

**Second Session - Fortieth Legislature**  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
and  
**PROCEEDINGS**

**Official Report**  
**(Hansard)**

*Published under the  
authority of  
The Honourable Daryl Reid  
Speaker*

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Fortieth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ALLAN, Nancy, Hon.	St. Vital	NDP
ALLUM, James	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
ASHTON, Steve, Hon.	Thompson	NDP
BJORNSON, Peter, Hon.	Gimli	NDP
BLADY, Sharon	Kirkfield Park	NDP
BRAUN, Erna	Rossmere	NDP
BRIESE, Stuart	Agassiz	PC
CALDWELL, Drew	Brandon East	NDP
CHIEF, Kevin, Hon.	Point Douglas	NDP
CHOMIAK, Dave, Hon.	Kildonan	NDP
CROTHERS, Deanne	St. James	NDP
CULLEN, Cliff	Spruce Woods	PC
DEWAR, Gregory	Selkirk	NDP
DRIEDGER, Myrna	Charleswood	PC
EICHLER, Ralph	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FRIESEN, Cameron	Morden-Winkler	PC
GAUDREAU, Dave	St. Norbert	NDP
GERRARD, Jon, Hon.	River Heights	Liberal
GOERTZEN, Kelvin	Steinbach	PC
GRAYDON, Cliff	Emerson	PC
HELWER, Reg	Brandon West	PC
HOWARD, Jennifer, Hon.	Fort Rouge	NDP
IRVIN-ROSS, Kerri, Hon.	Fort Richmond	NDP
JHA, Bidhu	Radisson	NDP
KOSTYSHYN, Ron, Hon.	Swan River	NDP
LEMIEUX, Ron, Hon.	Dawson Trail	NDP
MACKINTOSH, Gord, Hon.	St. Johns	NDP
MAGUIRE, Larry	Arthur-Virden	PC
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Flor, Hon.	Logan	NDP
MARCELINO, Ted	Tyndall Park	NDP
MELNICK, Christine, Hon.	Riel	NDP
MITCHELSON, Bonnie	River East	PC
NEVAKSHONOFF, Tom	Interlake	NDP
OSWALD, Theresa, Hon.	Seine River	NDP
PALLISTER, Brian	Fort Whyte	PC
PEDERSEN, Blaine	Midland	PC
PETTERSEN, Clarence	Flin Flon	NDP
REID, Daryl, Hon.	Transcona	NDP
ROBINSON, Eric, Hon.	Kewatinook	NDP
RONDEAU, Jim, Hon.	Assiniboia	NDP
ROWAT, Leanne	Riding Mountain	PC
SARAN, Mohinder	The Maples	NDP
SCHULER, Ron	St. Paul	PC
SELBY, Erin, Hon.	Southdale	NDP
SELINGER, Greg, Hon.	St. Boniface	NDP
SMOOK, Dennis	La Verendrye	PC
STEFANSON, Heather	Tuxedo	PC
STRUTHERS, Stan, Hon.	Dauphin	NDP
SWAN, Andrew, Hon.	Minto	NDP
WHITEHEAD, Frank	The Pas	NDP
WIEBE, Matt	Concordia	NDP
WIGHT, Melanie	Burrows	NDP
WISHART, Ian	Portage la Prairie	PC
<i>Vacant</i>	Morris	

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Wednesday, June 26, 2013**

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

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

Good afternoon, everyone. Please be seated.

**ROUTINE PROCEEDINGS**

**PETITIONS**

**Provincial Sales Tax Increase—Referendum**

**Mrs. Leanne Rowat (Riding Mountain):** I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by 1 per cent without the legally required referendum.

An increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

This petition is signed by D. Bowles, J. Glenn, S. Woywada and many, many more concerned Manitobans.

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

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

And these are the reasons for this petition:

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without the holding a provincial referendum.

And, Mr. Speaker, this is signed by J. Beckman, M. Carrasco, R. Borkowsky and many other Manitobans.

**Mr. Ian Wishart (Portage la Prairie):** I wish to present the following petition to the Legislative Assembly of Manitoba.

And these are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase to the PST is excessive taxation and will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

This petition is signed by S. Smith, M. Smith, M. Derkach and many, many more fine Manitobans.

#### **Municipal Amalgamations—Reversal**

**Mr. Wayne Ewasko (Lac du Bonnet):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

And the background to this petition as follows:

(1) The provincial government recently announced plans to amalgamate any municipalities with fewer than 1,000 constituents.

(2) The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement on November 19th, 2012, and has further imposed unrealistic deadlines.

(3) If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

(4) Local governments are further concerned that amalgamation will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

(5) Municipalities deserve to be treated with respect. Any amalgamations should be voluntary in nature and led by the municipalities themselves.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse his decision to force municipalities with fewer than a thousand constituents to amalgamate.

This petition is signed by T. Angus, C. Matthews, D. McKibbin and many, many more fine Manitobans, Mr. Speaker.

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

The background to this petition is as follows:

The provincial government recently announced plans to amalgamate any municipalities with fewer than 1,000 constituents.

The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement on November 19th, 2012, and has further imposed unrealistic deadlines.

If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

Local governments are further concerned that amalgamation will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

Municipalities deserve to be treated with respect. Any amalgamations should be voluntary in nature and led by the municipalities themselves.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse his decision to force municipalities with fewer than 1,000 constituents to amalgamate.

And this petition is signed by G. Adams, V. Talbot, M. Van Den Bussche and many more fine Manitobans.

#### **Provincial Sales Tax Increase—Referendum**

**Mrs. Myrna Driedger (Charleswood):** I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

And this is signed by R. Teris, R. Wilkins, S. Maloway and many others, Mr. Speaker.

**Mr. Cliff Cullen (Spruce Woods):** I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

\* (13:40)

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

(3) An increase to the PST is excessive taxation that will harm Manitoba families.

(4) Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

This petition is signed by M. Elcock, D. Redekopp and M. Fedoryshyn and many other fine Manitobans.

**Mr. Ralph Eichler (Lakeside):** Good afternoon. I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase to the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

This mission is presented on behalf of R. Camley, B. Huzul and T. Kirk and many other fine Manitobans.

**Mrs. Heather Stefanson (Tuxedo):** I wish to present the following petition to the Legislative Assembly of Manitoba.

And these are the reasons for this petition:

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

(3) An increase to the PST is excessive taxation that will harm Manitoba families.

(4) Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

Mr. Speaker, this petition is signed by A. Maittud, D. Greenwood, R. Augeur and many, many other Manitobans.

#### **Municipal Amalgamations—Reversal**

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

(1) The provincial government recently announced plans to amalgamate any municipalities with fewer than a thousand constituents.

(2) The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement on November 19th, 2012, and has further imposed unrealistic deadlines.

(3) If the provincial government imposes amalgamation, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

(4) Local governments are further concerned that amalgamation will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

(5) Municipalities deserve to be treated with respect. Any amalgamations should be voluntary in nature and led by the municipalities themselves.

So we petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse this decision to force municipalities with fewer than a thousand constituents to amalgamate.

And this petition is signed by H. Bell, L. Bourassa, J. Willir and many, many others.

#### **Provincial Trunk Highways 16 and 5 North— Traffic Signals**

**Mr. Stuart Briese (Agassiz):** I wish to present the following petition to the Legislative Assembly of Manitoba.

And these are the reasons for this petition:

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

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

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

We petition the Legislative Assembly of Manitoba as follows:

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

This petition's signed by J. Uour, J. Whitcaw, A. Verhaegler and many, many other fine Manitobans.

#### **Provincial Sales Tax Increase—Referendum**

**Mrs. Bonnie Mitchelson (River East):** I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

The provincial government promised not to raise taxes in the last election.

Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

An increase in the PST is excessive taxation that will harm Manitoba families.

Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

And this petition is signed by V.A. Mollot, D. Penner, M. Ross and thousands of other Manitobans.

#### **Municipal Amalgamations—Reversal**

**Mr. Reg Helwer (Brandon West):** I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

(1) The provincial government recently announced plans to amalgamate any municipalities with fewer than 1,000 constituents.

(2) The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement on November 19th, 2012, and has further imposed unrealistic deadlines.

(3) If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

(4) Local governments are further concerned that an amalgamation will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

(5) Municipalities deserve to be treated with respect. Any amalgamations should be voluntary in nature and led by the municipalities themselves.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse his decision to force municipalities with fewer than 1,000 constituents to amalgamate.

Signed by J. Miln, H. Stevenson, E. Scarth and many other Manitobans.

**Mr. Ron Schuler (St. Paul):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba, and these are the reasons for this petition.

The background to this petition is as follows:

(1) The provincial government recently announced plans to amalgamate any municipalities with fewer than 1,000 constituents.

(2) The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announcement on November 19th, 2012, and has further imposed unrealistic deadlines.

(3) If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

(4) Local governments are further concerned that amalgamation will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

(5) Municipalities deserve to be treated with respect. Any amalgamations should be voluntary in nature and led by the municipalities themselves.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse his decision to force municipalities with fewer than 1,000 constituents to amalgamate.

Signed by N. Cooke, F. Petrie, D. Meunier and many, many other Manitobans.

\* (13:50)

### **Provincial Sales Tax Increase—Referendum**

**Mr. Dennis Smook (La Verendrye):** I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

(3) An increase to PST is excessive taxation that will harm Manitoba families.

(4) Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government not to raise the PST without holding a provincial referendum.

This petition is signed by J. Friesen, C. Delorme, J. Giesbrecht and many more fine Manitobans.

**Mr. Cameron Friesen (Morden-Winkler):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

And these are the reasons for this petition:

(1) The provincial government promised not to raise taxes in the last election.

(2) Through Bill 20, the provincial government wants to increase the retail sales tax, known as the PST, by one point without the legally required referendum.

(3) An increase to the PST is excessive taxation that will harm Manitoba families.

(4) Bill 20 strips Manitobans of their democratic right to determine when major tax increases are necessary.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to not raise the PST without holding a provincial referendum.

And this petition is signed by A. Schellenberg, J. L'Heureux and V. Dennis and many, many others.

### **Municipal Amalgamations—Reversal**

**Mr. Cliff Graydon (Emerson):** Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

And the background for this petition is as follows:

(1) The provincial government recently announced plans to amalgamate any municipalities with fewer than 1,000 constituents.

(2) The provincial government did not consult with or notify the affected municipalities of this decision prior to the Throne Speech announced on November 19th, 2012, and has further imposed unrealistic deadlines.

(3) If the provincial government imposes amalgamations, local democratic representation will be drastically limited while not providing any real improvements in cost savings.

(4) Local governments are further concerned that amalgamation will fail to address the serious issues currently facing municipalities, including an absence of reliable infrastructure funding and timely flood compensation.

(5) Municipalities deserve to be treated with respect. Any amalgamation should be voluntary in nature and led by the municipalities themselves.

We petition the Legislative Assembly of Manitoba as follows:

To request that the Minister of Local Government afford local governments the respect they deserve and reverse his decision to force municipalities with fewer than 1,000 constituents to amalgamate.

And this petition is signed by C. Rempel, B. Tallman and T. Tallman and many, many more fine Manitobans.

### **MINISTERIAL STATEMENTS**

#### **Wind and Rain Storm Update**

**Hon. Steve Ashton (Minister responsible for Emergency Measures):** I rise today in the House to provide an update on the major wind and rain storms that took place throughout the southern part of the province last night.

Unusually strong winds last night knocked down a number of trees at provincial campgrounds in the southeast. I'd like to send my condolences to family

and friends of the man who was fatally injured in the Falcon Lake campground. We urge campers to use caution and be vigilant when camping under extreme weather conditions.

Extreme rainfall also impacted several towns and rural municipalities in the southwest. Local states of emergency are in place in the RM of Wallace, which includes the town of Virden, the RM of Albert, the RM of Edward and the RM of Pipestone, including the town of Reston. There are currently 28 individuals being evacuated from the personal care home in Reston. Provincial Highway 2 and several municipal roads are closed due to overland flooding.

Provincial and municipal officials are working to assess damages and reopen roads. Provincial emergency management officials are in contact with communities to ensure that they have the resources they need.

A provincial flood forecaster is also closely monitoring water levels on the Saskatchewan River as the water makes its way from Alberta. Officials are also monitoring hot spots on the Souris River near Melita and Vermilion River and near Dauphin to assess the situation to determine if additional resources are needed.

I can also inform the House that the Province's offer of assistance to Alberta remains open and that we're prepared to assist them in their recovery efforts over the next days and weeks. As people are more than aware, we here in Manitoba have significant experience in dealing with the impact of major flooding.

**Mr. Larry Maguire (Arthur-Virden):** I thank the minister for this statement in regards to the conditions on flooding and wind in the province of Manitoba of recent days.

Mr. Speaker, heavy rains did hit the parts of western Manitoba, particularly around the Reston area, over the last week, and northern regions, particularly around The Pas, will see flood waters coming from Alberta very shortly, if not already.

Perhaps the greatest impacts were felt in Reston, as I said, in the RM of Pipestone, with other municipalities that have declared disaster areas. There's been 13 and a half inches of rain in Reston since Friday night, Mr. Speaker, and that has resulted in massive overland flooding and has prompted the RM of Pipestone and Albert, as I've said, and the town of Virden, Wallace municipalities and Edward

to declare a state of emergency. There's also several other hard-hit areas, including Carberry, Souris, Brandon and Winnipegosis.

The people of western Manitoba and the Interlake, who have been so adversely affected by the weather in the last five days, have demonstrated admirable resilience to the challenges they face; and, however, they're still looking to rebuild, and they need the assurance that disaster financial assistance will be made available to them.

The government needs to take these events as a clear sign that the municipal infrastructures aren't able to deal with such emergencies in some areas, Mr. Speaker, and critical infrastructure is needed to help Manitobans if we are to mitigate such disasters in the future.

And I've spoke to the people of Melita who are very concerned about the height of the river in Melita right now, very close to the bridge on No. 3 Highway. And there's a program in place to deal with the diking in that community effectively, but it's been stalled for some reason.

We need to thank the emergency personnel around the province for what they're doing and the good job of keeping things as acceptable as they have been, Mr. Speaker. Thank you.

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

**Mr. Speaker:** Is there leave to allow the member for River Heights to speak to the ministerial statement?  
*[Agreed]*

**Mr. Gerrard:** I want to thank the minister for the update. I also want to extend sympathy and concern for those who have been very severely affected in areas of southwestern Manitoba.

This reminds me of the flooding in 1999, when I was visiting southwestern Manitoba and, at the time, talking with people at the International Institute for Sustainable Development about the problem with climate change and the likelihood of increased flooding. And we certainly seem to be seeing that, not only with what we're seeing here but with what's happening in Alberta.

And clearly, we need to be increasingly prepared for, and in new ways, for major flood events, much more in the way of water retention and preparation in terms of, you know, how we build homes and communities and so on. So it's certainly a lesson that we're learning on an ongoing basis.

I want to thank all those who are volunteering or helping out in one way or another, whether in southwestern Manitoba or around The Pas, and hope that we get through this season without significant more flooding.

### Introduction of Guests

**Mr. Speaker:** Prior to oral questions, I'd like to draw the attention of honourable members to the public gallery where we have with us today Joe Kruchak, Janice Farion and Rick and Lil Rivers, who are the family and friends and guests of our page Lauren Hadaller. On behalf of honourable members, we welcome all of you here this afternoon.

\* (14:00)

### ORAL QUESTIONS

#### PST Increase Communication Strategy

**Mr. Brian Pallister (Leader of the Official Opposition):** Late last week, Mr. Speaker, senior Finance officials stated that political manipulation and interference had caused delays in the notices of the PST hike going out.

My question for the Premier is very simple: If the delay was not caused by concerns about the illegality of the NDP PST hike, why was the delay in the notice? Why did it occur?

**Hon. Greg Selinger (Premier):** Mr. Speaker, just to further the discussion, I'll table three copies of the information bulletin issued in April as the—right after the budget came down.

**Mr. Pallister:** So, Mr. Speaker, it surprises me, then, that there is no concern on the part of the Premier that communications staff from the NDP would—who are paid by taxpayers to suppress bad news—would actually call a media outlet and suggest that someone was impersonating a senior Finance official who had done the interview, but it wasn't, in fact, the real person who did the interview and that that person was, in fact, not accurately communicating the concerns that they did communicate.

Does the Premier actually agree that the comments that were made last week through the media outlet were made by an impersonator?

**Mr. Selinger:** Mr. Speaker, the document I just tabled proves that right after the budget there was a bulletin put out for all the folks that remit taxes and collect taxes on behalf of the Province of Manitoba that indicated that the tax would be effective

July 1st, as it was done in 1993 when members opposite implemented increased sales taxes for children's clothing, for an example. So the bulletin was put out to indicate that the taxes would be increased, and, as we all know, the resources will be used to protect communities from flooding. They will be used to build schools that are essential in Manitoba, to fix up roads and highways, and these very important investments need to be done now. We cannot lose another construction season. But what's really important here is to understand that the information was put out immediately upon the budget being presented in the Legislature.

**Mr. Pallister:** Well, what's really important here, Mr. Speaker, is that the Premier respond to the real issue, and the real issue is a political manipulation of the media. And we've obtained a tape which clearly shows that the Premier's spinners attempted to block the broadcast of this story by questioning the integrity of the interview and of the civil servant who did the interview. So that's the issue here.

Now, who advised the Premier's senior communicator to call into question the validity of the story?

**Mr. Selinger:** Mr. Speaker, it's very unfortunate that the member opposite tries to be judge, jury and prosecutor as Leader of the Opposition. The facts of the story are that there needed to be verification of the source of the question in order to provide accurate information, and once officials were able to verify that there was a legitimate media request, the request was fulfilled within two hours.

And, really, it was the Minister of Finance (Mr. Struthers) that had requested that an additional bulletin be put out to 38,000 collectors of taxes in Manitoba. That additional bulletin is not normally done. What is normally done is what I filed in front of the Legislature today, that a bulletin was published right after the budget came down. The bulletin made very clear the actual dates that the new tax would be brought into effect.

And those resources are going to protect families; those resources are going to protect communities; those resources are going to ensure young people get schools where they can send their children to and rebuild our roads and highways all throughout Manitoba.

