts of things, I'd be happy to hear from him on that.

**Mr. Graydon:** The—I understand the time frame and that the question that I asked about the time frame and rolling out the program. Perhaps what I can do is

relay some of the complaints that have come forward to me and to my colleagues and I'm sure to your departments.

One of the complaints, as the minister is well aware, is that it was the excess moisture coverage is mandatory. That was a complaint that came forward with a 5 per cent penalty that was imposed on this particular \$60 coverage or \$30-an-acre coverage.

That 5 per cent penalty that was imposed by the minister, can he explain the reason for that penalty?

**Mr. Struthers:** Yeah, I want to be really clear with the member across the way. This is not a penalty, and I can't stress that enough. It wouldn't be accurate, it wouldn't be fair to refer to this as a 5 per cent penalty; it's a deductible. Insurance programs have deductibles. At 5 per cent, I believe it was a reasonable step to be taken.

We did meet with Keystone Agricultural Producers who came in and spoke with us about whether or not we could waive that 5 per cent deductible. We had some phone calls from farmers. I think probably MASC had some phone calls, but it didn't appear to me to be a showstopper when it came to this program.

I really do want to caution the member in terms of how he describes this deductible. It's not a penalty. We are not here in the business of penalizing farmers. We're in the business of providing insurance programs that make sense, insurance programs that don't undercut, that don't under—that aren't undercut by ad-hoc programs.

This was an AgriRecovery announcement that we made. We did the administrative work through MASC, I think, because MASC has—one, it has a great reputation amongst farmers and a high level of credibility; it has offices, along with our MAFRI offices all over Manitoba, agri-Manitoba, to be in contact and work through individual farmer's needs and challenges.

It made a lot of sense to me to employ MASC to do this and to do it so that—that way so that it's a solid program, and it's a solid program being delivered as quickly as we can to get money into the pockets of farmers. But to describe that 5 per cent as anything but a deductible would be erroneous.

**Mr. Graydon:** The—there's two issues. One of them is 5 per cent excess moisture in AgriInsurance; AgriRecovery is separate from that. You're claiming that the 5 per cent is a deductible; however, what was

the deductible on the AgriRecovery if the purpose was to put money in farmer's pockets and you didn't want to take away from the farmers? You already have the delivery system in place through MASC. I agree, it's a great system for delivery, and it is there. The purpose was to put as much money as you could into farmer's pockets, and there were 5 per cent that was deducted from it, so, in reality, it is—does become a penalty.

**Mr. Struthers:** Well, first of all, let me stress that this was an AgriRecovery program that we announced, three ministers—provincial ministers, plus the federal minister. We turned it around in record time. As a matter of fact, Madam Chairperson, and I'm told in parts of Saskatchewan, western Saskatchewan, we turned this one around so fast that some farmers were actually getting a excess moisture cheque in the same month as they got drought payment cheques from the year before. So, I don't know if that means the first one took too long, or this one was very well done, or a combination of the two, but we turned it around as quickly as we could.

\* (10:20)

This—I mean, I'm the Minister of Agriculture; I want to put as much money into farmers' pockets as I can. I want programs that put money in the pockets of farmers on the basis of their need. And, I think if we look at it from that perspective, it makes it pretty reasonable that a deductible will be put in place. In conversations I've had with farmers, I don't think a farmer expects that they're going to get paid—going to be compensated for the first dollar of expense that they come across. In a normal year, there's crop insurance payouts. There's land that, I know on our own fields in—up in the Swan River Valley, I know there was several parts of one of the quarter sections that my dad struggled with to try to get cropped every year. And him and Mother Nature would be involved in kind of a battle to the death, it seemed. Several wet spots, low areas on our land, that sometimes just went unseeded, because we couldn't get into it; it was just too wet.

I don't—in talking with farm leaders, there didn't seem to be need to pay for that, that—in that sort of situation that was going to be—which every year, annually, like in that situation with my dad, that's not—that wasn't the purpose of this AgriRecovery. The AgriRecovery was to compensate farmers for the acres in this exceptional year that they couldn't get to, that they could, in previous years, get to. So I

think that there's a good, solid rationale for the 5 per cent deductible.

In terms of whether we put money in farmers' pockets or not, I think that's indisputable as well, Madam Chairperson. What we announced was a \$30 top-up to a \$50 excess moisture plan already that was there. So we were—in most cases, we were putting \$80 into the farmer's pocket. If you weren't participating in insurance, you got \$30 into your pocket. So I think that, you know, that right there, you can see where, along with the deductible, there was a lot of money that flowed into the hands of Manitoba producers.

As a matter of fact, the total amount on this was \$41,553,700 that flowed just from this program, and that's in addition to the \$28 million through crop insurance and the excess moisture insurance category. So you combine those two together, you combine all of the support programs that was offered through MASC, and we're looking at a total of \$210 million—\$210—\$210 million from MASC plus the programs that I've already referenced. So, through a lot of hard work on the part of MASC, and our staff at MAFRI, and a lot of co-ordination with farm groups, KAP, the Manitoba Beef Producers and others, a lot of money flowed into the hands of some very needy farmers, farmers who were up against extraordinary challenges last year.

The member for Emerson realizes that the amount of rain that hit us—and him and I actually toured through many of the areas that were particularly hard hit, and I don't need to remind anybody, we're looking at another tough year this year: not because of the rains, but because of a lot of flood conditions that persist and are going to continue to persist. One of the things that I want to make very clear is that our government will be there again for farmers who need that kind of extraordinary help to get seeded and to get cattle and livestock moved to dry conditions, and all those sort of things that we will need to be doing again this spring.

So, I hope that helps the member opposite.

**Mr. Graydon:** I'd just like to get some clarifications. The amount of money that was paid out under ag recovery, you just gave me the number but I missed that. Could you repeat that, please?

**Mr. Struthers:** So this is for unseeded acres and for crops that were flooded, crops that were seeded and

then flooded. That was \$41,553,000 and that was paid out to 5,298—there was 5,298 claims.

**Mr. Graydon:** Thank you for that number. So, Mr. Minister, you keep referencing to \$30 an acre, but there's really a 5 per cent deductible. So would you then agree that you were paying out \$28.50 an acre?

**Mr. Struthers:** We topped up a very good excess moisture insurance—permanent excess moisture insurance plan by \$30 an acre and we had a 5 per cent deductible which, I think I've explained, there's a very good rationale to do that.

**Mr. Graydon:** But I think the minister may have missed my question. Would he agree that he was paying out \$28.50 an acre with a 5 per cent deductible?

**Mr. Struthers:** I'm telling the member for Emerson that we paid out \$30 an acre and had a 5 per cent deductible along with that and that there is a very good rationale to—that we have provided consistently ever since we announced the program back in July of '010.

This is an insurance—we're dealing with an insurance program where you have deductibles, and I think it makes sense and can be defended.

**Mr. Graydon:** I want to remind the minister that the money, the \$30 an acre, came out of AgriRecovery. That's not an insurance program. That was an ad-hoc program that topped up an existing program, and so there was a 5 per cent deductible on \$30. Is that \$28.50 payout then?

**Mr. Struthers:** We want to make sure that there is consistency from one program to the next. We want to make sure that one program doesn't have negative impacts on another program that we offer.

I think it's very important that we understand that when we make an AgriRecovery announcement, it could have impacts on AgriInsurance and other programs that are in place. We want that, in the long term, to work for the best advantage of the farmer, and, in this case, I think that means that you announce a \$30-per-acre top-up for a total of \$80 per acre if you are participating in insurance in the first place, along with a 5 per cent deductible, which I think gives you a lot of advantages in terms of protection of that insurance program against some of the unintended consequences of an ad-hoc AgriRecovery program.