**Mr. Speaker:** The honourable Leader of the Official Opposition, on a new question.

**Mr. Pallister:** Those resources are used to—by the Premier to mislead Manitobans, and his staffers have done that, and he is accountable for that and he should address it here in the House. Manitoba taxpayers pay his salary and mine and everyone here. Manitoba taxpayers pay for his tax hikes. Manitoba taxpayers pay for NDP vote taxes that subsidize their party. Manitoba taxpayers have to pay for communications staff, who apparently are interested in trying to block stories so that Manitobans don't actually get to know the facts of the case.

Now why does this Premier expect Manitoba taxpayers to pay more and more and more to him in order to deceive those same Manitoba taxpayers?

**Mr. Selinger:** Thank you for the question, Mr. Speaker.

Information was put up online immediately upon the budget being presented in the Legislature. And, when staff indicated that they had not talked to the media, Cabinet communications people did the appropriate thing to verify the source of the request. Once it was verified, they fulfilled the request, provided the information. That's called good, professional behaviour: verify your sources.

The Leader of the Opposition likes to make up stories, make up the facts, manufacture the facts. That's his prerogative to do that. Our staff act in a professional manner, and our Minister of Finance provided a bulletin not normally provided when members opposite raised taxes on essential items like babies—baby products. Our Minister of Finance went beyond the regular responsibility and provided additional information to all tax collectors in Manitoba.

**Mr. Pallister:** I'd like the Premier to write down his definition of professional because if his definition of professional includes deliberately attempting to suppress a story by misleading a member of the media, then that's professional. But it's not professional on this side of the House; we don't agree with it—we do not agree with it.

This government lied to Manitobans about tax cuts. They lie continuously, and the staffers that they employ seem to have followed their lead and their example. Now, the only person in this story who told the truth was the Finance department official, Mr. Speaker. That's the only person. And I understand that truth's an endangered concept with this government, but what I want the MLA for St. Boniface to do today is to assure this House that

he will not seek reprisals against an honest civil servant for telling the truth to a member of the media.

**Mr. Selinger:** Mr. Speaker, we're the government that brought in whistle-blower legislation for the first time in the history of the province. And that whistle-blower legislation protects anybody who reports a legitimate concern about the way things are done in government. So we have more protection to public servants than has ever been in the history of the province. That protection will remain in Manitoba. Not only will there not be reprisals, we will continue to ensure that Manitobans get timely information about any changes in the tax code.

As the member knows, there will be reductions in taxes on children's clothing and babies' clothing and baby products, taxes that the members opposite put on families. We will be removing those taxes. We have already moving-removed taxes on bicycle helmets for young people. Those members opposite wanted those taxes to be collected on bicycle helmets; we're removing them. We will ensure Manitoba families keep the most affordable cost of living in their province, in the country, as we rebuild the infrastructure in Manitoba and keep Manitoba families safe. That's what we'll do, Mr. Speaker.

**Mr. Pallister:** No, he won't, Mr. Speaker. The reality is no whistle-blower legislation will work if the people who know the most in the civil service are muzzled, if their lips are sealed; it won't work. I hear no assurance from the Premier that he won't seek reprisals against someone who told the truth, and that's disappointing.

Indeed, the facts are clear. The NDP political insiders interfered with Finance officials. They deliberately delayed the notification of Manitobans about the PST hike. When the truth came out, NDP communications staff tried to discredit the information. They tried to prevent the media from covering the story in order to deceive Manitobans. Now, the Premier's just verified that he doesn't want the Manitoba public to know the facts, that he believes that it's acceptable to have taxpayers pay NDP spinners to deceive them.

So I've got to ask the Premier: Does he believe it's acceptable to block civil servants from releasing information to the public or media unless it's good news for him?

**Mr. Selinger:** Mr. Speaker, all the information presented in the budget was put online when the

budget was presented in front of the Legislature. The first standard bulletin on all the changes was put out in April. Nobody was prevented from having access to information. The Minister of Finance (Mr. Struthers) went above and beyond what any other minister of Finance has ever done in the Province and put out an additional bulletin. That additional bulletin was intended to clarify the misinformation put on the record by the members opposite.

So the only ones spinning in this room right now is the Leader of the Opposition. He is spinning misinformation to all the people in the Legislature and anybody that might be watching the show that's going on this afternoon.

But I can assure you, all information about the budget was put online the day of the budget: first bulletin issued in April, a subsequent bulletin over and above the normal requirements was issued later on, and all Manitobans know the realities of what's happening with our budget, Mr. Speaker.

\* (14:10)

#### **Taxation Future Increases**

**Mrs. Myrna Driedger (Charleswood):** Well, if all of that is true, then we do have to wonder why the Premier tried to block a tax bulletin that was out last week.

Mr. Speaker, the NDP government promised not to raise taxes in the last election. After the election, what did they do? They raised taxes. Yesterday, this Premier said, and I quote: The best predictor of future behaviour is past behaviour.

So, Mr. Speaker, I'd like to ask the Premier to tell us, if he feels that the best predictor of future behaviour is past behaviour, can he tell us whether he plans to raise taxes again next year?

**Hon. Greg Selinger (Premier):** I do think the best predictor of future behaviour is past behaviour, which is why I was shocked and appalled when the Leader of the Opposition said he would cut indiscriminately all across government, laying off nurses, laying off teachers, laying off correction workers, cut programs to people that needed support for behavioural difficulties.

Everybody would have been whacked under his program. That's exactly what he did in the '90s. Now he wants to do it again, Mr. Speaker. There's no

doubt about it. What they did in the past they want to do again.

We will protect Manitoba families. We will rebuild the Manitoba communities that were affected by floods. They will vote against it and cut resources that keep Manitoba viable, Mr. Speaker, that's for sure.

**Mrs. Driedger:** Mr. Premier—Mr. Premier? Pardon me, Mr. Speaker, this Premier (Mr. Selinger) has no credibility. This NDP government lied to Manitobans in the last election. Yesterday this Premier said, and I quote: The best predictor of future behaviour is past behaviour.

So I would like to ask the Premier to tell Manitobans, because the NDP government lied to Manitobans in the last election, will the NDP government lie to Manitobans in the next election?

**Hon. Stan Struthers (Minister of Finance):** Mr. Speaker, that coming from a member—

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

**Mr. Speaker:** Order, please. The honourable Minister of Finance has the floor.

**Mr. Struthers:** Thank you, Mr. Speaker.

This coming from a member who breaks records every day in terms of conspiracy theories that she puts forward to this House.

Mr. Speaker—but, you know, I think she gets that—she comes by it honestly. It rubs off of the guy she sits next to, the member for Fort Whyte (Mr. Pallister), who every day in this House puts some misinformation forward, just picking \$1,600 out of the air to describe the PST increase in the revenue.

We don't need any lessons from members opposite when it comes to being credible. We don't need any lessons from members opposite when it comes to how we act. This government has made a decision that will—

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

**Mrs. Driedger:** Mr. Speaker, this NDP Premier said yesterday, and I quote: The best predictor of future behaviour is past behaviour. End quote.

Well, Mr. Speaker, let's look at his track record: dishonesty, deception, disrespect, bullying, lack of integrity.

So I'd like to ask this Premier to tell us: Is that what Manitobans can expect in the future from this Premier and his government?

**Mr. Struthers:** This Premier and this government has shown that we're willing to invest in hospitals. We're willing to invest in schools. We're willing to invest in roads and bridges. This Premier has shown Manitobans that we're willing to invest in daycares, Mr. Speaker. This side of the government has been very committed to that and we've come through.

On the other hand, members opposite have been very committed to across-the-board deep, indiscriminate cuts to health care, cuts to education, cuts to infrastructure. I'll take our vision against theirs any day.

#### **PST Increase Election Promise (Roblin)**

**Mr. Cliff Graydon (Emerson):** It's apparent that they've also invested a lot of money in lawyers.

Mr. Speaker, the community of Roblin and their chamber of commerce is concerned. As a community only minutes away from the Saskatchewan border, they're seeing shoppers leave the province. Their MLA, the member for Dauphin, promised them no new taxes.

Will the member for Dauphin stand in the House today and tell the people of Roblin why you deceived them?

**Hon. Stan Struthers (Minister of Finance):** Well, Mr. Speaker, we have a very progressive, very forward-looking chamber of commerce in Roblin, Manitoba. That is clear. They're a very good, very hard-working people. When I talk to many of those people eyeball to eyeball, I talk to them about the PST, and I talk to them about infrastructure. And what they tell me—what they tell me—is that we need to continue to invest in infrastructure so that their businesses can flourish. That's very clear.

Mr. Speaker, it's—it took a—it takes a lot of thought. It's not the easiest decision in the world when you look at raising revenue. We get that. I understand that these folks are—

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

**Mr. Graydon:** Mr. Speaker, shoppers in Roblin are minutes away from Saskatchewan where the PST is a whopping 38 per cent lower. Business in Roblin just can't compete. The MLA for the area, the member

for Dauphin, went to the doors of the community and promised the owners of these businesses no new taxes.

Mr. Speaker, will the member for Dauphin (Mr. Struthers) stand in his House today and tell the people of Roblin why he deceived them?

**Mr. Struthers:** Mr. Speaker, I have and I will have spoke with the members of the Roblin chamber of commerce and people who live in Roblin, and we can talk about our zero per cent, small business, tax-free zone as compared to what they charge in Saskatchewan. I'll talk to them about how Manitoba is probably the most affordable province in which to live as opposed to Yorkton, Saskatchewan, who isn't as affordable as what Manitoba is.

We understand how hard small business people work in this province, and we understand that when they put forward their taxes to be used as revenue by this government, we take that seriously and we invest it wisely back into the infrastructure that those very same businesses depend upon to be successful.

**Mr. Graydon:** Mr. Speaker, we'd like to know when he would talk to the residents of Roblin. He wouldn't walk out on the front steps and talk to them when they were out there. The businesses of Roblin trusted the member for Dauphin when he told them that there would be no new taxes. They believed him. At the same time as their customers are shopping in Saskatchewan, the NDP are pocketing \$5,000 of taxpayers' money in their political pockets.

Will the member of Dauphin tell the people of Roblin why he's lining his political pockets while he's deceiving them on his PST tax grab?

**Mr. Struthers:** Well, Mr. Speaker, I would refer the member opposite to the information notice that did go out on budget day, making it clear not only what the taxes are going onto but what the taxes are coming off of that benefit those people in Roblin.

On-effective May 1st, bike helmets will have the tax removed from them. Effective July 1st, baby supplies such as diapers and strollers and cribs and gates and monitors, items used for nursing and feeding or bathing will be exempt from the sales tax.

Mr. Speaker, why is it okay for members opposite in 1993 to put that tax on and now when we take it off, they're complaining? The people of Roblin know and understand that this government—

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

### School Property Tax Election Promise to Seniors

**Mr. Wayne Ewasko (Lac du Bonnet):** Mr. Speaker, on September 18th, 2011, this Premier (Mr. Selinger) promised, and I quote, that seniors will pay no taxes on their property taxes.

Almost two years later, seniors are still paying school taxes on their property taxes in addition to a hike of the PST.

I would like to ask this Premier: Will he admit today that he deceived Manitobans when he promised he would eliminate the school tax off of seniors?

\* (14:20)

**Hon. Stan Struthers (Minister of Finance):** Well, Mr. Speaker, I would refer the member opposite to the budget that was introduced on April 16th, 2013. I really wish he would read it.

That budget made clear that over the next two years we would be phasing in the commitment that we made to seniors. We're going to take this year to make sure that we organize it properly. In 2014 we will be phasing in the first tranche of support for seniors, and in 2015 the seniors will be taken off the property tax rolls.

That's a commitment we made. That's a commitment in Budget 2013 we've achieved.

**Mr. Ewasko:** Mr. Speaker, this is the same government that said no PST or no tax increases. The fact is that all members across the way broke their promise to save seniors a total of \$35 million every year by eliminating the tax on—the school tax on seniors. Instead, they have increased the financial burden to \$400 per person in the PST.

Will the Premier and his government apologize to their constituents and the rest of the hard-working Manitobans today for misleading them in the last election?

**Mr. Struthers:** Well, Mr. Speaker, this was the same government on this side of the House that increased to \$1,100 the tax credit that applies to seniors. We bumped it up in this budget.

Mr. Speaker, I would imagine if you ask any senior in the province whether they would prefer that or they would prefer the time when the member for Fort Whyte (Mr. Pallister) was in the Cabinet of Gary Filmon where they reduced the support for seniors, where they reduced it to \$250 a year. I

would say every senior in the province would tell you that a \$1,100 tax credit is better than a \$250 tax credit. Seniors know that we're on their side.

**Mr. Ewasko:** Mr. Speaker, seniors deserve to be told the truth. They are going to be losing \$400 each in taxes because of this NDP's broken promises.

Again, I would like to ask the Premier (Mr. Selinger): Will he apologize today for telling Manitobans one thing before the election and doing another thing after the election, Mr. Speaker?

**Mr. Struthers:** Mr. Speaker, we have no problem sitting down with seniors and talking about the kind of support that this government has given to seniors not just in this budget, but the 13 preceding budgets to it.

My question for the member for Lac du Bonnet is: Does he have the courage to sit down and tell a senior that his leader is going to privatize health care in this province? Is he going to tell him that he's going to go to a two-tier system of health care, Mr. Speaker? Health care is absolutely essential to seniors, and that leader across the way says he's going to ditch it on them.

#### **Flooding (2011) Compensation Programs**

**Mr. Stuart Briese (Agassiz):** Mr. Speaker, not only is he addicted to spending, he's addicted to deception.

Mr. Speaker, in June 2011 the NDP lied to the farmers and ranchers in the Lake Manitoba inundation zone. The then-minister of Agriculture stood in front of 300 people in Langruth and said, and I quote: We are working on a multi-year compensation package and it is going to be comprehensive. End quote. The minister obviously deceived the Lake Manitoba residents.

Mr. Speaker, will the now-Minister of Finance correct that deception and put in place the multi-year programs he promised?

**Hon. Steve Ashton (Minister responsible for Emergency Measures):** Well, Mr. Speaker, you know, I'm not sure where the member has been, but, you know, I'm going to quote no less than the reeve of the RM of St. Laurent who, when we made an announcement of our commitment to \$250 million—at least \$250 million for an additional outlet from Lake Manitoba and Lake St. Martin, stated: With the announcement here today, it has reinstated the

confidence that Lake Manitoba will once again be a safe lake to live around.

We've been there for Lake Manitoba during the flood. We're going to be, but—there, Mr. Speaker, in rebuilding those communities and, indeed, I don't know where the member's been, because he voted against the budget that put in place the recovery plan for Lake Manitoba and Lake St. Martin.

**Mr. Briese:** Mr. Speaker, the minister went on to say, if it is two years down the road and nothing is happening, I want to know about that. Well, it's two years down the road. The Lake Manitoba flood victims are honest people. They expected the same from this NDP government. They did not expect lies and deception.

Mr. Speaker, will the minister end his deception, tell the flood victims when they can expect the promised multi-year programs?

**Mr. Ashton:** I want to make it clear for the member opposite again that in addition to \$1.2 billion of fighting the flood and of assistance and compensation—in fact, more than \$800 million in direct compensation and assistance—we put in place nine separate, stand-alone provincial programs. I'm waiting to hear one word from members opposite encouraging their federal cousins to cost-share with those programs because to this day, Mr. Speaker, we have not received a cent.

But that, Mr. Speaker, is really, I think, missing the point in terms of what the member's putting forward because when it came to the budget—the put in place, yes, a tough decision, but the financial commitment, through the sales tax increase, to flood mitigation, what did that member do and every member opposite? They voted against a budget that will be there for Lake Manitoba and Lake St. Martin.

**Mr. Briese:** Mr. Speaker, the NDP can blame the feds, they can blame the flood victims, but the fact remains they deceived the Lake Manitoba flood victims. To cover their tracks, they have inflated cost estimates of the flood, ignoring the federal DFA contributions and including insurance programs in the estimates. This is a level of deception beyond comprehension.

Mr. Speaker, when will the minister correct the spin, stop the deceit, actually do what he promised when he said he would provide comprehensive, multi-year compensation programs?

**Mr. Ashton:** Mr. Speaker, I can tell you the way the Manitoba model works. And I think we all know that, certainly on this side of the House, and most Manitobans do, and that is during the flood they are to fight the flood and provide assistance to people. What you do immediately afterwards, you put in place, review what can be done better; we did that. And we had a recommendation for 126 improvements; we adopted every single one of them. We didn't bury that report. Not only did we adopt, it we've announced \$250 million for those outlets. That will make a real difference to members opposite.

But I want to say to members opposite—because they complain day in and day out, Mr. Speaker, about our budget—that budget, yes, does have an increase in the sales tax, but that increase in the sales tax is in the same spirit of what we've always done in Manitoba, because, yes, we have a sales tax, yes, there's going to be a one cent increase, but we also have flood protection right here in the city of Winnipeg, the one in—

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

#### **Manitoba Hydro Privatization Concerns**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, on this seventh day of the present emergency sitting I want to emphasize the fact that the NDP are setting a very dangerous precedent by disregarding the legal requirement for a referendum for a PST increase.

Referendums, of course, are also required before the sale of Manitoba Hydro or Manitoba Public Insurance. This was legislated in part because former Premier Gary—premier—Gary Filmon sold MTS after promising that he would not, just as the current Premier promised that he would not raise the PST.

Mr. Speaker, I ask: Does the Premier recognize the dangerous precedent he's setting, one that puts Manitoba Hydro on the fast track to privatization?

**Hon. Greg Selinger (Premier):** I recognize that the Progressive Conservatives would like to privatize Manitoba Hydro; I agree with the member of River Heights on that regard.

What we are doing is we're building Manitoba Hydro. We know that the power will run out in 2022. The Leader of the Opposition wants to stop it in its tracks, not a very good idea, Mr. Speaker. We need the power in the next decade.

If we build it earlier than that, it will be available to our export customers. They will pay down the cost of the new dams, which will keep rates lower for Manitoba. Manitobans understand Manitoba Hydro is best serving all people of Manitoba as a Crown corporation. And I assure you it will do that for many years to come as we build it for the future, Mr. Speaker.