So what I'm aiming for is a consistency that we can have across the board.

**Mr. Graydon:** Mr. Minister, I hate to belabour this point, but, obviously, I'm going to. Under your excess moisture insurance you cover the whole field. The whole field is covered with insurance and there is a deductible for that. We know that.

But you have stated that under AgriRecovery the reason that you had the 5 per cent deductible was to make up for the potholes in your father's farm, that he would struggle with seeding, that he never got seeded before. That's not what insurance covers. Your insurance covers your whole field, the whole acreage that's there.

\* (10:30)

Now, would you agree that the 5 per cent deductible was on the total acres that one had under insurance or the total acres that one farmed, that it wasn't the 5 per cent deductible on \$30 in the AgriRecovery program. Would you agree to that?

**Mr. Struthers:** No, I'm going to stick to what I've explained to the member, and that is that we offered a very good, very solid program. We did it through AgriRecovery because the federal government—I was going to say we wanted the federal government to be partners with us, but, to their credit, the federal government wanted to be partners with us too. So I don't hesitate in giving them credit in taking part. The advantage for us there is a 60-40 split, that the member knows. And the feds have deep pockets and, hopefully, a commitment to farmers. So, you know, I thought that was a good route to go.

We wanted to make sure that this was consistent with the programs that we already operate here in this province through MASC. We knew that to implement this support for farmers, the best way to do that was through the Agricultural Services Corporation. And the—and, you know, the—to—in order, I think, to achieve that kind of consistency and to achieve a protection of the insurance programs that we do offer, I saw this as a good way to take an ad-hoc program and provide the kind of principles of—that have been—that have worked so well for us in Manitoba in terms of applying a deductible. And the deductible, I think, that we have and can continue to rationalize and to defend on the basis of it's a reasonable thing to do within a program that you're treating as an insurance program.

So I know where the member is going on this. I—we've faced those kinds of questions in the past. I feel totally comfortable in defending a 5 per cent deductible on a \$30-an-acre top-up to an already

very good \$50 excess moisture insurance program that our government made permanent here a number of years ago.

**Mr. Graydon:** So then the minister disagreed, then, that the 5 per cent was on the total acreage?

**Mr. Struthers:** I can agree that it's 5 per cent off the total acres, not 5 per cent off the dollar amount.

**Mr. Graydon:** So the 5 per cent off of the total acres, then, would translate—at any point, would translate into less than a \$30 AgriRecovery payment?

**Mr. Struthers:** It's a \$30-per-acre payment that we announced and that we paid out. We included a—the 5 per cent deductible, as any insurance plan would.

I am—the member from Emerson can characterize the program how he likes. My understanding, my take is that it's a \$30-per-acre payout, top-up to a 50 per cent—\$50-per-acre excess moisture insurance plan with a 5 per cent deductible.

**Mr. Graydon:** And the minister's explanation has not been received well by most people, and I can assure him that that extra money would have been very helpful to the farmers.

And, I guess, the next obvious question would be, then: The 5 per cent that you took out of the \$30 off of the total acres, which amounted to more than \$1.50 an acre—depending on the situation, could have been up to \$5 an acre—what was that money used for, Mr. Minister?

**Mr. Struthers:** This was money that was used—it was incremental money over and above what we had budgeted for. So that money wouldn't have been used for anything. It would've been—just think of it in terms of the money we didn't have in our budget, but it was over and above that. It was an AgriRecovery program that was a 60-40 split that was announced in July, so it was over and above the budgeted money that we had already.

**Mr. Graydon:** Just for clarification for my own mind—because I'm certainly not a mathematician—when we talk about a 60-40 split and we talk about a 5 per cent deductible, and then—whose share—was that shared equally on that two-thirds, one-third split, that that came out of money that wasn't budgeted by the federal government and wasn't budgeted by the provincial government, or did it just come out of the provincial—on budgeted money?

**Mr. Struthers:** Well, to the member from Emerson, the federal government would be in the same boat as

us. This was an announcement made in the middle of July. Budgets had been set earlier. Budgets had been set when—before we knew the skies were going to open up like they did. To their credit, the federal government stepped up with us on this program. It was a 60-40 split. They were in the same boat as us in terms that their money would've been incremental to their budget as well, just as I said in my previous answer.

So, you know, I guess they could've backed off and said, we're not going to be part of this, but, to their credit, they didn't. They hung in there with us and, I thought, worked very well to assess the damage that had been done, count up the acres that needed to be included in the program and, I think, helped us to turn this program around very quickly in terms of getting money out to farmers.

But their money, their 60 per cent, would have been incremental to their budget lines, and so they would've been in the same boat as we were.

**Mr. Graydon:** So, then, the—Mr. Minister, the short answer would be, it was split 60-40? Is that what you're saying? Like, that was the question.

**Mr. Struthers:** The program, the \$30 top-up, was split on a 60-40 basis, with the feds picking up 60 per cent and us picking up 40 per cent, which is—which I consider a great deal for us. And the—that 60 per cent for them and that 40 per cent for us was incremental to our budgets, which meant that was over and above what was budgeted in the first place. So if there had been a need to top up or if we'd have found that there'd have been more of a total dollar amount going out, that, too, would have been incremental to the budget lines that were there.

**Mr. Graydon:** Just moving on, would the minister say that the other two western provinces developed a program similar to the one in Manitoba?

**Mr. Struthers:** We made the announcement all together, in Saskatoon, based on a number of principles that were common to all of the provinces and the federal government needs in this. There were, I thought, some very good similarities.

One of the differences that I did point out at the time very clearly was that Saskatchewan and parts of Alberta who did get hit by quite a significant rain event across their jurisdictions were getting hit once. It was their first year in a while. To their, you know, to their credit, they've been dealing with dryer conditions before, not so much excess moisture.

\* (10:40)

But that here in Manitoba, especially in the Interlake and northern Interlake, we were dealing with three and four years. At that time it's probably more three even four, and now four, but we were dealing with farmers who had lost crops and lost pastureland for three and four years.

So I recognized, and so did my colleagues from other provinces, that each province was looking at a huge rain event, and that was what we had in common, but that it had different consequences in different provinces. The first and foremost being that I welcomed my colleagues from other provinces into the club, because we had been dealing with water and excess moisture for a while, whereas they were a little bit newer to the scene in terms of excess moisture.

And I wanted, and we did, reflect in our programming differences, especially in the area of who had been hit for several years with these kinds of excess moisture conditions. I tried to make that clear from the beginning, and all ministers, when we made the announcement, made it clear that while there was a lot of similarities in our programs, some of it may roll out differently based on the needs of individual provinces.

One of the things that I really wanted—want—that I'm really keen on and have been trying to do with this announcement or the one we did later in December, is to try to be as individual as we can in terms of meeting the needs of farmers. Not only do different conditions exist province to province, but within our own province we're finding that there were—all last summer there were varying degrees of challenge and different kinds of challenges facing farmers in different parts of the province.

Again, getting back to the northern Interlake, it's quite a bit different to not get to seed your crop four years in a row than it is a farmer in another part of the province or another province who—maybe that was the one year that they didn't get to seed. I think what we try to do is make our decisions based on how we can get the most good out of a program and fairly.

I know in my own constituency, and when other programs have come forward, I've dealt with some farmers who, you know, they—because they live in a certain—in a municipality that doesn't qualify they don't get the kind of help that they should. And I've talked to some farmers who end up getting some

resources that they quite readily admit they didn't need in the first place.