#### **Production Plans**

**Mr. Gerrard:** Mr. Speaker, power coming from the Wuskwatim dam is costing Manitoba taxpayers 7.2 cents a kilowatt hour to produce when revenue from its sale is much lower. While projected shale gas reserves in the decades—energy produced from natural gas may continue to be low cost for quite some time. Operating at a consistent loss is not sustainable and will put Manitoba Hydro at risk. Even former Premier Ed Schreyer yesterday is opposed to the Premier's plans.

I ask the Premier: How can he justify a financial plan where production costs exceed returns, resulting in ongoing permanent losses?

\* (14:30)

**Mr. Selinger:** Unfortunately, Mr. Speaker, I wasn't able to hear all the content of that question because of the brouhaha from the members opposite.

But I will say this—I will say this—that the—I will say this, Mr. Speaker. When we built Limestone with Manitoba Hydro, the members opposite said that it would never make money. It paid itself back in 10 years; it has provided, bottom line, positive benefits to Manitoba ever since, with the lowest rates in North America.

We already have customers in the United States that want to purchase our power. After the announcement by the Obama administration yesterday that there's going to be tighter controls on coal plants and tighter controls on existing coal plants, Manitoba power, Manitoba electricity is even more valuable today than it was yesterday, Mr. Speaker, and still the members opposite want to stop it in its tracks. We will build it; we will keep the lowest rates in North America.

#### **PST Increase Referendum Request**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, yesterday, former NDP Premier Ed Schreyer described today's NDP Premier's actions on Manitoba Hydro as passing strange and reckless,

putting the corporation's future at risk. He said the government should pause and evaluate, just as they should pause and have a referendum on the PST instead of bulldozing through.

I ask, Mr. Speaker: Will the Premier continue down his dangerous path, making it easier to put Manitoba Hydro on the auction block or will he reconsider his reckless decision to ignore the law and instead put the PST hike on hold and do the right thing and first put the question to the people of Manitoba in a—

**Mr. Speaker:** The honourable First Minister.

**Hon. Greg Selinger (Premier):** Yes, Mr. Speaker, Manitoba Hydro, with the growth in our economy, which has been among the best in Canada over the last 10 years, needs new power by 2022. The Leader of the Opposition wants to stop it in its tracks; apparently the Leader of the Liberal Party from—member from River Heights wants to stop it into its tracks.

We want to build it. With—the surplus power will be sold to the United States, firm contracts, well worth over \$70 billion, \$29 billion over the next 30 years. That will pay down the cost of the dams, keep Manitoba rates the lowest in North America.

The PST money will provide flood protection in the Assiniboine valley, like we did for the Red River Valley in Winnipeg. Winnipeg was very safe this year; the Red River Valley was very safe this year.

All the lessons we're learning today across the planet are showing us that investments in flood protection save you \$30 for every dollar you invest. That's the wise decision we're taking in Manitoba. The members opposite should get on board and protect Manitobans, Mr. Speaker.

#### **Building Futures Initiative Children in Care Support**

**Ms. Erna Braun (Rossmere):** Mr. Speaker, our government continues to support youth and families and create opportunities for them in our communities. In recent years, we have invested and expanded the resources for children in care receiving extensions of care. Since these supports became available in 2006, the number of youth accessing them has risen to around 500 a year.

Children in care often face challenges that don't end just because they get older. Evidence has shown that supporting youth who are becoming adults while

in care, creates opportunities for positive life outcomes.

Can the Minister of Family Services and Labour update the House on recent partnership that further builds on our assistance to those children?

**Hon. Jennifer Howard (Minister of Family Services and Labour):** Yesterday I had the great opportunity of going to the Canadian Mental Health Association to be part of an announcement of a program called the Building Futures initiative. This is really the vision of Jay Rodgers of the General Child and Family Services Authority. Working with Canadian Mental Health Association, with investments by RBC, it will help young people who are turning 18, who are looking to build a life either through education, through employment—it will give them the tools that they need to do that.

As we are here, in the end of June, and people are graduating from high school and, you know, lots of young people have questions about their future—just as we wouldn't expect a child who comes from a loving home to go out on their own at 18 with no supports, neither should we expect those kids who are in the care of Child and Family Services to do that. This is a very good program and I want to give full credit—

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

#### **Flooding (2013) Disaster Assistance**

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, hundreds of homes and fields are flooded throughout western Manitoba and other regions. Reston just received 13 inches of rain, has been deluged in their community since Friday night. The RMs of Pipestone, Edward, Wallace and Albert and the town of Virden, have declared a state of disaster. The RM of Albert declared this disaster last Sunday, yet no government employees have—in disaster assistance or highways have even contacted the municipality.

Mr. Speaker, the Premier stated recently: Past behaviour is indicative of future behaviour.

So I ask the Premier: As he deceived 2011 flood victims, will he deceive 2013 flood victims?

**Hon. Steve Ashton (Minister responsible for Emergency Measures):** You know, I'm more than a bit disappointed in the tone of the question from member opposite.

I know the impact, certainly, in his area—and I know he saw firsthand the nature of what happened. We've seen very significant impacts.

And I want to say again to members of the House, that I think a lot of the predictions about instability of weather coming from climate change are increasingly becoming evident in the province.

I want to say our staff, our provincial staff, has been working very closely with local officials in a rapidly developing situation, Mr. Speaker. I can assure the member if the contact hasn't been made in terms of follow-up, in terms of DFA, we'll make sure that happens.

But we are dealing with some very real-time flood situations, Mr. Speaker. And I want to stress, just as we were in 2011, we as Manitobans will be there for the affected communities.

**Mr. Maguire:** Well, Mr. Speaker, the RM of Pipestone Reeve Tycoles, councillors, firefighters, flood victims, and other volunteers are working around the clock in Reston, as well as our victims in many neighbouring communities and farms, to protect themselves as best they can from the extra forages of rain that fell last night in one hour. They are to be commended.

But the NDP past behaviour is to deceive these flood victims. Overstating a commitment doesn't make it happen.

Will disaster assistance be made available to these 2013 flood victims in a timely manner?

**Mr. Ashton:** Our staff worked 24-7 in 2011. They're working 24-7 right now in 2013. And I hope the member will reflect on it.

And I find it interesting, Mr. Speaker, that in a question period, the only time they don't reference the budget, and the kind of commitments we've made—yes, through the sales tax—is actually when it comes to flood victims. It's the only time in question period you make—you hear no reference to that. And maybe it's because members opposite have a different view.

The Manitoba model. Yes, we have a sales tax. Yes, we have flood protection. We have the best flood protection in the province. Maybe they have another model, Mr. Speaker, and, indeed, there are some who have chosen not to have the financial resources of a sales tax. I'll take the Manitoba model any day over the model put—

**Mr. Speaker:** The honourable member for Spruce Woods.

### **Assiniboia Downs Government Relations**

**Mr. Cliff Cullen (Spruce Woods):** I would suggest the Manitoba model would be to tell the truth, Mr. Speaker.

Mr. Speaker, the NDP government has a history of deceiving Manitobans. And the people at Assiniboia Downs know this first-hand. The NDP have not been dealing in good faith. The NDP have been using backroom negotiations, bullying tactics, to get their way on this files. The people at Assiniboia Downs will be in court again tomorrow in an attempt to protect the 500 jobs and the \$50-million industry.

Mr. Speaker, the NDP are ripping up signed contracts. They are changing legislation in an attempt to protect themselves against litigation.

I ask the government, Mr. Speaker: Why has the NDP misled and deceived Manitobans and the ones at Assiniboia Downs?

**Hon. Steve Ashton (Minister charged with the administration of The Manitoba Lotteries Corporation Act):** Mr. Speaker, you know, I realize members opposite are having difficulty; it seems like every day is recycling day for members opposite, when it comes to question period.

But I have to tell you, I don't think we've had more questions on any issue in this session of the Legislature. I could list off some of the things we haven't had questions on, Mr. Speaker, important areas of public policy. But we had more questions on Assiniboia Downs virtually than any other issue.

And every time they've asked the question, we've said, January we provided notice, there will be a change. We indicated in the budget there would be a change backed up by changes in legislation. We have not eliminated funding to Assiniboia Downs, it continues, that it will receive the vast majority of the pari-mutuel levy, Mr. Speaker. Some of it will go to harness racing. I realize members opposites are having difficulty with that. Assiniboia Downs will continue to receive VLT revenues. The same that every other commercial site holder in the province—

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

**Mr. Cullen:** Mr. Speaker, I think Manitobans have a right to know that what their NDP government is doing in court day after day.

Mr. Speaker, a recently filed injunction shows a history of deceit. Court documents show the NDP have been working for years to take over operations of Assiniboia Downs. Since 2011—the election in 2011, the NDP have refused to deal in good faith. The NDP are tearing up signed contracts, bringing in legislation to protect themselves.

\* (14:40)

Why has the NDP been so disrespectful and so deceitful at Assiniboia Downs?

**Mr. Ashton:** You know, Mr. Speaker, last week the member opposite went to the Rob Ford school of ethics and was giving us a lecture.

I can tell you, Mr. Speaker, members opposite, you know, can keep raising issues. I mean, they do this in the west end of the city on a regular basis. You know, I remember a few years ago they were running around saying that the Grace Hospital was going to close. Last I heard, it's still open. You know, last I heard, if they take a drive out they'll see Assiniboine downs is still open. It's actually still going to have VLTs, 140 of them, still going to get the parimutuel levy.

You know, Mr. Speaker, maybe—well, they let the cat out of the bag—maybe if they were in government they would be shutting down the Grace Hospital because, certainly, our priority is the Grace Hospital. Maybe it's going to be a little less money for Assiniboine downs, but right now both the Grace Hospital and Assiniboine downs are open. That's the reality.

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

#### MEMBERS' STATEMENTS

##### Swinging Squares—50th Anniversary

**Mr. Wayne Ewasko (Lac du Bonnet):** Mr. Speaker, I rise today to congratulate Beausejour's Swinging Squares on their 50th anniversary. Since 1963, the Swinging Squares have provided endless hours of entertainment to the community of Beausejour and the surrounding areas. The Swinging Squares boasts an impressive membership of 60 people who show up regularly to practise every Thursday evening at the Edward Schreyer School in Beausejour. Members are of all ages ranging from

86 to 23 and come from as far away as Elma, Whitemouth and Anola.

Square dancing with the Swinging Squares requires a significant time commitment. From September to December new members learn the basics before progressing to more difficult moves. But with the help of their callers, Ernie and Shirley Hollender, even the most difficult moves in square dancing become possible to master.

The Swinging Squares are members of the Eastern Manitoba Square and Round Dance Association and attend monthly dances in Winnipeg at the St. James Civic Centre on Ness Avenue. This gives the group the opportunity to dance to different callers, meet new friends and socialize with other dancers.

Being a member of the Swinging Squares also means sharing your talents with others to show the health benefits of dancing. Swinging Square members do community outreach through performing square dancing demonstrations at community and recreational events and personal care homes in the area. This community exposure to square dancing encourages new dancers to take up membership in the club.

All special events by the Swinging Squares are held at Beausejour-Brokenhead community hall. Their most recent event was a jamboree that commemorated their 50th anniversary on Sunday, May 25th. Like all other Swinging Squares events, for all those who attended there was plenty of dancing and fun to be had.

Mr. Speaker, again, I would like to congratulate the Swinging Squares on this milestone. Fifty years of dance is no small feat, and I could not be more proud of the contributions they have made to the community of Beausejour.

Thank you, Mr. Speaker.

##### OCN Community Graduation Feast

**Mr. Frank Whitehead (The Pas):** Mr. Speaker, on Friday, June 21st, 2013, I attended a community graduation feast at Opaskwayak Cree Nation. The feast was a traditional event where a community comes to honour its graduates from high schools, colleges and universities, as well as other post-secondary schools throughout the country. Strong communities support each other, and many families and friends came out to celebrate with their loved ones.

This year the feast honoured 106 graduates, 37 university graduates, and was sponsored by the Opaskwayak Education Authority. These young people have proven they are determined, ambitious and dedicated and can do whatever they set their minds to. Our graduates are our future leaders, and I was honoured to join them at the Feast.

The graduation feast is a joint event by the Opaskwayak Education Authority and the Opaskwayak Employment and Training Program. This was the third year of this event. It was delightful to visit with over 400 members of the community who attended, as well as Chief Michael Constant and Edwin Jebb, chair of the Opaskwayak Education Authority, who also came out to honour the graduates.

Oscar Lathlin Collegiate high school students will celebrate the graduation in two days on June 28th, but we also recognize university, college and apprenticeship students who graduated earlier this spring.

Mr. Speaker, as you know, education is the cornerstone of our society. Students' hard work to achieve a certain level of education builds up the entire Opaskwayak Cree Nation. Students across the country are celebrating their successes, but we should also remember what a difference the support of friends and family makes, Mr. Speaker. I look forward to that day when these graduates are actively participating in the workforce, both in the private and public sectors, contributing to the growth and development of Manitoba and Canada.

#### **PST Increase—July 1**

**Mr. Ron Schuler (St. Paul):** This coming Monday is going to be Canada's 146th birthday, July the 1st, where most Manitobans and Canadians get to go out and celebrate the great nation we call Canada.

But it's also going to be a sad day for those Canadians who live in Manitoba. It is going to be the day when the big NDP PST lie comes into effect. It's going to be the day when Manitobans are going to have to decide, do they want to go out and celebrate for—with their families or are they not going to because of the substantial tax increases that are going to come into effect on July 1st. It is going to be the biggest NDP PST lie of the 21st century that Manitobans are going to be straddled with and are going to struggle with.

In fact, today for lunch a colleague of mine and I went to Safeway to buy a sandwich, and the

individual wanted the Premier (Mr. Selinger) to know—who served us—she said she is at the breaking point. In the last 10 years she's had \$3 of increase in pay and she's had more than triple that in taxes put on her, and she said to us, I have never voted anything but NDP, but at this point in time I've had enough.

And that's what we are finding. As we will go out and talk to constituents on July the 1st for all kinds of events, we know that ordinary Manitobans, those that are going to be paying the more than the \$1,600 a year in more taxes imposed by this Premier, the member for St. Boniface, even though he went door to door in the last election, canvassed each and every door and said, read my lips, no new taxes. And then, on top of it all, he said the concept of a PST increase was nonsense.

Mr. Speaker, it is time for this NDP government to do the right thing, to hold off on the PST increase, hold a referendum, make July 1st a real Canada Day where we stand up for democratic values, where we stand up for what's right, we stand up for a referendum as per legislation. I call on the NDP to do the right thing, including the NDP member for Kildonan (Mr. Chomiak).

#### **Winnipeg Folk Festival—40th Anniversary**

**Mr. Rob Altemeyer (Wolseley):** I'm very pleased to inform the House that this year, no less than the Winnipeg Folk Festival is celebrating its 40th anniversary. This means that for 40 years musicians from all over the world, volunteers, fans, organizers and so many more have been working together to make this special event happen. The Folk Fest has a unique place in the heart of many Manitobans, including pretty much all of Wolseley, and there isn't anything quite else like it.

This year, more than 80,000 people will flock to Birds Hill Park this July for the Folk Festival from July 10th to the 14th. Performers and musicians come from all over the world to attend, and I'm very pleased that our provincial government provides annual support to the Folk Festival in the range of \$90,000 per year, and this year, honouring the 40th anniversary, an additional \$10,000 has been made available for special celebrations. This is on top of the \$650,000 that has been invested in the site of the Winnipeg Folk Festival at Birds Hill Park for some really exciting site improvements that I'm sure people will enjoy.

For those folks, such as most members opposite, who maybe have never gone to the Folk Festival or

don't know what it is, they've actually benefited from it because the Winnipeg Folk Festival generates nearly \$30 million in economic activity while supporting 281 jobs right here in Manitoba.

The festival is always evolving as well, Mr. Speaker. This year there will be two new forest stages built right into the park. There's been dozens of more trees planted that will provide shade for patrons for years to come, and I'm pleased to report that my own volunteer crew, which I've been proud to be a part of, is making a noticeable difference in reducing the amount of solid waste the festival has to send to landfill. I've been looking after one of the composting programs with a wonderful crew of volunteers for well over a decade now, and I'm pleased to report that in 2011, even though there were more people on site at the Folk Festival than ever before, we actually reduced the total amount of garbage by 3 per cent.

Mr. Speaker, this year's lineup pays homage to 1974 by bringing back artists like Bob King, Ken Whiteley and Sylvia Tyson, who all played at the very first festival. Some of my favourite homegrown musicians are going to be performing there today: Del Barber, Oh My Darling, the JD Edwards Band and the—

**Mr. Speaker:** Order, please. The member's time has expired.

\* (14:50)

#### **PST Increase—Referendum**

**Hon. Jon Gerrard (River Heights):** Mr. Speaker, Manitobans are strong supporters of democracy and the rule of law as fundamental foundations of the society in which we live. Today, both of these are under threat.

Bill 20, which removes the democratic right of Manitobans to vote before the provincial sales tax can be raised, is an attack on the democratic rights of all Manitobans. It marks, I believe, the first time that a government of this province is removing the democratic rights of Manitobans, indeed, recklessly and needlessly.

For many, many generations, Manitobans have fought hard to preserve and enhance their democratic rights. From the very beginning of Manitoba becoming a province, the people have elected their provincial representatives democratically. Over the years, the number of people who can vote has expanded. Today every Manitoban who's over

18 years of age can participate in the democratic process.

Referenda are an important part of the democratic process. The right to a referendum on a major issue in Manitoba should not be lightly nor recklessly removed, at—as this government is doing. The rule of law includes the fundamental premise that no one and no government is above the law. Instead of acting to follow the law, today's NDP is behaving as if a central tenet of their philosophy is that their government is above the law.

The concept that governments are above the law has been rejected many times over many decades. It is not a direction that Manitoba should go. It is the slippery slope toward changes which will decrease the economic and political potential of our province and our people.

Today I speak strongly against the direction that Manitoba's NDP are taking. I believe the direction is misguided and flawed. The democratic rights of Manitoba should come first. The rule of law and the principle that the government is not above the law should be preserved.

Thank you.

#### **ORDERS OF THE DAY GOVERNMENT BUSINESS**

**Hon. Jennifer Howard (Government House Leader):** Yes, Mr. Speaker, would you resolve us into Committee of Supply. And just a reminder for the House that as for—per previous agreement, we'll be sitting until 6 p.m. today.

**Mr. Speaker:** As previously agreed, when we move into the Committee of Supply, we will be sitting to 6 p.m. this evening. And we'll now resolve into Committee of Supply, as listed on today's Order Paper.

Mr. Deputy Speaker, please take the Chair.

#### **COMMITTEE OF SUPPLY (Concurrent Sections)**

#### **JUSTICE**

\* (15:00)

**Mr. Chairperson (Mohinder Saran):** Order. Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Justice. As had been previously agreed, questions for

the department will proceed in a global manner. The floor is now open for questions.

**Hon. Andrew Swan (Minister of Justice and Attorney General):** Well, just to carry on from yesterday, I realize I'd promised that I would introduce people as they showed up at the—in the hot seat here and I didn't do that. Yesterday, Shauna Curtin, who's the assistant deputy minister of Courts came up to help out with a few answers and, as well, Michael Mahon, who is the assistant deputy attorney general or the head of Prosecutions, as you may know him.

The member for Lac du Bonnet (Mr. Ewasko) had asked a question about the cost of Bill C-10, and I had just started an answer. It is not an easy answer to give because, as we got into a little bit yesterday afternoon, there are a number of different drivers and a number of different things that can impact that.

There are three main concerns for us. One is that we know that Bill C-10 will result in more people wanting to have a trial and use up more court time because they fear the imposition of a mandatory minimum penalty. We know that that will put more stress on the legal aid system, and I can tell you that the question of federal support for legal aid has been a long-standing issue not just for Manitoba but for every other province and every territory across the country.

Once upon a time, legal aid was a true partnership. It was funded 50 per cent by the federal government, 50 per cent by provincial governments. Over time and successive governments in Ottawa, that has been eroded. Right now the federal contribution to legal aid in Manitoba is only about 16 per cent. We've tried at various private and public meetings and in various ways to re-engage the federal government. We think they need to be at the table and make this a true partnership. Unfortunately, we have not had success.

Providing legal aid to people who face a serious penalty is not a frill. It's a constitutional obligation, and Manitoba, like other provinces and territories, is challenged to meet that. C-10 will undoubtedly put more stresses on the legal aid system.

Second area where there's a cost consequence where we need further discussions is specifically with respect to Bill C-10's impact on those who are convicted of drug offences. There was some dispute and some debate over, for example, what threshold of marijuana plants should result in a mandatory

minimum sentence. I'm not going to get into the possibilities of that except to say that the Conservatives and Liberals in the House of Commons and the Senate had some very different views on that. There is a mandatory minimum sentence for somebody growing six marijuana plants. We know that there will be a larger number of people being—potentially facing a mandatory minimum sentence who may very well be good candidates for a drug treatment court that we talked about yesterday.

The Winnipeg Drug Treatment Court is a partnership, again, between the federal government and the provincial government. I've spoken to the federal government about expanding that partnership. I would like to see, and I think we have to see, given the impact of Bill C-10, an expansion of this type of problem-solving court. We need the federal government to be there as a partner.

The third concern I think I addressed briefly the other day is that Bill C-10 will make it harder, more expensive and, in some cases, even impossible and certainly longer for people to get pardons. While there are certain cases, Manitoba agrees that a more difficult process to get pardons is reasonable. For many other people, if they have done their time, if you will, and if they are able to continue life in the community without reoffending, it seems to be punitive to prevent those people from being able to move, hopefully, into or back into the workforce.

\* (15:00)

So those are concerns. There is, I think, a real risk that if people can't get into the above-ground economy, they may be more inclined to get into the underground economy which isn't really a positive for any of us. So those are three examples of concerns I have about the financial impact of Bill C-10 with respect to legal aid and to our treatment court.

I'm still hopeful that we'll continue to have a dialogue with the federal government. I'm still hopeful the federal government will reaffirm its partnership with provinces and territories. Am I optimistic? Well, we haven't had too much success, all the provinces and territories together over the past number of years, but our hope is that we can move forward down that way.

So I hope that answers the member for Lac du Bonnet's (Mr. Ewasko) question from yesterday afternoon.

**Mr. Reg Helwer (Brandon West):** Well, staying on legal aid for a little bit out of that, I'm told that the threshold for legal aid hasn't changed since 1999, and the minister intimated that the proportion-sharing agreement with the federal government has changed.

So can he give me an idea of when those portions would have changed, and from what to what they are today?

**Mr. Swan:** Sure, well, what I can do is—I've been provided with the contributions to legal aid from three sources, and it's probably useful to explain how legal aid is funded. By and large, there are three main sources. Sometimes another source can be from the clients themselves, there may be extended eligibility agreements where people pay some portion of the cost.

But, generally speaking, the three areas that are counted on is a contribution from The Manitoba Law Foundation, a federal contribution and a provincial expenditure.

The Manitoba Law Foundation, to explain it most clearly, provides the interest on lawyers' trust accounts. So, if you want a lawyer to do some work for you and you give them a retainer, the money gets plunked into a trust account which earns some per cent of interest unless it's invested in a GIC or term deposit where the money accrues to that account, the money goes to The Law Foundation which then disperses it.

House deals—if there's money that's tied up for several weeks, the trust fund interest goes to the Manitoba Law Foundation. As I know we're all aware, interest rates have been very, very low over the past number of years and usually the interest paid on trust accounts is not prime plus, it's prime minus—meaning that it's taken negotiation by the Manitoba Law Foundation even to keep it at a quarter of a per cent, or half a per cent.

So the money from the Law Foundation has been really, really low over the past couple of years. Just to give an illustration—I know the member asked about 1999. In 1999-2000, the Law Foundation grants were just under \$1.7 million. That rose for the next couple of years; it dropped in 2003-2004 because of interest rates.

There were two good years—or three years for the—good years for the Manitoba Law Foundation. In 2007-2008, the Law Foundation grant was almost \$3.3 million; in 2008-2009, it was a little bit over \$4 million; in 2009-2010, it's dropped to just over

\$2.1 million; 2010-11, it was \$766,000; 2011-12, \$886,000; and the forecast for 2012-13 and '13-14, \$750,000. The Law Foundation has actually been using up some of its surpluses to try to provide even that level.

The federal contribution, I can point out, was increased slightly back in 2006-2007, but actually has not increased since that time. To give some perspective, in 1999-2000, it was just over \$4 million; in 2000-2001, in 2001-2002, 2002-2003 and 2003-2004, it was under \$4 million in each of those years; there was an increase in '04-05 to get us to \$4.9 million; in '05-06, it went to \$5.1 million; in '06-07, it actually was reduced to about \$4.6 million. It went to \$4.8 million in 2007-2008, went to four—almost \$4.9 million in 2008-2009 and has remained below that level each year since. It was \$4,803,000 in '09-10; \$4,801,000 in 2010-2011. It was four thousand, 761 thousand in 2011-12, and the forecast, then, is for that level to stay the same.

To give you an example of how the provincial government has had to step up—now, the decrease in the Manitoba Law Foundation is nobody's fault. It's a function on interest rates and law foundations across the country and the United States, where they use a very similar system, have had that same challenge. But, with the federal contribution effectively being capped since—well, for the past nine years, the federal—or provincial contribution has gone up from \$18,519,000 in 1999-2000—I'm sorry, \$11,088,000 in 1999-2000. It has risen—just to give an example, in 2005-2006, it stood at \$14,116,000; by 2009-2010, the provincial contribution had risen to \$18,227,000; the next year up to \$18,823,000; twenty-one—2012, \$22,252,000 and the forecast is those numbers will continue.

So, to put it in perspective, back in 1999, the Law Foundation and those small amounts of money we were getting from clients was about 18 per cent of Legal Aid's funding sources, the federal contribution was 22 per cent, provincial expenditure, 60 per cent. The final estimate for 2013-2014 has the Law Foundation and clients supplying 7 per cent of the revenues, the federal contribution—I stand corrected—now down to 15 per cent of Legal Aid costs, and the provincial expenditure is now 78 per cent of the costs of Legal Aid.

So I think you can understand the challenge that Manitoba has. Again, providing criminal legal aid is not a frill; it's not a choice; it's a constitutional obligation. And, even if there were choices made to

try and restrict legal aid coverage, judges can actually order that coverage to be provided elsewhere, in many cases at a greater cost. So this is a very serious issue for Legal Aid. Legal Aid has tried to manage its expenses as much as it can.

We've also done our very best not to reduce coverage for family law services. Civil legal aid is not a constitutional obligation. Some provinces have chosen to cut family law services. That is something we've been able to avoid doing, because we think it's important that that be there for people. But I can tell you, it is a—it's a huge challenge for Legal Aid Manitoba and for the Department of Justice.

**Mr. Helwer:** Mr. Chair, is it possible to receive a copy of that document or for the minister to table it?

**Mr. Swan:** Yes, look, we'll just make sure there's nothing on there that could pose a problem, but the types of numbers I've spoken about—either I'll give him this document or some reasonable facsimile of it with the real numbers. That's good.

**Mr. Helwer:** Mr. Chair, with respect to legal aid, is it fairly consistent in terms of geography where the majority is dispersed in terms of Winnipeg, Brandon or other areas? Can you give me a proportions over the years of the usage?

\*(15:10)

**Mr. Swan:** Legal Aid Manitoba offers the same services to all Manitobans, wherever they may be, so we don't really have a breakdown. I think it's obvious that the majority of the funding for Legal Aid Manitoba is expended on clients who live in Winnipeg. The second largest would be those who live in Brandon. We can't really give a breakdown, but it's fair to say that the provision of the actual expense of legal aid is more or less going to be proportional with the population across Manitoba.

**Mr. Helwer:** Is there—in terms of awarding legal aid, if you want to call it that way, or qualifying for it—is it a first-come, first-served type of basis as we go through the year, or do you have any criteria for how you dispense?

**Mr. Swan:** No, there's no cap, if you will. I mean, Legal Aid is required to balance its budget, but when somebody comes in with a criminal law problem there are two questions. One is, are they financially eligible to receive legal aid coverage, and is it the type of case, are the consequences such that would give rise to legal aid coverage? And, if somebody meets those two conditions, they will be

entitled to get legal aid. Again, it's not a choice, frankly, because if an individual is refused legal aid, they may very well be granted legal aid by—or be granted counsel—by decision of court.

There's a case called Rowbotham from several years ago which provides that somebody can make an application to a judge even if they have been denied legal aid for what may be believed to be a valid reason; judges can actually still order legal assistance to be provided. And one of the challenges has been that it's not necessarily a lawyer at the legal aid rate. It's not necessarily a lawyer known to—that does legal aid work, and sometimes the cost to the Department of Justice can be more than if the person had been covered through Legal Aid.

That is the reason we brought in a bill, which, I believe, has been sent to committee. I believe it's one of the handful that's cleared second reading, maybe. Maybe it hasn't. Maybe it's still in second reading. The intention of that bill is to manage those costs, to make it clear that if there is a Rowbotham—successful Rowbotham application—meaning that Legal Aid has determined somebody is not eligible, but a judge has decided that they are—their legal costs will effectively be managed in the same way and at the same cost as if it was a Legal Aid case, which is a management solution for the Department of Justice to make sure that, as much as possible, there's a control on those costs.

So there is no cap. We don't run out of Legal Aid at any point in the year. But, if Legal Aid looks like they are going to be over the amount that's been allocated, they will come in during the year and make their case for more money.

**Mr. Helwer:** That was kind of being—going to be my last—next question about whether you had to apportion more into it. So you've answered that one.

But more on the Rowbotham applications, have there been changes in numbers over the past several years? Can you look back, say, five years, and is there a—can you tell me if they've been going up, going down, staying level, what the numbers were over the last couple of years?

**Mr. Swan:** You know, we don't really track the actual raw number of the successful Rowbotham applications. Anecdotally, I'm told the number is likely fairly steady, maybe slightly increasing, which, I suppose, makes sense if—well, probably slightly increasing. But, of course, the costs of that are continuing to be a driver, and that's why we

introduced the legislation and why we're hoping it'll be passed in due course.

**Mr. Helwer:** The minister mentioned criminal versus civil legal aid, and what type of proportions do we see in terms of those mixes for the years in the last couple of years? Do you have increasing in criminal or staying static? And—

**Mr. Swan:** Sure. I have been provided some raw numbers of the legal matters issued—or open cases, if you will—and I can give a comparison, 2011-2012 and 2012-2013. For 2011-12, the number of criminal adult cases that were opened, 16,885; criminal youth, 3,682; family, 5,729; and other civil matters, just 191. In 2012-2013 criminal adult, 18,495 cases opened; criminal youth, 4,160; family, 5,779; and civil matters, 209.

**Mr. Helwer:** Thank you. So for—through you, Mr. Chair—for further clarification on this, so are these numbers total numbers of civil youth in our court system or are these that qualified for legal aid?

**Mr. Swan:** These are Legal Aid files opened.

**Mr. Helwer:** Well, then, drawing from that, do you have total numbers for those in our court system?

**Mr. Swan:** To—just to clarify, are you asking for the total number of Legal Aid files opened or the total number of court files that are opened whether there's Legal Aid coverage or not?

**Mr. Helwer:** Yes, total numbers for court files opened that—you told me the Legal Aid numbers, and can you give me the breakdown of total criminal, total youth, total—

\* (15:20)

**Mr. Swan:** The answer isn't quite as easy to give, so what I'm going to do is give you the one clear answer that I can, and then talk a little bit about some of the challenges, and then, perhaps, we can settle on the terms of what I can provide.

The easiest place to answer this question is with the Court of Queen's Bench, which is Superior Court, federally appointed judges. They track the number of new files opened, which would be similar, although not identical, to the way that Legal Aid would keep track of files.

Having practised family law, let me give you an example. If there is a person that comes into my office and—that wants assistance. If I'm doing it on a legal aid basis, I will apply for legal aid on their behalf, and then I—that would be a Legal Aid file

opened that may or may not result in a court file being opened if there's ever anything filed in court. But, if there is a court filing, generally speaking, one case would have one file number, but not always.

So, with that caveat, for 2012-2013, the number of new files open in the Court of Queen's Bench in Winnipeg was about 17,300, and in the regions was 3,400. Those would include criminal cases that wind up in Queen's Bench. That would include family cases. That would also include things like probate, where somebody, because there's real property, perhaps there's some other reason why it needs to be probated, that would count as a court file.

If there's a small claim case that is appealed—*[interjection]*—if there's a small claim case which is appealed to a Queen's Bench judge, which requires lawyers to put on their robes and have a full-blown trial for a relatively modest amount of money, that would count as a Queen's Bench file.

The numbers are not calculated the same way in the Provincial Court, so what we will do is try to find a roughly comparable measure and try to get you an answer on how many cases begin in the Provincial Court each year.

And, as well, there will be a much smaller number of cases which go to the Court of Appeal. It's a—that number is probably not that difficult to ascertain so we'll try to find that as well. It will be a very, very small fraction of the number of cases in the Court of Queen's Bench and Provincial Court.

So I've got one clear answer for you; the other two parts are just going to take a little bit of work. And, again, we'll—when we provide the information, we'll just probably give a little bit more explanation as well because I don't want to mislead you.

**Mr. Helwer:** So, staying on the legal aid, when I look at the Estimates books—can't even speak today—page 67 is the subappropriation section. If the minister can explain to me a little bit about what I'm looking at here and other expenditures in terms of fees for the private bar, community law centres, public law centres. Are the fees for the private bar what we would say is dispensed to pay for legal aid for clients? Is that that line item? Is that where I would find it or is it somewhere else?

**Mr. Swan:** Yes, Legal Aid Manitoba delivers legal services on what we can call a hybrid way. Some people who receive legal aid coverage receive their legal counsel as a staff lawyer of Legal Aid

Manitoba; other people have a certificate issued to a lawyer in private practice.

So that's why on page 67, as the member for Brandon West has pointed out, there are costs for Legal Aid lawyers; there is also fees that are paid to private bar lawyers.

So, for example, again, in on the family law side, if somebody is eligible and requires legal aid, they may have a lawyer in mind who takes on legal aid cases, and if that lawyer takes certificates, they may receive the right to have that lawyer do the work. If they don't, or if there's some other reason, they would go to a Legal Aid clinic and they would have a Legal Aid lawyer appointed for them. So each year, there's both private lawyers who receive funding through the issuance of certificates but also Legal Aid staff.

**Mr. Helwer:** So then, looking at the professional/technical line, that would be staff lawyers mostly but there would also be other entities in there?

**Mr. Swan:** Yes, predominantly, that's correct.

**Mr. Helwer:** And then, down in the other expenditures section, the cost recoveries, can the minister describe what would be entailed in that type of a line item?

\* (15:30)

**Mr. Swan:** Yes, with respect to that line item, the Cost Recoveries, as I said before there are some cases where people actually pay some of their costs for Legal Aid. So those cost recoveries would be what we would term ability-to-pay cases. I think I called it expended or extended eligibility, probably ability to pay is a better phrase for how that works.

**Mr. Helwer:** I'm not quite sure how to ask this question, but your Criminal Property Forfeiture Act has had some successes that you've been out making announcements about, and those would be people that have, I understand, convicted of a crime, or is it prior to conviction and, in any case, is there any—do we ever take too many assets away so that they have to apply to Legal Aid for support, as, I guess, the kind of the direction to go on that one.

**Mr. Swan:** Sure, well, I'm always happy to talk about the criminal property forfeiture procedure, and as the member points out, it is a very positive program. There's a lot of enthusiasm by police across the province, and we're always happy when we're able to give money to police that may be tough to get

in the municipal budgets or RCMP budgets. And, as well, the money can be used for individual victims, but also for Victim Services and other agencies that provide grants.