And I want to make sure, and through these programs, that we get dollars to those who are in the most need, and not have dollars flow if there's no need for them to flow. We have a, I think, a responsibility to the Manitoba taxpayer on this, too, understanding that we have to meet the needs of farmers with our programs. So that's the premise by which I approached rolling out the announcement that we made back in July.

**Mr. Graydon:** The question, I believe, it's been so long since I've asked it, the question was: Were the programs that were announced in the other provinces very, very similar to the program in Manitoba? And the details of the programs, were they the same?

**Mr. Struthers:** Let me apologize for such a long answer last time, but, you know, when we have such good programs to roll out it's hard for this minister not to brag about it, and the people rolling out the programs, because we did meet a lot of needs last year of farmers. I think that's—that can't be denied. I think even the member from Emerson, deep down, would agree with that. There were a lot of farmers who benefited greatly through this announcement and the other, quite frankly, the other programs that we have in place. The announcements and the programs that were rolled out in Alberta and Saskatchewan and Manitoba were very similar, but not exact. There were some differences, and I suspect in his next question he's going to point out some of those differences, Madam Chairperson.

**Mr. Graydon:** No, I'm not going to point them out. What I'm going to do is ask the minister to point them out.

**Mr. Struthers:** Well, I've already answered part of that because some of the differences had to do with the different needs that Manitoba farmers faced as opposed to Saskatchewan and Alberta farmers. We took a very individualized kind of approach. We have a lot of people out in MASC offices and MAFRI offices that have built good relationships with farmers. So we understand, on an individual basis, what it is that the farmers need and the challenges they face. So we were able to, as I said in my previous question, deal with the farmer in the Interlake who was facing a different reality than a farmer in my constituency in Dauphin-Roblin or the member's constituency in Emerson. So one of the differences that right off the top of my head that I can think about is that we were able to deal with the

geographic differences and excess moisture amount differences as compared to Saskatchewan and Alberta.

**Mr. Graydon:** I can't disagree with the rightful approach rather than a regional approach. That makes good economic sense. But, at the same time, there were glaring differences, and one of them was the cut-off time for reporting. The other provinces went to the end of September. Manitoba went to, I believe, August 9th. I can stand to be corrected. But, at the same time, from the time it was announced and started to roll out until the time that the applications had to be in was a very, very short time frame.

The minister is absolutely right; it was widespread all over the province. There were fields where people were unable to access, were unable to assess properly and, because there was no appeal process and because of the indications from the insurance offices that were spread around the province, the indications were that, if you overapplied and it was audited and you had—and it showed in the audit that you had overapplied, that you would be fined twice what the—or double the amount that you'd overapplied.

These type of things actually boil down to and almost smack of bullying, and which, I'm sure, the minister never intended. But that time frame didn't allow producers adequate time to access their fields because they were too wet to access them. Can he explain the rationale for that and why it was not extended to September 30th?

\*(10:50)

**Mr. Struthers:** Yes, I'll start by picking out the positive of what the member opposite started with, and that was his understanding that taking an individual approach I think makes a lot of sense. I think we all—both the member for Emerson and I will recognize that that puts a whole lot more stresses on folks within the Manitoba Agricultural Services Corporation, adjusters getting out quickly and, you know, drawing on the good relationship they've built with farmers over the years. I—and when I was out to MASC offices, gosh, into the fall last year, I suppose it was, or late summer, I made sure they understood that we appreciated the kind of burning the midnight oil, sometimes, that they did, and the hard work that they did to be able to follow through on my wishes that this be an individualized kind of an approach. So it put more stresses on people within the corporation, and I think they handled it very well.

Let's deal with the cut-off date that we used. There was—that was one of the differences between us and Saskatchewan. Our cut-off we used was August 3rd, 2010. I also want to point out, though, that there—we had farmers come to us in some special circumstances that we looked at when they came to us and said, here's why I can't get that number to you right on August 3rd. We worked with farmers to make sure that we could include as many claims as possible. I saw some of the reasons that farmers gave for not making that August deadline, and a farmer, who will go nameless in this conversation, months and months after the cut-off date, who came to us with a pretty flimsy excuse as to why he missed it, we can't be expected to I think accommodate that. But I think we were—we tried to be as reasonable as we could with that August 3rd deadline.

And I'll be very blunt with the member for Emerson (Mr. Graydon): The reason why we wanted a quick turnaround in terms of getting information was farmers were demanding a quick turnaround in terms of getting the money to them, and we made that commitment very clearly that we were going to turn this money around as quickly as we could. The vast majority of farmers got accurate information to us as of August 3rd. When I say vast majority, I should say vast, vast, vast majority of farmers who got that information to us, and then we turned it around quickly.

Another key difference between us and Saskatchewan, it was pointed out, was that Saskatchewan did not go for the 5 per cent deductible, and we did. As I've done earlier in these Estimates and as I've done with other farm groups that have asked me about that and farmers who have asked me about it, the 5 per cent deductible I think is totally defensible. It gives a measure of protection to the insurance programs that we do offer. And I—at the Saskatoon meetings we were at, I remember being in a conversation with federal Minister Gerry Ritz and Saskatchewan Minister Bob Bjornerud, and they were quite surprised at the participation rate that the Manitoba crop insurance plan can boast, 85, 86 per cent, somewhere in that neighbourhood, which makes Saskatchewan's numbers look much smaller. And my contention has been is if they ran some of their programs as well as we do, that they could maybe, some day, boast those high numbers that Manitoba can boast.

I do want to point out that Saskatchewan had a seeding intensity calculation they used that did provide some restraint to their program that we did

not use here in Manitoba. So, I mean, if the member for Emerson is hung up on the 5 per cent that we did and not Saskatchewan, then I want him to be fair and look at the things in the Saskatchewan program that we did not implement here.

I'm not going to suggest that that all comes out as a wash, but I will suggest that each province looked at their own particular needs and designed programs that best suited those needs, and Saskatchewan had some of the—those kinds of mechanisms within their program that, I suppose, the—whoever the critic in Saskatchewan is can point out and say, you know, here's what you did. Manitoba didn't do a seeding intensity calculation. So I understand those kind of politics, but in the end, I think we can say that we had a program that reflected the needs of Manitoba farmers and probably Saskatchewan did too and Alberta did as well.

The other part of the question I was a little concerned about from the member from Emerson was some assertions he made about appeals and about audits. Let's look at appeals first. There is an appeal process. First of all, I mean, I want the member to know that people at MASC and people in MAFRI, people we have out on the—right out on the landscape are very reasonable people, and they're willing to work with farmers and with ranchers to make sure that all the information pertinent to that farmer's conditions be brought forward for consideration.

I think it's a strength of our system, a strength of our programming, that we've got such a good relations with our front-line staff and farmers that they can act quickly to get information forward by the August 3rd deadline which, essentially, we saw happening.

There is an appeal mechanism. The Crop Insurance Appeal board is in place. I understand they did hear appeals on some of these matters that the member is bringing forward. So I don't want him to leave the impression that there isn't one.

And in terms of the audit, I think that the word that the member used was bullying. That is unfair. We don't have staff that go out and bully people. We have staff that go out and work with people. They give every farmer every chance that they have to make their case, to bring forward their numbers, to explain their situations, to describe the challenges that they're up against, and I know that that happens. The vast, vast, vast majority of farmers did not end

up in a position where audits placed them in a position where they were penalized. Some did. Some farmers grossly overestimated, over reported their challenges.