The criminal property forfeiture system is—actually, uses a civil process and a civil standard. So, if there is a case that the unit believes is appropriate they don't have to follow a criminal standard: proving beyond a reasonable doubt. They use a civil standard: is it more likely than not that the property is the proceeds of unlawful activity or it is property that's used in unlawful activity. Criminal charges are not necessary for that to proceed. A criminal conviction is not necessary for those cases to proceed.

There are usually—not always, but usually—two steps. The first thing that would happen is an application for seizure of property and, ultimately, an application for forfeiture of the property. If it is real property or property valued at over \$75,000 there will always be a hearing in front of a Queen's Bench judge—that's a superior court judge who's appointed federally.

If it is cash or other personal property with a value of under \$75,000, if no one contests the seizure, the taking of that money, the forfeiture can then happen without a court hearing, but if anybody objects, then it will move like the other cases, and it will ultimately be up to a judge to decide whether that test has been met on a balance of probabilities and, above that, whether it's in the interest of justice to have the forfeiture happen.

So I think what the member for Brandon West is getting at is that it is having an impact on criminal activity because we are using civil methods. We're taking away property which we believe, and which the court ultimately believes, is either the proceeds of unlawful activity or is being used.

So I can tell you that applications will, where appropriate, move along, independent of the court process. If somebody has been convicted of a criminal offence, obviously it's pretty strong evidence. The example I usually give with people is the O.J. Simpson case, where O.J. Simpson, of course, was acquitted of a criminal offence, yet was found guilty—well, was found responsible in a civil court to pay damages to the deceased's family.

So, too, if somebody is convicted beyond a reasonable doubt, that is pretty strong evidence and it's pretty likely what a Queen's Bench judge would

do if the property forfeiture went before them, although a Queen's Bench judge would always have the ability to say that a criminal penalty had been imposed over here and therefore it would not be in the interest of justice to also allow the forfeiture of the property. But that's up to the judge to decide, and that's the beauty of the system.

So could this mean that individuals' assets are frozen, if you will, before they've sent a retainer to a lawyer? That is—that is possible. I can tell you that Legal Aid Manitoba has been quite aggressive at making sure that people who are involved in gangs, people who are involved in organized crime, as much as possible do not receive legal aid coverage. Even though they may not show assets, not surprisingly people who engage in criminal activity may not be the most forthright about filing their tax returns and complying with all of the other statutory authorities.

So Legal Aid does manage that. They will deny if there's reason to believe that somebody, even if they don't personally have the assets, is part of an organization that would generally assist people with their legal bills.

**Mr. Helwer:** That leads me to another—a little bit of a line of questioning on gangs. In discussions with many of the police officers, they've yet to find anybody that, once they're arrested, actually says they are a member of the gang. None of them are, according to their anecdotal evidence from them.

So is Legal Aid, then, making a judgment prior to court in terms of whether they can—they have gang ties or not, or how would you go about doing that, denying someone that you think is a gang member legal aid?

\* (15:40)

**Mr. Swan:** Not to put too fine a point on it, but when individuals who have gang ties or organized crime ties are arrested, it's—it isn't actually always the case that they don't want people to know their affiliation. Often by their clothing, by other markers, by tattoos, by various other things they may be immediately identifiable by police as belonging to a certain organization. They may also tell police, and if they're being arrested and taken into custody, many times they realize it's probably a good idea to let the police and corrections know which criminal organization they belong to for various reasons I won't get into.

Generally speaking, Legal Aid will look at the types of charges that are laid against the person.

Legal Aid will also have the opportunity to look at the police report and the information and other details that come forward. Legal Aid does require people to provide details of their income and their assets, and that information may itself spur Legal Aid to do some more investigation before a decision's made to grant legal aid.

**Mr. Helwer:** So, then, wandering back to The Criminal Property Forfeiture Act, when the RICO legislation first came into effect in the US, or as it was moving through their various legislative bodies, there was a great deal of discussion about personal property rights and civil liberties and encroachment of that—those civil liberties by this particular act. And, of course, a lot of fear that the government would use it against opponents of the government, shall we say. And, of course, I don't believe that that has come to pass.

But, nonetheless, how would you compare our law here, The Criminal Property Forfeiture Act, to the RICO law in the US, and was it patterned at all on some of that, because it certainly predated what we have here?

**Mr. Swan:** The immediate difference is that the United States and Canada have different constitutions, which could lead to different conclusions, and, indeed, the Supreme Court of Canada had the chance to consider—not Manitoba's Criminal Property Forfeiture Act, but, in fact, the laws in Ontario. And in that case there was someone who was contesting a seizure and an application for forfeiture, saying that it violated their rights.

And I'm going to paraphrase the court off the top of my head, but what the court said is, look, we've got a system where the federal government actually determines criminal law. They decide what is a Criminal Code offence and what is not; they decide what controlled substances are. Yet, by and large, it's the provinces who bear the cost of administering justice, who, by and large, bear the cost of police, of Crown attorneys, of the corrections system. So, of course, provinces have the right to have a civil—using their powers under property and civil rights, they have the opportunity to use that section of the Canadian Constitution to operate a system like this.

What is really important to note is that there are protections in the act for people who do have legitimate interests in the property, and ultimately those interests would be determined by the court. To give—just an example, if somebody happens to be driving around rural Manitoba with \$60,000 in cash

in their trunk, together with weapons and drug paraphernalia, they are quite welcome to explain the legitimate way that they received that \$60,000. And if indeed they have probate documents that show that they were—they inherited the money a couple of weeks before and they've got a letter from their lawyer saying, here's your money, we understand you want it in cash—I suppose they could make that argument—people can come forward.

Anybody who's got a known interest in the property gets notice of the forfeiture application. That is an important thing. And third parties, who can prove to the court on a balance of probabilities that they've legitimately acquired their 'intess'—interest in the property, can get a, quote, protection order, although a very different kind of protection order from the court protecting their interests. And somebody who can show that they did everything that could reasonably done—be done to prevent their property, for example, a vehicle, from being used as an instrument of crime, will also—can also apply for and receive an order of that type.

The intention of the law is to provide protection for legitimate, responsible owners. And, of course, there's always that catch-all that's contained in Manitoba's legislation, which allows a federally appointed judge to refuse to make an order if that judge believes that's it not in the interests of justice.

So, for example, if there is an application for the forfeiture of a home—who—the other people who live in the home who may be displaced by a successful forfeiture application or the absence of any people, would be something that a Queen's Bench judge would take into account in deciding. Even though the Criminal Property Forfeiture Unit has made out the case that the house is the proceeds of unlawful activity or the house is used in unlawful activity, it's still open for that judge to decide that, even given all that, forfeiture is not in the interests of justice.

I'm just going to see if there's anything else that I should add to the question.

The other question, of course, we had administrative forfeiture that came into effect not that long ago. It's been another good step to move things ahead. When administrative forfeiture is being pursued the director of the unit has to publish notice of the intended forfeiture in a local newspaper and the director can choose to 'publiss'—publish a notice on the government's website—unless the property is valued at less than \$2,500, in which case the requirement to publish in a newspaper is waived, but

then it must be published in the government's website.

So the idea's that, if people have legitimate claims against property, there's certainly measures to state their case and to oppose both the seizure and a forfeiture, and those protections weren't built in lightly.

We acknowledge that there are limits on the ability of provincial governments to run criminal property forfeiture systems. Given that the case in Ontario which went to the Supreme Court and given the work that we do and information that's shared among the different jurisdictions, we're pretty confident that Manitoba's system is entirely constitutional and entirely appropriate. That may not stop people from making an application and trying to prevent forfeiture from happening; I guess that's not surprising.

**Mr. Helwer:** So, with the judgment on the Ontario legislation, it's rather unlikely that someone would take this to that extent—the Manitoba legislation. I mean, there's nothing stopping them, but they would likely look at the results there and it'd be a similar legislation, I imagine, so you likely wouldn't go through that process.

**Mr. Swan:** You know, we can't forecast what argument somebody would make. My understanding is there have not been any constitutional challenges to Manitoba's law. We believe that the Supreme Court's decision in the Ontario case is a strong signal that the systems generally that provinces operate across Canada are appropriate and it gives us, obviously, a good feeling that if there was another challenge, whether it's Manitoba or elsewhere, that case would be very, very important as a precedent.

**Mr. Helwer:** Mr. Chair, going back a bit to a question I had yesterday, we were talking about the Estimates book, page 77, and the Adult Corrections area, and I did ask the minister if he could break down the administration costs and I was a little surprised that he couldn't. Is there any chance that today that they could give me a better breakdown of what's contained in that \$2,931,000 line item?

\* (15:50)

**Mr. Swan:** I think the question posed by the member from Brandon West is, I think, gives us more clarity today. So what we'll do is we'll undertake to provide the member for Brandon West with a—as best we can—with an explanation of the various types of expenses, then go into what's considered

administration on page 77, that the member's pointed out, as about \$2.9 million. I think we can go back and pull together some information on that.

**Mr. Helwer:** Looking down at the notes on the bottom of that page, I see that there are two full-time equivalent positions to replace previously contracted probation services.

So that leads to the question of how many probation staff do we have that are on contract or are these annual contracts, or how do they—how are they renewed? What type of services would be contracted?

**Mr. Swan:** Sure. What has happened is that there were certain probation services work that was being done by outside agencies through our community participation agreement. For various reasons, Manitoba Justice determined that it would be better if those probation services were not delivered by individuals outside of Manitoba Justice, and it would be better if Manitoba Justice Probation Services took over that role, which is why you've had two full-time-equivalent positions added to the complement for Adult Corrections.

**Mr. Helwer:** Are there other positions in this area that are contracted?

**Mr. Swan:** Sure. Well, the positions aren't—they're not contract positions within Justice. What happens is that through a contract with a community, the probation services work is then provided by that community. And, you know, last year—or for this year, there was—in two situations, we thought it best to bring back those probation services within Probation Services, and we did that by adding the additional two full-time-equivalent positions.

**Mr. Helwer:** And in that note, in addition, it talks about operating budgets, increasing to salaries and operating budgets to address core operations pressures—pressures related to inmate population. Could the minister comment on the types of pressures those would be?

\*(16:00)

**Mr. Swan:** Well, I'll give some examples of how the expenses are pressured as inmate population grows. I mean, as the number of people that come into correctional centres increases, obviously, there's an increased cost for food. There's an increased cost for clothing. There's an increased cost for toiletries and basic goods of that type. There's an increased cost for medical services. When somebody comes into a

correctional centre, it's actually the Department of Justice that pays for their medical care, their dental care, psychiatric care, as well as everything else along that front, including spiritual, pastoral care.

As the population increases, there can be challenges for institutions to make sure that they're managing their population as best they can, which means the number of transports between institutions also increases. That's a cost that would show up in here.

So, there's a large number of examples of how each additional person that comes into a correctional centre—there's a variable cost, if you will, that gets allocated, or that's incurred, and as the numbers continue to increase, if they should, that puts pressure on the Justice budget.

**Mr. Helwer:** Can the minister give me an idea of incarceration costs over the last couple of years, a total and a cost-per-day for both youth and adult?

**Mr. Swan:** I'm pleased I can provide that information this afternoon. My staff have been able to find it in good order.

The—for the fiscal year, ended March 31, 2013, the daily inmate cost, or the per diem, for both salary and operating, as best we can figure it out, for total, for the adult population is \$174 per day. For youth in custody, the daily inmate cost, for salary and operating, is \$383 per day.

**Mr. Helwer:** Can the minister describe why there is such a difference between the two costs?

**Mr. Swan:** Some of the differences would include the following: First is that, generally speaking, in a larger institution we can drive more economies of scale. The two youth institutions, Agassiz Youth Centre and the Manitoba Youth Centre, are smaller than, for example, the numbers at Milner Ridge or the Remand Centre or Headingley.

With respect to the youth population, there is more intensive staffing. It is an unfortunate fact that many of the youth who are admitted to our correctional centres have some serious issues. They may be youth who are at risk of harming themselves or others, and therefore there's greater staffing needs.

I know that the member has children who aren't that far out of their teens, and as you know, teenagers often eat a lot more, and we do follow the Canada Food Guide to make sure that we're providing adequate nutrition for youth whose bodies are still developing.

And as well, there is more programing that's provided in our youth institutions, including school, which youth attend—I know that, of course, across Manitoba most youth are finishing their school year; there is no finish to the school year in provincial correctional facilities. School is offered 12 months of the year to try and move young people along and to make some positive differences.

Those—that's not an exhaustive list, but those are some of the reasons why you find the per diem in youth facilities quite a bit more than for adult facilities.

**Mr. Helwer:** So these would be variable costs, then, not including any fixed costs of operating the facility. Is that correct?

**Mr. Swan:** Yes, I think that that's a fair way to summarize it. The costs that I've given include the salaries and operating costs of facilities, does not include the capital—the fixed capital costs of those facilities.

**Mr. Helwer:** Is there a difference between the operating costs for men and for women?

\*(16:10)

**Mr. Swan:** Yes, there is a difference. And because I'm anticipating the next question, again, the reasons for that are—would include, but wouldn't be limited to, again, economies of scale, the women's—the new Women's Correctional Centre is small compared to a facility like the nearby Headingley Correctional Centre. It's small compared to Milner Ridge, and it's small compared to the Winnipeg Remand Centre.

Women who come into correctional centres do present with different issues. As an example, the correctional system spends more on health care for women than it does for men.

So, again, those are some examples. That's not an exhaustive list of reasons, but those would be some of the reasons you'd have a difference in the costs.

**Mr. Helwer:** So what would the difference—what would the costs be for women as opposed to men? You've given the total adult population here of 174 per day. I assume that includes men and women. And so can you give us the cost for men and for women per day?

**Mr. Swan:** I'll undertake to provide that information to the member for Brandon West.

**Mr. Helwer:** Is there a difference in cost for someone that is on remand as opposed to someone that has been convicted of an offence?

**Mr. Swan:** You know, we—the breakdown that was provided doesn't distinguish between those who are on remand and those who are convicted. So, first of all, I can't give you a breakdown on that, but I'm not so sure that there would be any reason why that those variable costs would be different. People will have the same needs and they'll have—eat the same amount of food, whether they're on remand on they're a convicted inmate.

**Mr. Helwer:** The minister indicated programming cost was part of this. Do individuals on remand have access to the same programming that someone that has been convicted?

**Mr. Swan:** Some of the programming is available to all inmates whether they're on remand or they're—they've been convicted. There may be—and it varies really from facility to facility—there may be a—well, there are some differences. There are some programs that are only available for those individuals who've been convicted, but I don't expect that would be a big driver in any difference in cost.

**Mr. Helwer:** So just to restate that: There are similar programs, or identical programs, or the same program, available for individuals on remand or in the general convicted prison population.

**Mr. Swan:** Yes, the programming offered is not identical in some respects; in some, it is. And I'll just give two examples where there—that may help to explain this.

For example, where programming is provided regardless of whether somebody's on remand or they've been convicted, literacy is something that's provided. So, for example, there is a good literacy program that's offered at the Winnipeg Remand Centre, where, of course, virtually all—virtually everybody there is on remand.

There is some specialized programming such as the sex ender—sex offender treatment program, where someone must be a convicted offender. Or, in some cases, they could be on remand, but they may already have a probation order that requires them to undergo that kind of treatment.

So something like literacy would be more generally provided to everybody. There may be specific programming based at the nature of the offence that they would have to wait for someone to

be either a sentenced offender or to have some order already in place that requires them to take that treatment or to take that program.

**Mr. Helwer:** Now I know crossword puzzles are very important, but perhaps we could have a little less discussion about them and more interest in the critical issues we're dealing with here.

But, nonetheless, are there—*[interjection]* Thank you. Are there federal inmates in provincial prisons or vice versa, and can you give me some of the numbers?

**Mr. Swan:** Yes, there's an exchange of services agreement between the—between Manitoba Justice and the Correctional Service of Canada, and I'll give a couple of different examples of how this could come into play and where appropriate, the numbers.

There are federally sentenced women who are at the Women's Correctional Centre. I'm advised that as of very recently, the number was 11.

From time to time, we may also hold parole violators: people who have been released by an order of the parole board who then get picked up by the police for a violation of their parole conditions. And, because our correctional centres are always open 24-7 and we never sleep, sometimes those individuals would wind up first in a provincial institution before they're returned to a federal institution.

We may also, from time to time, hold people who have immigration cases. They've been found in the community. The federal government is taking proceedings against them to have them deported, removed from Canada. We may, from time to time, hold those individuals pending their immigration hearing.

There may also be situations that arise from time to time based on the operational need of facilities. The federal government may ask us to hold somebody based on their own issues. And, again, there's an agreement in place that deals with the allocation and the chargeback when that happens.

\* (16:20)

From time to time, there can also be situations where provincial prisoners are held in a federal institution. I understand that there is nobody in that category right now, but, again, if there was an operational need, CSC and Manitoba Justice would work together on that, and there's a protocol in place for how that works.

**Mr. Helwer:** So the Women's Correctional Centre is new, and my understanding of it is there is a federal component to it as well. Is that correct, and how does that mix work with the provincial-federal jurisdictions?

**Mr. Swan:** Yes, there is a—an exchange of service agreement dealing with federal female prisoners who are being held at the Women's Correctional Centre near Headingley. I understand the agreement was signed back in February of 2013. The agreement provides that up to 15 federal prisoners can be held at the Women's Correctional Centre, and I know I gave the number 11. Just to confirm, the number of 11 was as of yesterday.

**Mr. Helwer:** So do those numbers, in terms of that agreement, show up anywhere in the Estimates book, or is it in—contained in another line item?

**Mr. Swan:** Yes, well I'm advised that the revenue that—that's derived from that service agreement, the revenue from Correctional Service of Canada for housing federal prisoners in the Women's Correctional Centre does not appear in the department's expenditure Estimates.

So, presumably, it shows up in somebody else's Estimates, and I, frankly, can't tell you where that is this afternoon.

**Mr. Helwer:** So I assume, Mr. Chair, that the minister can get us that information so we can pursue it in another Estimates process?

**Mr. Swan:** Yes, we can undertake to make that request and try to get the—and just so I'm clear, the amount of revenue that's coming in, and I take it the amount of revenue since the agreement was signed in February of 2013; it's a fairly short window so far. Is that satisfactory?

**Mr. Helwer:** Yes, that's satisfactory, Mr. Chair. Thank you.

Next question will be on—there's been quite a bit of not-recent publicity but past history on accidental releases and I understand that the department does track accidental releases.

And can you give me a year-to-year comparison of what those numbers would be this past year, compared to the previous few years?

**Mr. Swan:** Yes, you know, by calendar year I can advise that in 2011-2012 there were—*[interjection]*—fiscal year, there were seven accidental releases, and in 2012-2013 there were six accidental releases.

\* (16:30)

I should point out that, I mean, accidental release can come about in a number of different ways and can have a number of different circumstances. Every single instance in which somebody was released early, even if it's only a matter of hours, is included in that number. So I'm not going to talk about specific examples, but I am aware where somebody had served a fairly lengthy stay, for whatever reason they were released several hours before the end of their sentence. That was duly recorded as an accidental release and forms part of the statistics. In other cases, it may be a matter of days. We acknowledge, in some cases, it may be a matter of weeks before somebody is returned to custody.

**Mr. Helwer:** And I understand the minister can't speak about individual cases, but he could perhaps tell me if there were any violent offenders that were released in this fashion?

**Mr. Swan:** Yes, what's—what happens is when there's—when it's acknowledged that an accidental release has occurred, Corrections immediately contacts law enforcement, and Corrections will try to give the courts—or Corrections will give the best possible information to the police. The police will then make the decision on whether it's an offender for which they believe some sort of public notification is necessary. Sometimes the police will do that; sometimes they don't. Sometimes the information given is clear enough that the police have a pretty good idea where the person is heading, which, indeed, results in them being out of the facility for only a matter of hours. But we actually rely on the advice of police in determining whether the facts and circumstances of one of these events warrants the police making a public statement, and we respect that—the police and the choices they make on—in those cases.

**Mr. Helwer:** Yes, Mr. Chair, are there any repercussions or ramifications for the individuals once they're returned to custody?

**Mr. Swan:** Well, because it's an accidental release, I mean, it's—for one reason or another, there is an error that's been made, and it can be because there are different levels of court that have made various orders which may be contradictory, because even within a level of court there may be charges which are dealt with in different ways at different times. Generally, when it's an accidental release, I don't—I suppose I can't generalize 100 per cent, but it's very rarely we'd have somebody who's being released

who figures they've just gotten away with something. In many cases, it's—it would be people who have charges who, frankly, may not fully understand the system themselves, who are simply told, all right, well, you're free to leave the courthouse or you're free to leave the correctional centre.

So, unless evidence came to light—and it would have to be pretty clear evidence that somebody actually knew they were required to remain in a facility and they did something to obfuscate that or lie—it would be very unlikely that there would be any sanction that would be sought. Again, a number of these cases which happen involve fairly complex situations where there are different orders with different impacts arising at different times and being cleared by different individuals in the justice system at different points. So that's why, generally speaking, there wouldn't be a sanction against the individual who's accidentally released.

**Mr. Helwer:** There's also been some information out on warrants that were deleted by the department and the numbers that those were. And can the minister give me some information over the last couple of years about those numbers and in terms of what years they might've dealt with? I understand the—some of these warrants were outstanding for quite a while and sort of the types of issues that they were deleted for.

**Mr. Swan:** Well, it's an old question, and I can advise that the Crown has not deleted warrants since the last time that this issue was asked, which was probably at last year's Estimates.

To the contrary, of course, we have a very successful Warrant Enforcement Unit that is funded by the provincial government that gives resources to the Winnipeg Police Service and to the RCMP who have an integrated unit. Their job is to go out there and deal with individuals who have outstanding warrants who haven't complied with their responsibilities and to bring them before the court to deal with those issues.

So, no, there's been nothing further on our front and, if anything, I'm very pleased with the Warrant Enforcement Unit. In their first year or so of operations, they were able to clear about 1,100 outstanding warrants, including some people who, I think, most Manitobans wouldn't want out on the street without dealing with their issues.

**Mr. Helwer:** Mr. Chair, there's been some discussion about probation breaches and some

legislation—well, actually not legislation. I think it was a resolution that spoke to maintaining records for quarterly probation breaches. Has the Justice Department started maintaining those records yet?

**Mr. Chairperson:** Order, please. A formal vote has been requested in another section of the Committee of Supply. I am therefore recessing this section of the Committee of Supply in order for members to proceed to the Chamber for a formal vote.

*The committee recessed at 4:39 p.m.*

*The committee resumed at 5:43 p.m.*

**Mr. Chairperson:** Order. Will the Committee of Supply please come to order.

This section of Committee of Supply will now resume consideration of the Estimates for the Department of Justice. As had been previously agreed, the questions for this department will proceed in a global manner.

The floor is now open for questions.

**Mr. Swan:** I believe we were talking about probation breaches.

Again, I've been—I have not been keeping up as people have come and joined us at the head table, so I neglected to introduce Mike Horn, who is the assistant deputy minister of Criminal Justice.

Now, on the question of probation breaches, obviously this is something that we've taken very seriously, and we undertook a review some time ago at looking at Manitoba's breach policies to see whether we were in the pack, whether we were at the top end or the low end, and that review actually found that Manitoba has among the toughest breach policies or the most rigorous breach policies of any jurisdiction in Canada.

Having said that, we found that there could be some areas where that could be improved and, indeed, a revised compliance management policy came into effect back on December 5, 2011. And that revised policy is more stringent for both adult and youth offenders, particularly those who are either unassessed or who have been assessed as high risk to reoffend, and those revisions can include the addition of more rigorous enforcement criteria for the most critical court-ordered conditions. The revised policy also highlights the importance of probation officers utilizing, of course, their professional judgment

within policy frameworks and legislative requirements.

I would point out that some of the things that we've talked about in Estimates so far this year, including GRASP and WATSS, are examples where there is much greater supervision for individuals that have been identified as posing a particular risk in our communities, and as I had a chance to say the other day, GRASP, for example, has a zero tolerance policy when it comes to breaches of conditions.

And so—[interjection] Well, the member for Lac du Bonnet (Mr. Ewasko) seems to have a problem. He could have listened to the question that the member for Brandon West asked, which I'm now answering. And so programs like GRASP are labour intensive. There's a cost attached to them, but we think that it's worthwhile.

Now, in terms of choices that can be made, there are other choices that other governments have made. There's choices other governments in Manitoba have made in the past. If we wanted to reduce the number of breaches, we could do what Gary Filmon and his Cabinet did back in the 1990s; we could lay off probation officers for one day each week. I can guarantee you the number of breaches would go down, but I don't think there's many Manitobans that would think that would be a benefit for public safety.

We could lay off probation officers, as the Leader of the Opposition has called for. We don't think that'd be a very good thing for public safety. We could fail to fill positions with the hiring chill that the Leader of the Opposition has suggested. We don't think that would be good for public safety.

**Mr. Helwer:** Well, we seem to be—we were on a good bent there, I think, for a while, and questions were getting answers. Now, we seem to be getting a little more political, but the question had to do with probation breaches and whether the government tracks them on a quarterly basis as the resolution requested.

**Mr. Swan:** And as I've said, we have reviewed our policies and we've been—we're quite satisfied as we look across Canada that Manitoba has among the most rigorous, if not the most rigorous, breach policies in the entire country. We've continued to provide resources to probation services. Of course, we continue to provide services and additional resources for police so they can be out there managing individuals, and if people are not following orders, they will be breached. And, as I

say, programs like GRASP have a zero tolerance policy; if somebody breaches, there will be a consequence.

**Mr. Helwer:** So, Mr. Chair, I take from that answer that we do not track probation breaches. So how do you know if you're doing a good job or not? How do you measure?

**Mr. Swan:** Well, I'll take a look at things like the Warrant Enforcement Unit. Again, those additional resources, it's unfortunate the members opposite voted against those additional resources. I know the RCMP and the Winnipeg Police Service are very pleased with the additional resources we've given.

So, for an example, there's been 1,100 warrants that were cleared in just the first year and a half. I know that they're out there every day dealing with individuals. What's really important to recognize is that we trust the police to prioritize which individuals they should be giving more attention to. And, you know, members opposite may think that pursuing somebody who failed to show up to testify for a property offence back in 1978 is a high priority. I actually trust the police who will tell us that they actually want to be spending their time and their resources going after individuals in our communities who are currently not complying with orders and who may pose a danger.

So we think that investing in things like the Warrant Enforcement Unit, that's a wise choice to make rather than just doing nothing and having breaches simply sitting on the record forever.

**Mr. Helwer:** Can the minister inform me—tell me how many probation officers we have in Manitoba and the location of those officers, whether they be in Winnipeg or Brandon or Thompson or wherever, and if any of them are on a contract basis?

\* (17:50)

**Mr. Swan:** Okay, what I can do is I can break down the number of probation officers by the office that they work out of.

There are six probation officers who work for Restorative Resolutions, and I believe all six of them are in the city of Winnipeg.

There are 43.74 probation officer FTEs who work for the Winnipeg adult probation office. There 11 probation officers who work out 10 Midland, north of Polo Park. There are 12.5 FTEs out of the Westman office; 8—Westman is located in Brandon.

There are eight probation officer FTEs in Eastman, which is out of Beausejour. There are 5.5 probation officers out of central, located in Portage la Prairie.

Mr. Chairperson, 5.5 probation officers in Parklands, which, I believe, is in Dauphin; 9.5 probation officers for the Interlake who are based in Selkirk; 7.5 probation officers in The Pas; 11.5 probation officers in Thompson; and 12 probation officers who are assigned to the GRASP unit as well as COHROU, which is the specialized unit dealing with high-risk offenders.

As well, there are 11, I'm sorry, for youth there are 11 who work in custody support; 13 for Winnipeg youth probations; two in the YCJA unit; four in the auto theft unit and four in the spotlight unit.

Total adult probation officers, 132.74 FTEs; total youth probation officers, 34; for a total of 166.74 FTEs.

**Mr. Helwer:** So are any of these, through you, Mr. Chair, officers then contract or term, or are they all employees of the Justice Department?

**Mr. Swan:** Yes, the 166.4 FTEs, of course, are positions; that's not the number of individual employees. All of the people who fill these FTEs are employees of Justice. Justice also enters into community participation agreements on certain First Nations communities; in some cases those individuals who are not employed by Justice would provide probation services in those communities.

**Mr. Helwer:** How many individuals would be employed in those areas?

**Mr. Swan:** Yes, Justice has contracts with various communities under these agreements, not contracts with the individuals performing the work. So I really can't tell you exactly how many employee—or how many people may be doing that work in the communities that we've contracted with.

**Mr. Helwer:** Would those individuals receive the same type of training that a probation officer would that's employed by Manitoba Justice?

**Mr. Swan:** I understand that the training offered is similar.

**Mr. Helwer:** How many of those contracts does Manitoba Justice enter into? And for which—with who? And where are they geographically located?

**Mr. Swan:** Yes, we can undertake to do that. I mean, obviously, determining which communities have such an agreement is the simplest thing to do, but I will try to get more information on the other parts of the member's question too.

**Mr. Helwer:** So does Manitoba Justice provide the training for those individuals under that contract, or is it a train-the-trainer type of event, where you are sending people out that have been trained by Manitoba Justice? What is the role for Justice there?

**Mr. Swan:** Generally, the training would be provided by Manitoba Justice employees.

**Mr. Helwer:** Is there any federal funding involved in those, since they are with First Nations groups, I would imagine?

**Mr. Swan:** I'm told there's no federal money for that at all, even though these are individuals that are living on First Nations.

**Mr. Helwer:** So this is all provincially funded contractual arrangements with First Nations groups. Is that correct?

**Mr. Swan:** Yes, these are contracts with First Nations. Not every First Nation has such an agreement, and as I've said, we've undertaken to let you know which First Nations we have one of these agreements with.

**Mr. Helwer:** There obviously has been some publicity over the last year with northern justice on who's responsible, whether it's the federal government or the provincial government, for particular funding. And I know the minister's had a—somewhat of a disagreement with the federal minister who is going to pay for what or who should pay for what.

So I'm a little surprised here, that there is no attempt by the provincial government to look at a federal funding side for this, if it is on federal—federally regulated lands that are First Nations communities. Is that, indeed, the case?

**Mr. Chairperson:** Order. As was previously agreed in the House, the hour being 6 p.m., committee rise.

#### AGRICULTURE, FOOD AND RURAL INITIATIVES

\* (15:00)

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

Supply will now resume consideration of the Estimates of the Department of Agriculture, Food and Rural Initiatives. As previously agreed, questioning for this department will proceed in a global manner.

Floor is now open for questions, but I've got two very quick things. Staff are certainly welcome to come join us at the table, should they choose to do so, at this point. And I understand the minister has some answers to questions that were posed yesterday, so we'll start with the honourable minister.

**Hon. Ron Kostyshyn (Minister of Agriculture, Food and Rural Initiatives):** And these are—this is a commentary that relates to some of the questions, basically a summarization of questions that were posed by the member opposite, so I'd like to share that information with you.

So I'll begin by saying—before I start, I'd like to take this opportunity to provide further information on my critic's questions about the federal contribution to the 2011 flood compensation programs, specifically the ag recovery component.

I can confirm that the federal government has paid their share of most of the 2011 ag recovery program; that's approximately 65 million of the total program.

The federal government did not participate in some of the ag recovery initiatives, leaving Manitoba to pay for the 100 per cent of the cost of the following: the greenfeed program, the infrastructure rehabilitation and flood mitigation assistance program, livestock program for market animals.

They also only cost-shared \$30 per acre for forage restoration rather than the \$50 per acre as indicated yesterday.

The Province has also contributed a hundred per cent funding from other flood programs, and let me share some examples with you: Lake Dauphin Emergency Flood Protection Program, Lake Manitoba flood assistance for cottages, Lake Manitoba Pasture Flooding Assistance program, 2011 spring blizzard livestock mortality program, Shoal Lakes Agricultural Flooding Assistance Program, excess moisture stimulation—or stimulus program and the Dauphin River flood assistive program for fishers.

With respect to the building and recovering action plan, we continue to work with the federal

government to recoup costs associated with these programs.

At the end of the day, we anticipate the costs of the 2011 flood for flood mitigation, emergency response and compensation to be \$1.2 billion. The Leader of the Opposition is telling people that majority of this will be covered by the federal government. We just needed to clarify this, that we expect to cover approximately half of the cost of the 2011 flood.

Thank you, Mr. Chair, and that's my 'opentary' comments and I'm open for questions.

**Mr. Ralph Eichler (Lakeside):** The change, then, from yesterday, from \$69 million has now been changed to \$65 million for the total federal share cost. Is that correct?

**Mr. Kostyshyn:** That's approximately \$65 million of the total program; yes, that's correct.

**Mr. Eichler:** The programs that the minister talked about the federal government not cost-sharing in, under the guidelines laid out by the first ministers of all provinces, which of those programs was outside the guidelines laid out that all provinces have agreed to?

**Mr. Kostyshyn:** I'm assuming the member opposite would understand that when we talk about ag recovery programs, it's—there are certain programs that are in place that maybe has a certain criteria. But let me be clear on the fact that ag recovery are—the flexibility of programs with an understanding between the provincial government and the federal government where you have a very unusual circumstance cases of some agriculture circumstances that somewhat will be related to, let's say, environmental or through weather conditions that are very unusual, the understanding is that there is the flexibility to communicate with the federal government to bring forward a proposal that will deal with an unusual event that will help financially support, whether it might be a flood event or it might be unusual snow that had some devastation—as I refer to the blizzard of 2011—that may have some adverse effect. That is the flexibility

So there might be some stringent criteria, member opposite, but there also is the understanding of flexibility of addressing unusual circumstances that had some effect on agriculture.

**Mr. Eichler:** The minister put on the record, Mr. Chair, that the building action recovery committee—

recovery program, the 4-H program, greenfeed program, transition program, forage program and the—there was one other program—they were a total of a hundred and thirty million dollars of which the minister just said there's \$65 million coming back.

Which of those programs out of the \$130 million was there application made to the federal government for support dollars?

**Mr. Kostyshyn:** In the program, as the member asked about, and let me just be clear on this question. The ag recovery program which—it included excess moisture assistance, forage restoration, greenfeed assistance, transportation, forage shortfall and infrastructure including assessment, which totalled approximately a hundred and thirty million dollars. We've asked for assistance and the federal government denied a cost share on any one of those programs.

**Mr. Eichler:** On those programs, what other provinces have been—through past floods been compensated where Manitoba has been singled out as not being part-parcel of the flood agreement?

**Mr. Kostyshyn:** I don't mean to, maybe I misunderstood the question to the member opposite. But I just want to reinforce the fact that the AgriRecovery programs are in a framework. But you know what? There are certain situations that are somewhat unusual or unique—lack of a better word—that there is negotiations take place.

So, when we talk about other provinces, I guess I'm having some sense of understanding the questions—because every province, whether it's in British Columbia, might be dealing with orchard scenarios as far as the disaster go.

So I just would like maybe some clarification to answer the questions appropriately to the member opposite.

\* (15:10 )

**Mr. Eichler:** Well, Mr. Chair, whenever we're looking at the cost of a hundred and thirty million dollars that's been paid out through ag recovery and the minister comes back and says that a number of those programs were not covered by the federal government, and I'm trying to get an understanding of why they would have paid any more than the \$65 million. Is there an agreement that's in place whereby the federal government would pay more, or are they simply following the guidelines?

**Mr. Kostyshyn:** Mr. Chair, kind of playing Ring around the Rosie on this question, and I apologize for that and I'll quit—minister opposite.

What—ag recovery is a framework that is subject to the priorities of the provincial government, and the federal government, after it does the assessment on what we brought forward as a provincial government, chooses to participate or not to participate. So, basically, I hope that clarifies the question from the member opposite.

**Mr. Eichler:** It certainly does, because it boils down to exactly what I was trying to reel down and get the minister to say, and the fact of the matter is it's up to the provincial government to negotiate with the federal government what parameters want to be spent and what the priorities are of the Province. So, in other words, what we're saying is that the federal government paid everything that was negotiated to them on behalf of the Province of Manitoba, so, theoretically, there is no money owing from the federal government. There was no other request—maybe a request made but not negotiated. So, therefore, I'm more than happy to move on unless the minister wants to correct that.