We allowed a variance of 25 per cent, and I would kind of dare the member for Emerson (Mr. Graydon) to go to bat for someone who over reports over the 25 per cent variance and asks government to pay for something that isn't warranted being paid out. Now, that is a small amount of the farmers that we dealt with, and I think that even in those cases, our staff tried to be as fair as they could, and they tried to make sure that every farmer who was deserving of assistance, got that assistance and got that assistance at the appropriate level.

Just to finish off, that—of the 5,298 claims I mentioned before, there was somewhere in the range of 40 that we—that ended up being dealt with through this audit process.

\*(11:00)

**Mr. Graydon:** To—just to summarize, then, what the minister has said, is that they had the cut-off date or August 3rd to maximize the turnaround time but previously had said that Saskatchewan's turnaround time was very, very quick, that they had got their drought payment at the same time that they've got their flooding payment or unseeded acres payments. So Saskatchewan's turnaround time was very quick. At the same time, they did do an extension to 30—September 30th or sometime in September.

The audits—I—my comment was that it appeared to border on bullying and I will say, and I will stand by this, that every MASC office made it very clear that if you overreported what the ramifications were. Many of the producers said, we are unable to access our property properly, and I'm sure that the minister, after he had toured, and I was fortunate enough to tour with him, could understand that you couldn't walk on the fields. You couldn't drive four-wheelers on the fields and it would be difficult to do.

*Mr. Gerard Jennissen, Acting Chairperson, in the Chair*

And so many of the producers, fearing that they would be penalized heavily, then probably underreported. Now if there was an appeal process, how many people appealed and what was the outcome of the appeals?

**Mr. Struthers:** Yes, a couple of things—first of all, I wanted to—I want to be sure that the member is clear

on us versus Saskatchewan, and really, it shouldn't be us versus Saskatchewan because Saskatchewan put a program together that I'm sure their minister thinks work very well and met the needs of Saskatchewan farmers, which in many cases are different than the needs of the Manitoba farmers.

I did indicate at the beginning that we were making announcements and rolling out a program at the same time, on excess moisture, as some parts of Saskatchewan and Alberta were getting drought payments, but I want the member for Emerson to understand that we were making—we were cutting cheques to farmers in Manitoba by the middle of September. The Saskatchewan deadline was September 30th. We were cutting out—we were cutting cheques to our Manitoba farmers, accurate cheques for—and cheques that were very much needed to pay off bills in this province, while Saskatchewan was still gathering their information and still dealing with a deadline.

I will—I don't want to give my colleagues in Saskatchewan too much of a hard time over that. There's no need in—outside of—every time we get together, I stand up for the Blue Bombers and he stands up for the Riders and we have that kind of a competition, but I think the Saskatchewan minister is in the best position to make decisions about what their program looks like. I simply want to point out that because of some of the decisions we made, based on the information that we gleaned from farmers and farm leaders, was that it was very important to get our cheques out and into farmers' bank accounts so they can pay off bills that were piling up, and to do that quickly.

So I think the member can see that we were very successful in doing that. I think another thing that points to the success of the—of this approach that we took—he'll remember that I reported earlier that there was 5,298 claims. Of that, about 40, as I've said, had been audited and those 40 were found to be over the 25 per cent. Yes. There was a number of audits but only 40 of those who were audited out of that 5,298, reported something grossly over what their actuals, and fewer than a hundred—I can get back to the member with a more accurate number, but fewer than a hundred of those 5,298 went through our appeal process. So that indicates to me a small number of farmers who needed, then, to—you know, if there was appeals in place and those appeals were held, and I think farmers were given a fair hearing, and decisions were made through the appeal process that worked in favour of the farmer.

So I think the long and the short of this story is that we signed on to a good program in co-operation with our federal partner. We rolled out the money as quick as could be done, and we rolled out a very accurate amount of money, and targeted it to farmers who were in the greatest need. I'd hate to be the opposition critic that would have to poke holes in that program.

**Mr. Graydon:** Remains to be seen. Then some questions on the program, and these will be pretty straightforward questions of—how many producers applied?

**Mr. Struthers:** Yes, we had, well, like I said, 5,298 claims. I'll need to take some time to get back to the member in terms of the number of applications that were made. We don't—I think we can get that number, we just don't have it with us.

**Mr. Graydon:** So the 5,298 producers received assistance?

**Mr. Struthers:** Yes, those were claims that we paid out. *[interjection]*

**The Acting Chairperson (Mr. Jennissen):** I'm just reminding the honourable member that he has to be recognized first.

**Mr. Graydon:** And how many—my question to the minister is, how many acres were paid out on.

**Mr. Struthers:** We paid out 5,298 claims on 1.4 million acres in Manitoba.

**Mr. Graydon:** How many producers' claims were rejected, and what was the dollar value of those claims?

**Mr. Struthers:** That's a different way of asking the same question he asked before, and that's the one we're taking as notice, and we'll get back to him. We know how many we've paid out; we need to get our fingertips on—our fingers on those numbers that the member is asking for. So I'll undertake to make sure he gets that in a timely fashion.

**Mr. Graydon:** Thank you for that. It is a little bit different than the question that was asked before. The dollar value of those claims is also attached. The next—how many producers appealed after they were denied coverage?

\* (11:10)

**Mr. Struthers:** That's a number that we'll have to investigate and get back to the member on.

**Mr. Graydon:** How many producers unsuccessfully appealed?

**Mr. Struthers:** The day before yesterday the member stumped our experts, and he's done it again today. We've—we'll get back to him with that number as well, Mr. Acting Chairperson.

**Mr. Graydon:** And it's certainly difficult to stump the experts that are sitting here today, and I take that as a compliment.

But one of the things, while we're looking at that, getting back to me on the successfully appealed, I know there was a number thrown out earlier that there were about 40 that had overapplied, grossly overapplied. And so during the audit, then, they would have been penalized as was stated earlier, or stated when they were applying that if you overapplied you would have a penalty assessed. Did they still qualify for a payment or were they just flat rejected because of the gross overapplication?

And I want to make clear that I'm certainly not in favour of or would condone that type of reporting or applications. I don't condone that at all, but I just want to know whether there was—they still had some payout or there wasn't any, or what—how that was handled.

**Mr. Struthers:** Yeah, the only producer who would get no payment would be somebody who reported over double to what his actual number is. There were—if the—look, we wanted to be reasonable, and when I say grossly overreported, that is outside of the 25 per cent kind of leeway that we were dealing with. If it was grossly overdone, then that was deducted from what the actuals were, and the payout was made less that overage.

So you—there would be circumstances in Manitoba where a farmer would be—has, you know, we've gone out and audited and found that there was an overage, but it wasn't grossly overreported. And then that farmer would be paid out what we assessed it as, what we audited him at, not the overage that he has indicated. If it was over that 25 per cent, then that was deducted from his actual number of acres that went unseeded.

And, as I said early, if that was a number that was less than double, then he would still get a payout based on that. If it was so grossly overrated that it actually doubled, then, of course, that would be a—he would be reduced to zero.

**Mr. Graydon:** I just want to be clear, and I'm not questioning what the minister has said. I just wasn't quite clear. If, for instance, I had overreported, say, 20 per cent, and I was audited, and so then that's how they would have identified the 20 per cent, I would have still been paid for the original amount with no penalty. Is that what I understood the minister to say?

**Mr. Struthers:** We would—in that case we would come out to your farm, and let's say we made an assessment that you had 1,000 acres that were reportable, and you had reported 1,200, which would be 20 per cent overage. We would pay you out for the 1,000.

If you reported 30 per cent over that 1,000—that number—we would deduct that 30 per cent from the 1,000 and pay you out at 30 per cent less than 1,000.

And I do want to make clear that I appreciate the comment in the previous question that the member made about not condoning the gross overreporting of acreage and that sort of thing. I want to be clear about that; I don't contend that he or anybody from his side of the House would condone that sort of action. But I think—I also understand that he would want us to be fair to people who don't do those sorts of things. So we think our program managed to kind of meet that balance.

**Mr. Graydon:** The next question would be: Was the—what was the total dollar value of the deductible collected by the Province or not paid out? What was the total value—dollar value of that?

**Mr. Struthers:** We can get back to the member with a number that would reflect the amount of that on people who applied for the program, understanding that there may have been some who didn't apply for the program because they knew that they didn't have enough of unseeded acres that would qualify.

**Mr. Graydon:** Well, that makes sense. If they haven't applied for it, then it wouldn't have been a deductible; they're not in the program, so it's a moot point.

\*(11:20)

I—just switching gears a little bit, the—in the budget this spring, there didn't seem to be a definite line in the budget that would indicate that there was going to be a pasture—or a cattle insurance program, and yet there was an announcement some days later by the minister that there was going to be one. Does he have any details on that program?

*Madam Chairperson in the Chair*

**Mr. Struthers:** I'll back the member up a little bit to our Throne Speech, where we did have a line in the Throne Speech back in November talking about insurances, a couple of insurances that we had in mind. We didn't specifically say in the Throne Speech, but the two insurances that we were referencing in a general way was bee replacement insurance and cattle insurance.

We've had a lot of discussions with our counterparts in Alberta, and I've spoken to minister in Saskatchewan. We've had talks with the Saskatchewan officials as well. And this also fits in with the national approach. One of the—we talked about a lot of things at our meetings in Saskatoon last year, our federal-provincial-territorial meetings. One included a—I thought, a very good discussion about a national approach to cattle insurance.

And the—you know, we made our announcement on the \$30 top-up that we were talking about earlier this morning. And the first thing that, when I came—when I got back from Saskatoon and got back to Manitoba, was cattle folks saying, you know, the same rain fell on us and we're going to have issues as well, and we understood that. We realized that was going to be the—sort of the drumbeat throughout the last summer and into the fall, which is how it turned out.

We—one of the things that they were talking about was a level playing field, and it became pretty clear that there's, you know, an 85, 86 per cent participation rate on the crop side, but there's not that kind of an avenue there for the cattle industry. So we've had a lot of discussions with groups like the Manitoba Beef Producers, who I think have got some—made some very good suggestions.

We've had a lot of conversations with Alberta, who is kind of forging ahead in terms of cattle insurance. Their herd, as the member knows, is different than ours. We're a cow-calf province. Their—they've got a feeder insurance program that—in place and they've been expanding that into yearlings and looking at cow-calf challenges that Alberta producers face. So we've been talking with them a lot about how we can either do something together or at least—and they've been open to this—using their experience and hooking officials up from their departments and insurance corporation with ours.

So we want to, very much, move forward on providing an insurance program for cattle producers

in Manitoba. Several weeks ago, I had a very good meeting with the Manitoba Beef Producers who left us with some ideas for us to consider. We've included it in the budget.

I understand it would be difficult for the member to find it, because it doesn't come right out and just say, cattle insurance—here's the number in the line.

But I would refer him in his package to page 81, Manitoba Agricultural Services Corporation—3A, under the heading of grants and transfer payments, (1) administration. He can look at the \$10,655,000 under total administration, and within that is—we've dedicated \$200,000 towards administering—at least getting our—at least dipping our toe in the water on cattle insurance, and working closely with the Manitoba Beef Producers to bring something forward that at least we can get started on and, you know, use as a way to get started and learn from there and make adjustments on a go-forward basis, which, you know, based on our good history on the crop side, every year we look at how we can make our insurance programs work better for the farmers. We do that every year. I want us to get started on the cattle side and, again, every year look at making that better.

So that's where the \$200,000 is earmarked, and I look forward to moving forward with something that I think we will be reminded again this year is something that I think is very necessary.

**Mr. Graydon:** So, then, Mr. Minister, can we expect to see a pilot project in 2011, on the ground, operating?

**Mr. Struthers:** I—we are certainly aiming to get, whether it be a pilot project, if we could term it that, to get in place as quickly as we can. If it's within '11, I'm a happy minister. We—we're working with Alberta and with Saskatchewan, and I'm told with British Columbia, as well, to, I think, you know, either have a good participation with them or at least learn their lessons, you know, the lessons that Alberta has learned.

In any insurance program, if you can increase your participation, you make it a better deal for those who are participating. We—I don't want a small group of cattle producers to have to pay a high premium. If we can expand that base out and have a more reasonable premium for cattle ranchers then I think you're going to see, in turn, an increase in participation.

So the sooner we get this in place, the better. We've included it in our Throne Speech and in this budget to make sure that we get a start on this and my intention is to get something in place as quickly as possible.

**Mr. Graydon:** Can the minister provide us with an overview of MASC's role during the current spring flood event, or is there a role being played at all?

\* (11:30)

**Mr. Struthers:** Well, at times like this, it's all hands on deck, and MASC brings a lot of expertise to the table in dealing with the kind of situations that we are going to see unfold and have been seeing unfold. Our priority, as a provincial government, has been to work with farmers and ranchers and their associations, their leadership groups, to first and foremost protect their properties, protect their livestock, the very practical things that we've seen happen on a couple of tours we've been on already, some very practical things that have been happening to mitigate and to make—to lessen the impact that we will then have to deal with after.

So our focus has been very clearly steadied on that prevention side of this whole flood event that we're dealing with. And I do want to say that there's been a lot of people put a lot of good work into helping farmers move cattle or get feed to cattle, or help in terms of making it easier to transport, for example; some good work with our department and Transportation, in terms of the rules that are normally in place governing weights and restrictions and things.

I know some good—I think some good decisions were made in conjunction with Conservation to open up more Crown land that's higher and drier and available for livestock and machinery and the rest of it. I think the clear message is that we're not going to give up on these farmers before the flood, and we're going to be there for farmers when we assess what kind of damage has taken place.

And I use the word "assess" because I think MASC is in a very—they're in a terrific position to help in terms of adjusting. They have adjusters that can come in, assess damages; they've been doing that for decades. There's a, I think I said 150 adjusters earlier in our Estimates. Those are people who have that kind of on-the-ground experience that we're really going to need in adjusting what these damages are, whether that be in the areas that we toured the other night, in the RM of Portage, or up through into

the Shoal lakes. I'm heading to my constituency later today. Lake Dauphin's got some challenges happening there. We can count on MASC to be there to help us adjust what those damages are.

First, we try to prevent; then we mitigate and we—then, once the event has come and gone, we need to have people in there with some practical skills in adjusting the damages that are there. MASC, I think, also is in a unique position to, when we talk about compensation, once that—the adjusting has been done, when we talk about compensation, they're in a unique position to get accurate and timely information to people based on the relationships they've built with farmers over the years.