**Mr. Kostyshyn:** Well, and I guess I'll refer to my commentary yesterday where you have an unusual circumstance, and I'll refer to one example where the Province of Manitoba covered a hundred per cent funding which—the prime one would be the 2011 spring blizzard, the livestock mortality, where the provincial government took the initiative to bring this program forward, budgeting \$1.5 million, and land up paying over \$6 million as an example of some of the programs. And I think when we talk about the continuation of the opportunity to provide additional financial support such as the 2011 flood into the 2012, requests had gone forward, but yet there seems to be somewhat of a resistance from the federal side to continue funding in that component.

So I do agree with the member opposite, but I think there's always room for improvement when we talk about moving forward on some supportive programs.

**Mr. Eichler:** Certainly. And those negotiations can take place, you know, at the First Ministers level, and all provinces have to agree to the changes other than through ag recovery, whereby it's negotiated with the federal government.

The decision to run cottages other than farm programs through the ag recovery program: Why

was it decided to run them through ag recovery rather than through DFA, whereby the Province would have received higher return dollars, rather than through lesser value through the AgriRecovery program?

**Mr. Kostyshyn:** If I may, to the member opposite, I just wanted to get clarification. Is that we continue to make requests of the federal government to participate in those programs, and I think member opposite is quite familiar is that we traditionally work on a 60-40 on the programming such as the ag recovery.

Now, to the deal with the last question we've brought forward regarding the DFA component versus ag recovery, I'm sure the member opposite is quite familiar, where we talk about the ag recovery programs. Those are pretty 'secific' as far as, you can't use the DFA on that component. It's strictly towards ag recovery, as far as criteria goes.

But there is the opportunity, when we talk about the building and recovery program, the BRAP, is that we've dealt with it. We're still negotiating with the federal government with trying to get a component that would be qualified through a DFA program in that particular subject.

**Mr. Eichler:** Can we have an example of a program whereby you're trying to achieve more refund from the federal government?

**Mr. Kostyshyn:** Just to give you some examples on the potential, and let me just reinform—reinforce the conversation that we are still in some discussions with the federal government to try and enhance the DFA component. But I'll give you some examples to the member opposite.

The programs under the BRAP are the programs identified as the Hoop and Holler Compensation Program, the pasture flooding assistance program, and part (b) of the agriculture, infrastructure, transportation crop and forage loss, and part (c) of the business principal and non-principal residency and temporary accommodations program. Those all may qualify under the DFA program, but we're still in discussions with the feds on that.

\* (15:20)

**Mr. Eichler:** I want to go back to the—I have a fairly clear understanding of the logic there. For the life of me I can't get my head wrapped around why typically I think things change from one program to another and from one government to another. But,

you know, when you go back to the flood of '97, most of that was, in fact, I think 70 or 80 per cent of it was ran through the DFA program, rather than through the ag program whereby enables the Province to recoup a larger portion of the cost. But, obviously, that's part of the negotiation process that the current government is under with the federal government through ag recovery and those other programs. So certainly that's a decision that, you know, has to be made by the province.

But on the 5,000 that was advanced to those 1,400 residents, claimants, in building dikes and quick protection for their homes, how many of those are asked to be refunded and how many—I don't need to know the amounts—I just want to know how many have been asked to—been refunded or a portion of and why are they being asked to refund that money?

**Mr. Kostyshyn:** Mr. Chair, just prior to the members opposite's closing comments, and I think his commentary was referring to the flood of 1997, and it made it sound like there was extra dollars kicking around at that time, where obviously there was more of a consideration of 90-10 contribution from the federal-provincial working program. And now we're in 2011 flood, in—obviously, that type of equation is definitely not there. I want to assure the member opposite if—I'm sure the Province, if they have the opportunity to enhance the 90-10 component, they would've definitely entertained that thought. So I don't have no rationale why our government would've not encouraged to work with the federal government to get a 90-10. So I guess the record be—stood. It's in the best interests of taxpayers of the Province of Manitoba to work on the 90-10 if much similar to what it was in 1997.

But I do want to go back to the original question in this time around, Mr. Chair, and member opposite. I believe the question you had was referring to the fact that what was the remaining numbers of individuals that were asked of the \$5,000 advancement. I do want to make a commentary. Within two to three weeks, we advanced \$5,000 to approximately 1,400 individuals that were affected by the flood and gave them an advance in dollars to deal with the appropriate added cost to renovate—repair because of flood damage.

As if we—as we indicated yesterday, we—approximately—have less than a hundred of individuals that we need to, I guess, have some request to those individuals to provide receipts to

justify the \$5,000. If not, we've had a number of residencies that also have voluntarily paid back the dollars that were beyond whatever receipts they had allocated.

So I think we're not far out by saying there's less than a hundred individuals that we need to have some conversations with, ask them for receipts or payback of unallocated—or unexpended expenses.

**Mr. Eichler:** I want to come back to—I thank the minister for that answer; that will help one of my colleagues that had a impact from a number of his residents, so.

I want to go back to the Shoal lakes, and I know yesterday when we were talking about the lease of the land back to farmers in the area, or the flooded out area all around Lake Manitoba, and that's to cost to the leased land.

Right now, those producers that have entered into an agreement with Crown Lands. The way I understand it, there's no defining cost for those. Typically there is a defined cost, and it's based typically on the value of the number of animal units that can be ran on that particular piece of property.

When will be able to expect the cost of this leased lands to be determined so that those producers can in fact be assured what their exact costs are going to be?

\*(15:30)

**Mr. Kostyshyn:** And here, again, I've updated information to the member opposite when we talk about the Shoal lakes. And I think there was some pending questions that member opposite was asking about, so if I could share that with the member opposite at this point in time, and I'll deal with the question that was brought up earlier.

What we do have—I think the question was referring to how many permits have been issued as far as usable land that historically had been used and now that the water has somewhat receded that the producers may be able to use it in pasture or hayable type of land.

The figure I have in front of me is 46 casual permits were issued. All that is leasable has been leased or was leased. Dispositions of assets: there were 36—26, pardon me. There are 26 files that have had buildings purchased through the Shoal lakes program and, therefore, will require disposals of the assets. Of the 26 files that require building disposal,

two files have no residencies, just outbuildings and 24 have residencies and outbuildings.

Out of the 24 residencies that have been purchased through the Shoal lakes program are in various states of the buildings' dispositions process. Mould testing is going—carried on in one house. Mould remediation of seven houses and open tender on zero houses and tender acceptance on four houses and demolition of 12 houses. So we have got 16, 23, 24 houses that are—have been tested.

So the above information only includes buildings that have been purchased and have suffered acceptance offers to the purchase. So there are potentially three more residencies and the building sites are to be purchased pending clients' decision.

So, hopefully, that clarifies the—I think the infrastructure questions that you had earlier, member opposite, and if I may, may answer the previous question to the member opposite, we are in discussions. As I indicated, the 46 casual permits have been issued. There is ongoing discussions.

What we've indicated to the lessees that we're not in the stage to finalize but we offered the lessees a range of flood. What the minimum may be and what the maximum may be depending upon whether it's classified as pastureland or hay land and the value of it. We definitely gave them a range, and I think at this point I'm with the understanding that we'll have figures in place by fall time.

**Mr. Eichler:** On the—I thank the minister for his bringing forward the number of residences that have been disposed of. One of the comments that I had, and I want to ask the department, Mr. Chair, on the tender process, why it was not advertised locally. It was advertised in the Winnipeg Free Press and I believe there was one other site, but most of the property that's been disposed of from my understanding, and I like the record correct, there was no local advertising done or no offers made or notices given for local people to buy up those residences whereby they would have been able to move them a little closer to a place rather than having to move them to Winnipeg or wherever else they got moved to. I have no idea, but what's the policy on that?

**Mr. Kostyshyn:** As I indicated yesterday, as you're quite familiar, the CLPA organization was involved in the subcontracting—lack of a better word—when we talked about the dealing with the assets and removal of the property and advertising of the property.

I don't have an answer on their behalf at this point in time, to member opposite, but definitely we could somewhat entertain the question if you need clarification on that.

I would assume that interested parties that maybe previously lived in there would have had some knowledge that—where the residencies, or the potential—I think we all live in enough small towns that we know the word gets around a lot faster than MTS or CTV news at times, through the coffee shops. But, to be honest, I don't really have an answer for the member opposite, but I definitely will provide the information if requested.

**Mr. Eichler:** Yes, Mr. Chair, I would like to get that information.

Also, out of the 69 that's been bought out there's still seven that's outstanding. How many of those have residences on them—that are outstanding? Once you've already done away with 24 of those, how many residences are left and what is the process that's going to be followed to dispose of those buildings and assets?

**Mr. Kostyshyn:** I guess I'm reading into the question. So point of clarification to the member opposite, when—to our understanding, there's three more residences and building sites to be somewhat—to be dealt with.

And I'm sensing the question is that, will the purchasers have an opportunity to have some negotiations? I definitely would encourage that, and if it means to benefit, we will have some conversations with CLPA organization to encourage the dialogue as we move forward in dealing with the remaining residencies.

As I indicated earlier to member opposite, we had—there was 26 on file. We've dealt with 24. So that may leave two files that have no residencies, and three that do have residencies. So I'm assuming that's the discussion piece the member opposite is asking about. And we'll encourage that dialogue to continue through the CLPA organization.

\* (15:40)

**Mr. Eichler:** On the buyouts, in regards to the land and the buildings that were purchased, the tax portion that was outstanding, because we know and understand that any time a purchase goes through, a portion of that year is—the taxes are withheld and then paid for by the new buyer, or the new owner, so which is now the Province of Manitoba.

On the tax arrears, how much is outstanding and when is that money going to be paid to the RM as outstanding taxes?

*Mr. Bidhu Jha, Acting Chairperson, in the Chair*

**Mr. Kostyshyn:** Thank you for the question, Mr. Member Opposite. We don't have that information in front of you—in front of us at this point in time. We tried to get some information regarding that but, I guess, traditionally, it's without saying is that once a negotiation settlement has taken place, then it would be a natural occurrence that the Province would be responsible for the taxes and everything else ever since then, so I—unfortunately, I can't provide that information with you as far as when and how much, but I'll gladly relay that to my contact in CLPA and in getting the information from them, and can forward it on to you in the near future.

**Mr. Eichler:** Yes, as the minister knows, being a past reeve, taxes are a very important part of maintaining and running a municipality, and on behalf of those RMs I know they've been hit hard, and not only losing a large portion of their tax base, but to not have the tax dollars they're normally used to. So I take it, then, the department will not only pay the tax arrears, but also be responsible for covering the penalties for late payment on those as well and, hopefully, they can receive those payments in a very timely manner, not only to give the RM the opportunity to have those tax dollars put to work, which I know they need, but also look forward to getting the revenue in a very timely manner from the department.

**Mr. Kostyshyn:** Yes. I have fond memories being reeve and councillor for 20 years in a municipal government and, yes, I think we all have our challenging times, regardless in what position we're in government. Definitely, in the municipal perspective, yes, we, the municipal government—oh, I'm sure all of them have their challenges moving forward.

But I would reaffirm—not familiar with the information regarding the CLPA's jurisdiction of the administration moving forward in our department in the government of Manitoba, but I would sense that there is a strong partnership between municipal governments and the Province of Manitoba, and we will work together in partnership to address the circumstances that, unfortunately, the flood has created for the entire province of Manitoba. And municipal governments were definitely part of the financial hardships that we had to deal with. So I will

provide the information whenever we can towards you. Thanks.

**Mr. Eichler:** Mr. Chair, just to—my final question on the Shoal lakes' lease for today. I'll put that preamble on there.

In regards to the staff that worked on the Shoal lakes' buyout, my understanding is there are a number of staff that has left the department since the Shoal lakes' buyout started. How many of those staff have left since the buyout started in 2011 in the—on the Shoal lakes' issue alone?

**Mr. Kostyshyn:** On behalf of CLPA, I can't speak on their behalf because they're, you know, they're involved in a number of programs. So I would reminisce to say that I would have an accurate figure, but I suppose that information is accessible if we need to investigate that. But, from the MAFRI side, we've had—one individual has retired since being involved in Shoal lakes investigations.

**Mr. Eichler:** How many staff have left the Teulon GO office in the last two years?

**Mr. Kostyshyn:** To our knowledge, we have knowledge that from the Teulon office, we've had one individual retire from the Teulon office.

**Mr. Eichler:** Ready to move on. Spring blizzard mortality: The minister has referred to that a few times, and we have a few questions on that. How many claims have been paid out to date?

\* (15:50)

**Mr. Kostyshyn:** Current status under the Manitoba blizzard—spring blizzard livestock mortality assisted program, there was 1,321 applications totalling 6.6 million in compensation to livestock producers.

*Mr. Chairperson in the Chair*

**Mr. Eichler:** How many claims to date that have not been paid out?

**Mr. Kostyshyn:** To my knowledge, and staff reaffirms it, it's a hundred per cent been paid out. There is no—to our knowledge, there is no outstanding applications or claims.

**Mr. Eichler:** Mr. Chair, in regards to the 1,321 claims then, and the total cost of a \$6.6 million—there was no federal dollars reimbursed on that particular program.

I just want to ask, out of those number of claims, the 1,321, was part of those—obviously, out of the 1,321, what general area was they—were they from?

Or was there a defined area whereby the 1,321—or was it provincial-wide—I know that, but was there a—I mean, like the minister had pointed out earlier, there was a number in his area, but it—was there a pacific area that—where we can track a pattern, to try and protect for in the future?

**Mr. Kostyshyn:** Regarding to the question, out of the 1,321 applicants, it was really—it was primarily available for the entire province, but obviously the concentration of the stow—or the storm event was kind of primarily focused in the southwest area—geographic area of the province of Manitoba, to my understanding.

So, you know, given the severity, I think the movement of the storm was primarily in the southwest area of the province of Manitoba.

**Mr. Eichler:** That was a tragic year for as far as the beef industry's concerned.

How many head did that represent, the 6.6 million?

**Mr. Kostyshyn:** The numbers that we have in front of us, was about 12,000 livestock losses were claimed in the province of Manitoba—which it was only pertaining to—which included 600 purebred livestock losses, as well. So there definitely was a component to—various components of the program.

I'm quite sure the member opposite's quite familiar with how it was broke down, and I think a credit to the Province of Manitoba and the staff given the consideration of the additional cost of purebred livestock, there was the—an added benefit for them to make that claim and justify the claims, as you all know, that usually get registered to purebred papers with the livestock you got. And, if you happen to have them in place and you can prove by the tattoo or the tag, you would be eligible for additional cost or additional rebate of—because it was a purebred animal.

**Mr. Eichler:** The pasture days pilot insurance program, could we have an update on that?

**Mr. Kostyshyn:** Thank you for the question to member opposite.

And, first, I want to do a little bit of bragging rights on this one. It's basically, as indicated, this is a pilot project in the province of Manitoba, and it's unique to the province of Manitoba. And it—basically it's, as the member opposite can appreciate, it's a protection of them against excess moisture or a

drought, when we talk about the pilot project and making changes.

So to kind of more focus on the—where we're at, the—we're in our third year. We've—we had 57 designated areas in 2012 and now we're—we've moved up to 82 in 2013, which we've opened up another area picking out the Dauphin and Neepawa area. So a number of individuals. And the reality, I—you know, when we talk about pilot projects, those are big experimental farms—lack of a better word—to see—just talking to producers and talking with staff how we feel as government when we can make changes in it and bring forward a kind of an insurance program, base program, as you can appreciate, and it's always a challenge.

\*(16:00)

So as—with the pilot moving forward we want to make changes and we're looking at different approaches. So it's a true testament of a pilot project how we can move forward. And I know, just being involved in conservation districts for a number of years—to the member opposite—and if I can elaborate on the underlining word of pilot projects, is the reality of—unless you have a pilot projects and do tours and information sessions and let the individuals actually see it with their own eyes, and I often refer, kick the tires on some of that kind of projects, it becomes the greatest asset of education for what the main intent is.

But sharing of ideas and open 'transparency' with the producers out there to better move forward, with the government staff how we can improve the system. But at the end of the day, the intent is to provide some form of insurance coverage that's fair on both sides of the equation.

**Mr. Eichler:** Would the—Mr. Chair, would the department 'clare' to give us an update on the payouts on that particular program? As far as the claims versus the income, what's the net cost or loss in the program, the way it's currently set up with the 82 that—or the 57, whichever one he have the current numbers on.

**Mr. Kostyshyn:** For the records, obviously, we're into 2013. We don't have that information 'til probably late this fall. But, in 2012, the premium of \$39,600 which was a three-way partnership—we're talking producer, provincial government and federal government in the \$39,000—it was \$39,600 premium, and the payouts of the program tallied \$88,500 in indemnities.

**Mr. Eichler:** Is there a clear indication at this point—seeing the growth from 57 to 82, obviously, there's a desire to see that program moved forward on a ongoing basis. Is there a recommendation coming forward to ensure this program moves forward in the—in long term?

**Mr. Kostyshyn:** Obviously, you know, we're—we've expanded the area and—as my earlier commentary is that we're continuing to dissect the pilot projects and, at this point in time, we're moving forward. We don't know what the magic number of years is going to be, member opposite, but we definitely, in our department and staff, definitely feel the need that we need to move forward with some comfortable calculations and some protectionism.

As we talked about in Growing Forward 2, it was pretty evident when we were in negotiations in Growing Forward 2, and talking with producer groups organizations that insurance should be the first line of defence, and as crop insurance is involved in this, we felt the need to continue to work forward, and that's why we continue to work with pilot projects. And, hopefully, somewhere we can find the comfortable mix to provide the insurance-based program and still make it somewhat attractive or financially supportive from the three levels that contribute towards the premiums.

**Mr. Eichler:** Can we get an update on the hay insurance program?

**Mr. Kostyshyn:** I think, being in the cattle business for 20-some-odd years of my life, and members opposite, I think can relate to this, is that the forage insurance program, you know, always needed to be somewhat addressed. And just in my consultations with the Ag ministers from various provinces, when we get together at the FPT discussions, and that has been a very centrepiece discussion when we talk about insurance, forage insurance programs, that it's a challenging one.