And, of course, they have their regular programming. They—the majority of farmers in this province who do participate in crop insurance, who then participate in excess moisture insurance. We've—I've got a letter sent to my counterpart, Minister Gerry Ritz, kind of kicking off the ball on—in terms of discussions in—with AgriRecovery and any other programs that we can use to help farmers. And I had a phone call within—day before yesterday—I believe it was the day before yesterday; this week the days are kind of running one into the next, but earlier this week, a very good conversation with Minister Ritz in terms of what we're facing here in Manitoba. And he was—I was very impressed with his response, which was, you know, keep him posted and keep him up to date and keep track of our numbers and those sorts of things, which MASC will play a very important role in. And I have a lot of confidence in the corporation and our staff to be in contact with farmers and really understand the damage that could be occurring out on farmland in this province.

**Mr. Graydon:** One of the things that I'm going to ask the minister to do, and it's up to him whether he does it or not, but I know what his government is doing in a lot of other different departments and I directed the question to MASC because it has a big impact on a number of the things that you did mention. But we have a number of questions, and I'm sure that the time will run out today, and we wouldn't like to bring them back again on another day. And so, if we could kind of zero in and condense the question—or condense the answers to the question, I would really appreciate that.

Now, I'm going to turn it over to my colleague for a few questions. Thank you.

**Madam Chairperson:** Just before recognizing the honourable member for Portage la Prairie, I wanted

to remind all honourable members that they need to be sitting in their seats unless they're the critic.

**Mr. David Faurichou (Portage la Prairie):** I thank the honourable member from Emerson allowing me the opportunity to question the minister in committee this morning.

As persons coast to coast in Canada are aware, we're facing a significant flood event in Portage la Prairie and we're dealing with water that is not of our own natural receipt of, and this is not the first case that this has happened.

There are producers on either side of the diversion that have been affected almost annually with the use of that flood-control structure. And it has been, to date, a standard operating procedure to—for EMO to say, we will top up after your insurance claim.

But, Mr. Minister, we're on a much greater scale, but the fundamentals remains. This is—should not be the standard operating practice. Manitoba Agricultural Services Corporation should not be receiving a claim on damages incurred by flood waters that are left on the producers' property from a decision made at the provincial or federal levels. And I want the minister's commitment today to get to the root of it and change this fundamental practice, because it is wrong. Producers should not be having to make a claim on his own farm insurance in these circumstances.

**Mr. Struthers:** Well, we—the Premier (Mr. Selinger) was very—really very clear, right in this House and to the media. He was very clear with the Prime Minister when Stephen Harper was in our province a couple of days ago, and I think got a good response from the Prime Minister.

This is a special circumstance, and I think that was very clear when the member for Portage la Prairie and I were out talking to some of his constituents the other night. What the Premier announced was a special compensation package for this event. We know that there are some Manitobans that are going to take a hit if a decision is made to cut through the road that we were standing on and release some of the pressure off of the Assiniboine River. We know that we don't want have an uncontrolled breach somewhere. We want to be able to do this in such a way as we minimize the damage and make those kind of decisions.

But I wanted to be very clear with some of the constituents of the member who we spoke with that it

is a special compensation package we'd be looking at, and—because in one case the concern was that—of the \$200,000 limit that is involved with DFA claims. That may be okay in terms of one farmer's operation, but certainly in the case—one of the cases that we spoke to, a vegetable grower, you know, that's inadequate. And our Premier's (Mr. Selinger) been clear that we're not going to let that get in the way of us putting a special compensation program together that would be beneficial to his constituent.

\* (11:40)

The other thing we need to do—and I'll be quick—the other thing we need to do is understand which—when all of the work is done and bills are calculated, we need to understand which are—qualify for DFA support, which are the ones that myself and Gerry Ritz can sit down and talk about AgriRecovery or other programs in the agricultural portfolio that we can look at, and there may be some that the Province steps forward and covers as well.

So those assessments will be done, and I think MASC will play a role in that because of their long tradition and long practice of working with farmers.

**Mr. Faurichou:** I appreciate the minister and, yes, we had a first-hand look at the situation.

But I disagree with the minister on the terminology special program. We need an ongoing fundamental practice whereby the producers, when affected by water deliberately put on their land, that it is not going to require them putting in a claim to Manitoba Agricultural Services Corporation. Definitely, the Manitoba Agricultural Services Corporation has the expertise to assess the value of loss, without question.

But in Portage la Prairie we have had this situation happen year over year over year, and the practice remains. Now maybe perhaps this major flood event is going to draw the attention required, but I've been in this House in years past mentioning the practice of having to make a claim and then being topped up by EMO. That's not a proper fundamental practice, and so I say that.

But, anyway, I'd like to also move on to—I if the minister wants to respond just very quickly to that, just as—all I'm looking for is a recognition we're not going to solve everything today, but I would like to move on to other points, please.

**Mr. Struthers:** Yes, I appreciate that, and I get the argument that the member is making.

And I do believe that after every time we go through one of these events, whether it be drought from the '80s or excess moisture from more recent times, I think federal and provincial and municipal decision makers sit down and they look at all of those sort of things as part of a review. There may be decisions that need to be made in terms of infrastructure commitments on—at the diversion and the outlet that we viewed the other night. There may be those kind of decisions that need to be made as well, and the member has been consistently putting those—you know, to his credit—been putting those on the table for everybody to understand and to consider.

So I think I just need to be reassuring the member opposite that it's our intent to treat his farmers, his constituents, fairly and swiftly when it comes to compensation. Whether we call it special compensation or what we claim it as or what pot of money it comes out as, my interest is to get money into the hands of farmers so they can get back up on their feet after—off after these flood events.

So I think we're on the same page in terms of that, and I would encourage him to continue as he has to advocate those positions on behalf of his constituents.

**Mr. Faurichou:** I appreciate the minister's acknowledgement.

And further to that, I am speaking on a personal basis for the next question. I'm re-entering the farming career and I initiated a new account with the Manitoba Agricultural Services Corporation before the end—the deadline, and I'm very impressed with the response, via BlackBerry, that I have accessed directly to my account online. I think that that is an excellent added feature to the contract. But I will say that I took out the maximum coverage on the unseeded acreage.

The field that is to be planted with wheat this spring is the first field that will be encumbered by flood waters should the government decide to do a controlled release out of the diversion, and my rent on that property is \$120 per acre. I understand the coverage that I have for unseeded acres and I understand the contract is to be spread out over all of the acres within the contract, and \$65 may be adequate as it's spread out over the area. But is there any indication or consideration as to the current cash requirement to put a crop in? A hundred and twenty dollars an acre, sixty-five, the mathematics, I'm \$55 out of pocket before I even start. Now, I'd like

the minister's thought patterns as to what I am personally facing, because I am certain I am not alone in this province.

**Mr. Struthers:** Well, let me congratulate the MLA for Portage la Prairie for making, what I think, is the correct business decision and participate in programs that are offered through Manitoba Agricultural Services Corporation. And I also appreciate his comments in terms of decisions that the corporation have made to keep up with the times and to modernize and to contact people electronically, and I think that's a very good step forward too and I'm glad that he appreciates that.

I think he also knows that every year MASC reviews those amounts. They review policies that we have in place. I know MASC would appreciate the advice that the member can put forward, his practical advice, and that his suggestions will be considered. I would suggest that you probably should—I direct you to a MASC office to make sure you—that people know what your circumstances are. I don't think you'll be the only one in that boat. I think you're right in that. I think there'll be others in the area that we will be dealing with.

Our staff have been in contact with people who could possibly be impacted if there is a controlled release that takes place on that road that we stood on the other night. Any advice that you have on this would be appreciated.

\* (11:50)

**Mr. Faurshou:** Well, I thank the minister for his response. I know that there is consideration for review at times. But I am relying on the department to keep up to the changing cash requirements to put a crop in the ground. And I, honestly, have not kept up during my tenure in the Legislature, and was royally shocked as to the increase in resources, cash-wise, to put a crop in the ground. And it is a reflection, now, on the level of coverage because, basically, you go into things expecting to farm; you don't expect to draw upon your insurance. It's just a practice that we've always carried on, and now, looking at the level of coverage and the already expended monies, it—there is a huge gap between what is going to be available to me. And, honestly, this is a re-entry into farming and there is no residual farm plans or accounts that are going to take this into consideration.

So I leave that with the minister to consider, and also, too, the corporation needs to be able to keep

abreast of the changes even more on immediate basis. The change in nitrogen fertilizer pricing: Last fall, it was in the neighbourhood of 38 cents a pound application; this spring is 63. And, obviously, there'll be variations between suppliers, but that is a significant change. Yet, it is a necessary input. And so I leave that with the minister. If he would like to comment, fine, but the serious nature that we're facing here in the province of Manitoba is just that; very serious, and I hope for his appreciation of it.

**Mr. Struthers:** I appreciate those words, and I should also congratulate him, not just on participating in the programs, but I think he said, participating at the highest rate, which—80 per cent—which I think also is a good business decision.

As I said earlier, most farmers—any farmer I speak with wants to get a fair price for their product in the market. Having—you know, if that fails, I think most farmers want to be able to have insurance programs that they can count on. But, rarely do I come across a farmer who thinks they're going to get rich on insurance. They're going to make the best living in the market, not on insurance, but they know that it's a net there, should they need it. And if that doesn't cover it, then there's the programs that we do between the federal and provincial governments. And we want to make our insurance options as solid as we can, and I think some of the good decisions that MASC has made over the years has produced, as I said a few times, 85-or-so per cent participation rate, and that speaks to the success of, I think, being in tune with farmers and their needs and providing options, as the member has opted into.

I want to put on the record that the average crop coverage is up by 11 and a half per cent for 2011, so that's a good fact. But I do think that the point the member's making is that MASC does need to be—does need to keep itself modern. It does need to understand what farmers are up against. It needs to understand everything from pricing to input costs to individual circumstances that we're dealing with. And I'm really very confident in the board and the administration and the staff at MASC are able to do that. And I think it's because they get advice from people like the member for Portage, and do their level best to incorporate that into policies and decisions they make. So I thank the member for his words.

**Mr. Faurshou:** I'm going to turn the floor over to the honourable colleague from River Heights, but the—just wanted to say that I know the Manitoba

Agricultural Services Corporation staff is well aware of the flood situation, being only about two and a quarter miles away from the river and the Assiniboine diversion channel. So, let's hope we don't undertake a breach because your departmental staff will be one of the first to know of the breach.

**Hon. Jon Gerrard (River Heights):** Just have a question here because this year is a good year to illustrate because we've got a fair amount of wet weather and saturated soils and so on, and clearly there's a—we're depending on the circumstances. There's some circumstances which are totally beyond the farmer's control, but there are, on the other hand, sometimes significant actions that a farmer can take that will improve the water management on their land and very substantially decrease the likelihood of flooding and of having to, therefore, claim crop insurance.

And so—I mean, the question is: Does the AgriInsurance or crop insurance program reflect to any extent whether a farmer—you know, lower premiums, where a farmer has invested the extra money to make sure that they're able to handle, you know, moisture much better than other farmers?

**Mr. Struthers:** Madam Chairperson, there's a couple ways in which the corporation does provide incentives for producers to make good decisions on their land. I don't want that to sound, though, like producers have to be 'incented' or told. There's lots of cases over the decades of farmers making those good decisions and lots of cases of conservation districts, and others, working with the farmer to make good decisions and help in terms of water management, whether that be draining water out or retaining water there. I think the idea is to do it all on a watershed basis.

\* (12:00)

Specifically to the question that the member for River Heights asked, though, MASC uses the IPI, which is an individual productivity indexing, and what that does is that, if a farmer makes decisions that results in the farmer's production being over the average in the area, then that will increase the amount of coverage that that farmer receives, I believe, at the same rate for his premium. If that farmer doesn't make those kind of decisions and underproduces the area's average, then, for that premium dollar, he would receive less coverage. So it—there's an incentive built in, that the farmer is well aware, because I get, sometimes, pretty complex questions asked me by farmers on IPIs, but they

know that there's an incentive based in there to make good decisions that eventually turns into an economic plus for the farmer.

The other way that MASC approaches this is through a soil rating, a rating from A to J; every quarter section in the province has a rating. And that, then, can be used in such a way to provide an incentive for farmers to, again, make the kind of good decisions that the member for River Heights, I think, was getting to. We do find ways to encourage farmers, through our programming, to make those kind of decisions that are good short term, but also good long term.

**Mr. Gerrard:** I thank the minister. Perhaps the minister could provide a specific example of how a soil rating might, you know, affect the likelihood of flooding on land, at the same time, impact the situation of the premium per cent?

**Mr. Struthers:** Well, if you have an example of a farmer who has been—let's take a look at it in terms of the IPI. If you have a farmer who is underproducing in his area, makes a decision to invest some money in improving the drainage on his farm and moves water off and becomes more productive, and moves from a position of being—of underproducing in an area to overproducing, in comparison to his neighbours, I guess, then his—for the same premium dollar he's paying, he's going to get more coverage. And, eventually, that shows up in his bank account, which is always a good thing.

**Mr. Gerrard:** I understand very well how the IPI works and that it provides that incentive. I just don't understand the soil calculation and how that implicates, or how that affects the moisture level and the premium content.

**Mr. Struthers:** Well, one example that just the other day when we were out touring up around the Shoal Lakes there was a farmer talking about the tile drainage, and, you know, and the benefits of investing in some tile drainage, not a inexpensive task, I would add. But if a farmer was to do that and improve the soil rating, let's say he was from A to J—he's in the middle somewhere—and invested in tile drainage, then that would improve his soil rating, which would actually be an incentive—which would provide an economic benefit for the farmer because of that soil rating. And that would, again, like in the other example, would have a positive impact on the farmer's bank account.

**Mr. Gerrard:** The—I mean, I happen to agree in terms of the tile drainage can produce dramatic

effects. I mean, I remember in 2005 visiting in the RM of Roland, and the only field I saw in the whole municipality that was consistently good from end to end was a tile-drained field. But it—in the calculations, insured coverage is based on producer's expected probable yield multiplied by the selected coverage level multiplied by the number of insured acres. I don't see the soil factor, how it comes in.

**Mr. Struthers:** If it was a soil rating of C and say, in a risk area of 12, and those improvements were made—oh, sorry, it would be the soil rating C multiplied by the IPI that would give you your amount of coverage. If an improvement was made then that improvement is embedded right in that formula. And that—in that way, if the farmer made that improvement—we're talking about before in terms of tile drainage—they would move up on in terms of the soil rating scale—say, they would move up from C to a better coverage, to a better level which would produce a better coverage for the farmer. That incentive, then, is built right into the formula that MASC uses.

**Mr. Gerrard:** Is there an automatic increase in the soil rating with tile drainage and—how does that happen?

**Mr. Struthers:** In any given year, at any time a farmer can apply to MASC to have someone come out and adjust, take a look. Like I said earlier, there's 150 adjustors out who are very qualified and experienced in this. It'd be somebody who has a particular—oh, I stand corrected, there's a soil scientist specifically who would go out and meet with the farmer and assess the improvement that the farmer has made. And from there a determination is made whether or not that would be reflected in the change in the soil rating.

So it's not automatic, but it's on an application basis and with an assessment involved in that.

\*(12:10)

**Mr. Gerrard:** Is there sufficient experience in the insurance program with tile drain versus non-tile drain fields to know that this accurately reflects the impact of the tile drainage?

**Mr. Struthers:** The—I think there's a confidence that the soil scientist, that person is well qualified to do this. Should we get into a situation where we need to call upon further resources, we do have staff within MAFRI that can be called upon. There are people connected to the university that we can call upon and bring forward, so that we do have an honest

assessment. And, for me, as the Minister of Agriculture, I would want that to be the case so that a farmer is treated fairly if they have invested.

Many of these, like I said earlier, tile drainage is not an inexpensive item, and I want farmers to be treated fairly and, at the end of the day, whether it's thumbs up or thumbs down, they need to be treated fairly in terms of having their day in court and making their case and being considered.

**Mr. Gerrard:** Just to explore this a little bit further, you know, how many acres and what proportion of all acres in Manitoba are tile drained, and for the AgriInsurance program, how many acres are covered and what proportion of those would be tile drained?

**Mr. Struthers:** We don't have that number. The—I'm—a bit of loss as to where to send the member for River Heights even to find that number. Farmers can be putting—I think there could be—exist examples of tile drainage there that people may not even know a farmer's put in.

But I think the understanding is that that is an improvement and that we do have people in place who can assess that improvement and, as much as we can, make it an incentive and help farmers when they put that kind of infrastructure in place.

**Mr. Gerrard:** Is the minister encouraging people to put in tile drainage?

**Mr. Struthers:** I've been very much in support of farmers taking a look at what their needs are and putting in infrastructure that are going to be helpful. First and foremost, I—for the farmer's site itself, and I think there are some very good examples out there that I've seen, as Agriculture Minister, of works that have gone on on farmers' lands in conjunction with conservation districts, in conjunction with local rural municipalities, that improve the farmers' capabilities on the land and, I think, eventually then, lessening the pressure on AgriInsurance programs.

We've—we had a discussion in question period the other day about a project up in the Arborg area, the—at Bifrost—where the federal government and the Province got together through AgriFlexibility, a 60-40 split, and has put out in the area of \$800,000, eventually, to talk about draining some water off some land in the northern Interlake, a hard-hit area. And I'm all in favour and I encourage farmers and municipalities to work together to have a water management plan in place and find ways to pay for the infrastructure. That won't be an inexpensive project either. That was—we announced the study to—

along with farmers in the area, to move forward on that kind of a project. So the more we can manage the water, I think it pays off for farmers, and it also lessens the strain on our infrastructure in Manitoba.

**Mr. Graydon:** Mr. Minister, the Canada-Manitoba feed transportation program announced in December 2010, could you tell me how many producers applied for the transportation assistance under this program?

**Mr. Struthers:** As of March 31st, 2011, we paid out \$7,174,000 to 1,130 claims, and on the transportation side we paid out \$481,000 to 274 claims. I do want to point out that that's as of March 31st, and we continue to work with farmers to make sure that we're covering all of their needs and so there'll be further payouts occurring still.

**Mr. Graydon:** Were there—was there an appeal mechanism for the transportation assistance component of the program and did any of the producers use it?

**Mr. Struthers:** The first thing I should clarify is that the numbers that I gave the member in terms of the claims on the program were the claims that were made as of March 31st, and the future payouts will be based on the claims that we've received, that we've received already.

The appeal board, there is one in place. It's the Crop Insurance Appeal board. You'll remember that from earlier questions this morning. That appeal board has what we—the program is still active and we're still paying out claims. What the appeal board will do is take a number of claims all at once and deal with them. And so that appeal board is in place, and it's ready, willing and able to do its job.

\* (12:20)

**Mr. Graydon:** Was there an appeal mechanism for the feed assistance component of the program and did any of the producers use it?

**Mr. Struthers:** Same answer as I just previously gave the member. It's the same appeal board, and they will hear those appeals, should there be some.

**Mr. Graydon:** Since the feed assistance component part of the program has been over for some time, how many of the producers applied on the appeal process for the feed assistance component?

**Mr. Struthers:** Madam Chairperson, the member will know that we extended the deadline on this

portion of the program. We extended that deadline to the end of March, so March 31st, and the producers have 30 days after they receive payment in which they can launch an appeal.

So we're still—that appeal board is in place and we—if there are going to be some appeals come forward, we'll probably yet to hear from them as they—once they get their cheque in their hands and they disagree with the amount, they have 30 days to launch that appeal. So it could be that we could have some come forward, and, if so, the appeal board is there and ready to deal with those.

**Mr. Graydon:** So is the minister saying then that there are no appeals currently in place for the feed assistance component?

**Mr. Struthers:** We know right now that there are two that will be appealing. We—there could be more if somebody receives a cheque in the mail this afternoon and doesn't like the amount and wants to appeal. So, whether it's these two or a number greater than that, the appeal board is there and they're ready to hear these appeals.

**Mr. Graydon:** The minister indicated that there was, for the feed portion, that there was \$7,174,000, if I got that correct, with 1,130 claims. Have all those cheques been issued?

**Mr. Struthers:** That number of \$7.174 million to 1,130 claims have been sent. They've been paid, and that is at the end of March 31st. We know that we're still going to be dealing with the—with applications yet that I think we have received but haven't processed them yet.

**Mr. Graydon:** Could the minister refresh my memory and—of when the cut-off date was for the feed assistance component?

**Mr. Struthers:** Were you asking about—I—the deadline for the feed assistance program?

**Mr. Graydon:** Yes, exactly, for the feed assistance component. As I understand it, there's two components: One is the transportation assistant component and the other was the feed—freight—feed assistance component.

**Mr. Struthers:** I believe I have this right, Madam Chairperson, that the deadline on the feed assistance component of the program was February 18th and, of course, as we said, the other component, the

transportation component, we extended the deadline to March 31st.

**Mr. Graydon:** So then it would be safe to say that all of the feed assistant component apps have been in and been processed and that the cheques should be in the hands of the producers at this point?

**Mr. Struthers:** We'd talked earlier about how our goal was to make this as individualized a program as we could, so we also knew then that would mean more work and it would take a little bit longer. So, not all of the—well, the vast majority, the member for Emerson's right—the vast majority of those cheques would be in the hands of producers. There are still some files that we're working together with the producer on to make sure that we get it right and make sure that we get an appropriate sum of money to the farmer.

I think we realize that by going individual, we might end up with cases like this that drag out a little further, but our commitment has been to get this turned around as quickly as we can.

**Madam Chairperson:** The honourable member for Emerson, for a short question.

**Mr. Graydon:** Perhaps, Madam Chair, because I have a number of questions yet for the minister under this file and under some other files with regarding MASC, if I may, I would like to reserve the right to call them back in, perhaps on next Tuesday if I find Monday not to be a day that is satisfactory answers. I'd like to reserve that right to call MASC back on Tuesday, and I'll notify the minister on Monday to give them some notice.

**Mr. Struthers:** We're at the beck and call of the member opposite. We want to answer his questions fully, so if he needs us Tuesday, that would be fine. If he needs us Monday, that would be fine.

**Madam Chairperson:** Order, please. The hour being 12:30 p.m., committee rise.

Call in the Speaker.

#### IN SESSION

**Madam Deputy Speaker (Marilyn Brick):** Order, please. The hour being after 12:30 p.m., this House is adjourned and stands adjourned until 1:30 p.m. on Monday.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Friday, May 13, 2011**

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