\* (16:10)

I do want to share this with members opposite. In the Growing Forward 2, we've had a long discussion on that, and that is one of the things that Growing Forward 2 is surely being discussed and shared with other provinces. How can we put together a template of an insurance program that is fair to the producers, fair for the insurance company—or new crop insurance, as an example—that can afford to pay for these kind of programs?

And it definitely has its complications, but I want to ensure members opposite, that staff—and our wish is through Going Forward 2, that we will have something in place in the near future for forage insurance. And that's—that comes with the blessing of the Manitoba Beef Producers, you know, working in 'transparency' as far as co-operation of sharing of ideas, and also the Manitoba Forage Council organizations.

We definitely believe that we can have a number of stakeholders talking about the program, and hopefully come with the—a rightful solution without jeopardizing a subsidy that could be somewhat, you know—becomes a trade embargo issue. But we definitely are in consultation.

But the new program that we're talking about, forage insurance or hay insurance, we're looking at a new program that will become active in 2014. And we're putting the final details together for the program.

And I think, if I can somewhat put it in a little bit of a different perspective based on historical programs, we're going to try and make it more individualized as far as individual coverage, rather than maybe making it an area coverage. And maybe—my sense is that we're looking at—it's kind of like an IPI program. If you were into crop production, if everything's based on your own self-assessment—so we're kind of maybe looking at that possibility, rather than the area coverage.

So those are some of the things we're discussing about right now. And I do want to make the members opposite quite aware, is that Minister Ritz and I talked about this quite regularly, that we need to have some type of a program that would be reinforced through a—circumstances around the Lake Manitoba, for example. But these are the insurance programs that we need to have. In all fairness, if one commodity's got some type of insurance program—and we need to reinforce it being an even playing field, when we talk about agriculture.

And as I did say earlier, that it definitely is a discussion in Growing Forward 2. And insurance based—this is definitely been echoed numerous times by all factions of governments, federal and provincial.

**Mr. Eichler:** How many producers are in the program now?

**Mr. Kostyshyn:** Manitoba Crop Insurance, you know, has been an excellent organization for the producers of the province of Manitoba. Not only

from the grain sector, but also, you know, we're working, as I said earlier, towards a forage.

But I think it's safe to say, presently, in comparison, from the crop perspective, we have over 90 per cent of eligible cropland in hay-crop production is covered through an insurance component. And the forage, which is truly alarming, but we're working on that. It's anywhere from 10 to 15 per cent of eligible forage land, is only being insured at this present time. So that's why we need to have the pilot projects and move forward on providing some form of equation that can make it insurable.

**Mr. Eichler:** My question was the number of producers that's currently in the hay insurance program

**Mr. Kostyshyn:** Basely to, kind of—I can't really give you a, member opposite, I can't really give you an exact number, but I do know that, based on other provinces across Canada, it's pretty well unanimous as far as 10 to 15 per cent of eligible forage producers are in the insurance program, but in our province of Manitoba we can't give you an exact number, but we're looking at approximately 1,500 to 2,000 individual producers are involved in the forage insurance program.

**Mr. Eichler:** Those hay producers that were flooded out in 2011, are they eligible now for the hay insurance program, or how long is the wait period for them to be able to buy insurance on that land that has been under water?

**Mr. Kostyshyn:** Yes, we're, you know, we're working on the insurance programs and, obviously, as I indicated earlier, new programing coming into effect for 2014.

You know, given the circumstances of certain forage fields being affected by excess moisture, we did have a program in place for forage restoration and there was a sufficient amount of dollars that were paid out in that component of it.

But also, when it comes to insuring a crop or forage crop or hay crop, basely one of the criteria is that you need to have some form of a crop in place in order to cover it. In event where there is no *[inaudible]* of a crop that exists on the surface, then it's somewhat becomes challenging to insure a crop that no longer exists anymore. So—but that's, you know, one of the criteria that we're working that in discussion with Minister Ritz of circumstances that we need to have some insurance-based programs that

will provide some continuing insurance coverage in events that are somewhat unpredictable.

\* (16:20)

So we're still in consultation. I look forward to some good discussions on Growing Forward 2 to deal with historical circumstances and make things less unpredictable down the road.

**Mr. Eichler:** So, basically, those folks that have been flooded out around Lake Manitoba through no fault of their own are ineligible for any insurance program as a result of being flooded out, so those folks will be without an income for some period of time to come.

**Mr. Kostyshyn:** I just want to kind of refocus on the producers that were affected in Lake Manitoba in 2011 flood. There was a forage restoration program was paid out to producers in Lake Manitoba. We had a total number of individuals of 240 claims and approximately \$6 million were paid out on the forage restoration program. So in event—example being where some property forage has been destroyed there was an automatic payout of a hundred and ten dollars per acre. Given the appropriate circumstances, they could use that dollar to re-establish the forage program.

But also there's—to the producers that are now in the process of rejuvenating some of the areas that have been affected, there has been an increase in coverage and in the program is the forage re-establishment. In 2012 the insurance coverage has increased from \$60 to \$70 an acre, and I think members opposite are quite familiar with the forage establishment program where in event the crop doesn't germinate to satisfaction or anticipated satisfaction there is coverage for that. So—and then there is, of course, insurance.

So I just want to indicate to members opposite, in 2014 there'll be a new revised—and this is all part of the discussions as we move forward in consultation with the federal government on—in moving forward on the re-establishments of the program for 2013 to assist producers.

You know, the beauty of some of the areas and the number of producers that are involved in conservation districts that we feel that might be quite helpful in being creative and innovative of accelerating some of the areas that have been affected by the flood of 2011, and staff from the GO offices are also there. So I think we're going to put together a strong effort of collaborative on ideas such

as the—such as working with the federal government. We continue to address the requests with the federal government, how can we advance some creative ideas to accelerate some of the ideas of moving forward to bring back some of the land that definitely has been flooded in unusual circumstance, so that's my answer.

**Mr. Eichler:** In those discussions, not only with the federal government but the uptake from those producers has been impacted by the flood of 2011.

What consultation have you had with those folks and programs they feel that they're going to be able to need to—in order to get those farmlands back in to where they will be insured?

**Mr. Kostyshyn:** Thank you, Mr. Chair, and I do want to answer the questions provided. Staff have been very actively working regarding the 2012 flood scenario, you know, pursuing a program resolution with the federal government to address the multi-year impact of the flood, we continue to work on that.

And I'm being repetitious on this one but I just want to reinforce that Province and the Department of Ag has been very persistent in addressing the appropriate staff on the federal side to get together and put together a program to accelerate the recovery in a designated area.

We've put together some core programs that are provided and I'll give you some examples; ag insurance provides forage insurance for tame and native hay. ag stability—support for significant margin declines and ag invest and assistance for smaller declines.

The MAFRI forage and livestock organizational horizontal team has implemented an extension initiative in 2012, April 2012, to provide producers with information needed to make management decisions during the recovery of their forage stands.

The events completed and planned are as follows: developed and published technical material for use of my clients and MAFRI staff in consultation with affected clients, April and May completed a series of 12 province-wide extension meetings, June of 2012 established four demonstration trials at MAFRI's diversification centres on receding techniques and summer tours of these trials.

We partnered with the Manitoba Forage Council in 2012 to establish four long-term, on-farm research

sites through the Lake Manitoba area of flooding to develop future recommendations for forage management.

October–November 2012, 30 extension meetings covered livestock nutrition, alternative feeding solutions and forage restoration. Eight of these meetings were held in communities surrounding Lake Manitoba and area.

November 27, 28, the ranchers forum in Brandon was another area. January the 12th to the 11, 2013, forage and beef week was also in consultation and February, March 2013, a series of 10 or more pasture-planning workshops.

MAFRI continues to assist over a hundred and thirty clients, producers detailing feed rations for their herds.

And, last but not least, Growing Forward plans are to work with beef and forage producers and industry to organize development of innovation strategy that will address the multi-year impact and restoration of the affected lands.

**Mr. Eichler:** Could we get an update on the stock or loan program?

\*(16:30)

**Mr. Kostyshyn:** I'd like to introduce a new staff person at our table, Kevin Craig, who is the vice-president of the lending institute or Lending Operations. So welcome, Craig.

To answer the questions brought forward by members opposite, as of March 31st, 2013, the number of clients is a hundred and eighty-nine and the total balance lent out is \$16,937,993.66, to be—*[interjection]* Yes, I could have just said that too.

**Mr. Eichler:** Is there any intention to increase the cap for those loans?

**Mr. Kostyshyn:** What we do presently have is the \$300,000 limit on the stocker loan. That was increased two years ago in 2011 and, basically, they—the staff review the request on an annual basis, and at that point in time make the appropriate decision whether there's a need to increase the dollar amount or not. So I think I'd be safe in saying it's an annual decision that I met with the lending institute to make that decision.

**Mr. Eichler:** On determining the criteria for increasing the cap to \$300,000, is there a performance, or what is the guideline used to base that increase upon?

**Mr. Kostyshyn:** Mr. Chair, basically we work fairly closely with the Manitoba Beef Producers, and in consultation, we have a very open discussion respecting, you know, the clientele. But it's a show of appreciation with our staff and with a producer group organization that's closely tied in with that commodity that we have an open dialogue for the betterment of the industry. So, to answer your question, we do have our close association with the Manitoba Beef Producers on this one.

**Mr. Eichler:** What's the status of the BSE recovery loans that was made during that time? I believe 2003, 2004 it was, when the bulk of them was all out. I don't think there was many after that. Could you give an update?

**Mr. Kostyshyn:** Yes, we all remember the day that BSE was announced—right?—in May of 2003, and a credit to the government to come forward to help out in the BSE scenario.

So, basically, when we—the total number of intake at that point in time, there was 1,850 clients for a grand total of \$70 million—was lent out during the BSE crisis.

Today's statistics is saying we have 413 clients still money owing, with a total of approximately \$6.9 million still owing on that.

**Mr. Eichler:** Are the interest payments being made?

**Mr. Kostyshyn:** Given the circumstances, yes, I—to directly answer the question, principal and interest payments are now being made.

**Mr. Chairperson:** As you may have guessed, a formal vote has been requested in another section of the Committee of Supply. I'm therefore recessing this section of the Committee of Supply in order for members to proceed to the Chamber for a formal vote.

*The committee recessed at 4:39 p.m.*

*The committee resumed at 5:44 p.m.*

*Mr. Dave Gaudreau, Acting Chairperson, in the Chair*

**The Acting Chairperson (Dave Gaudreau):** I'd like to call the Committee of Supply back to order.

**Mr. Eichler:** Mr. Chair, moving on from the BSC recovery loans, there was 413 that still had outstanding loans, a total of \$6.9 million. What

percentage of that—or is there an anticipated dollar amount that may be written off? Or what's the timelines in order for that to happen?

**Mr. Kostyshyn:** Thank you for the question. If I can go back on some history—you know, unfortunately, as a cattle producer myself, and the members opposite are cattle producers, the movement of the government to move forward with the BSE loan, we really have to be realistic and measure the benefits of helping producers in those crisis issues. So, when we talk about the fact that when we started off with close to \$7 million that was allocated, and when we talk—pardon me, it was 1,850 applicants in 2003 and we started off with \$70 million, and we're down to 400 and have \$7 million. I think that's relatively good.

We do have some accounts that are, you know, in arrears and I want to inform members opposite that we are working with them, at this point in time, to help facilitate the situation they're in. And a lot of times there are circumstances that nobody really anticipates, whether there is a loss of life of someone in the family and stuff like that. So those are the challenging things as we work with individuals to help them through their trying times in the BSE loan recovery.

So we don't really have a number that, at this point in time, that I can bring forward as far as the number of individuals that are in arrears.

**Mr. Eichler:** That was a long-winded I-don't-know. I'll give you another chance to make it a little quicker. On the \$6.9 million, then, or the 413, how many are in arrears more than five years?

**Mr. Kostyshyn:** Basically, we do not have anybody that's in arrears beyond five years. We're within that five-year window, and the number of people that are in arrears is 148.

**Hon. Jon Gerrard (River Heights):** I'd like to refer the minister to page 13 in the departmental Estimates, and there's a reference there to expenditures, estimates of expenditures on capital grants, which are just short of \$9 million, and I wonder if the minister could provide a breakdown on what the money will be spent on.

\* (17:50)

**Mr. Kostyshyn:** Thank you, member opposite for asking the question, Honourable Jon Gerrard.

Capital grants—manure management financial assistant programs is one of the programs, the

infrastructure development grants is the other one and then the third has the main topping is Rural Economic Development Initiatives, which falls under REDI. And I'll give you some indications of the various programs that fall under that REDI component, such as sewer and water through local government, Manure Management Financial Assistance Program through recovery, conservation districts through—and mobility disadvantages through local government, infrastructure development grants and Hometown Manitoba grants.

**Mr. Gerrard:** Yes, now how much of that would be infrastructure which would be eligible for a classification as infrastructure under the money that would be—could be allocated through the PST?

**Mr. Kostyshyn:** If I may, member opposite, can we get back to it because, you know what, other than specific type of questions, it's kind of hard to dissect the PST. So if it's okay, staff is prepared to provide some information later on to you, if that's okay.

**Mr. Gerrard:** Yes. Much appreciated.

Now would there be other expenditures, other than those listed under these capital grants which would be expenditures which would be eligible to be classified under infrastructure expenditures as they—the money for the PST could be allocated?

**Mr. Kostyshyn:** Obviously, this, you know, this question I definitely don't want to answer it, and maybe through my interpretation is somewhat not clear in the question. So, if it was all right with the member opposite, can you bring forward some questions that may be more specific, that we can somewhat relate to the reality and probably in some consultation with the Finance Minister? That we have a clear understanding, you know, not only from the Ag Department, but also with the Finance Minister? If that's sufficient with the member opposite.

**Mr. Gerrard:** We can do that, and if not, in Estimates I'll write a letter requesting that information and then you can do that in that way.

Perhaps the minister could explain why there's a \$5-million drop in capital grants program this year?

**Mr. Kostyshyn:** In the understanding with the federal government, in partnership, when we talked about—and I'll focus in on the manure management financial assistant program, which is the most noticeable when you talk about the \$5 million—it was a three-year project that was in partnership with the

federal government, and because we're in the last year of the program, that's part of the reason of the reduction. But also the uptake volume has somewhat been somewhat less attractive, so based on applications, that's why there has been that reduction.

**Mr. Gerrard:** Yes, just to—on last year's and on this year's, it was program in partnership with the federal government. Am I correct in that the \$14 million last year and the \$9 million this year, those are provincial dollars being expended or are they flow-through federal dollars?

**Mr. Kostyshyn:** Other than the programs I've identified, the only one that has the federal-provincial partnership is the manure management financial assistant program. All the other ones are strictly provincial dollars.

**Mr. Gerrard:** Yes, is—the numbers here, do they include the total dollars of federal and provincial expenditures or just the provincial component?

**Mr. Kostyshyn:** Basically, as you see here—

**The Acting Chairperson (Dave Gaudreau):** The hour being 6 p.m., committee rise.

#### FAMILY SERVICES AND LABOUR

\* (15:00)

**Mr. Chairperson (Tom Nevakshonoff):** Order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Family Services and Labour.

Would the minister's staff and opposition staff please enter the Chamber.

We're on page 86 of the main Estimates book. As previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

**Mrs. Leanne Rowat (Riding Mountain):** Mr. Chair, and I look forward to coming into Estimates halfway through the game, but I appreciate the opportunity. We still have some time to put my questions forward.

Just—I'm wanting to get right into some of the issues that I was researching and wanting some clarification from the minister on.

One of them is with regard to the southern authority board. I know that Mr. Parr had been called in to do emergency administration over at the

southern authority. My understanding, there was one board member remaining.

\* (15:00)

**Hon. Jennifer Howard (Minister of Family Services and Labour):** Yes. So there has been an ongoing discussion, I guess, about the governance of the southern authority and how best to appoint board members, and the result of that had been that there weren't enough board members to achieve quorum. I believe the number is three and the number had fallen beyond that, and although there were recommendations for appointments, they weren't able to be completed—the background checks weren't able to be completed in a timely way.

And so, on the request and advice of the CO of the southern authority, who felt that without a functioning board, without a board with quorum, that they may not be able to fulfill their mandate, she requested that I use the power that I have to put in an administrator.

So we did that. It was something that had to happen quickly, and so I asked the deputy minister to step aside from his duties as a deputy minister and go and be the administrator. He did that. It's taken longer than expected to deal with some of the governance issues to get the communication back on track with the southern authority and the Assembly of Manitoba Chiefs and the Southern Chiefs' Organization. There's good progress being made there, but I am of the view that we can't end the administration order until we're all confident that those governance issues have been worked out.

So minister—Deputy Minister Parr has returned to his job and we've appointed Peter Dubiensi, who had been a long-time assistant deputy minister in the department, had been active in Child and Family Services, had recently been the ADM for community delivery services. He is now the administrator of the southern authority.

**Mrs. Rowat:** Can you indicate to me, is he on a contract? Is there a salary contract involved, or how is Mr. Dubiensi being employed?

**Ms. Howard:** His salary is being paid for out of the department, which it would be anyways. If he had come from outside the department and was the administrator of the southern authority, we would also be paying his salary, so he just continues to draw his salary as the administrator of the southern authority, but he has left the position of assistant deputy minister.

Now we have an acting assistant deputy minister who's joining me here today, Charlene Paquin.

I should also say on this file that one of the things we were able to do was complete the background checks for the people whose names have been submitted to sit on the board. They've also been appointed to the board, and they work in an advisory capacity with the administrator as we try to rebuild the board there, build the governance structure, and improve some of the communications.

**Mrs. Rowat:** Is the new board in place, or has it—is that in the process, and, if it hasn't been structured or completely structured yet, when can we expect that to be?

**Ms. Howard:** The board is beginning to be in place. One of the things we were able to do was take the nominations that had been provided by the Assembly of Manitoba Chiefs, and in the legislation it's the Assembly of Manitoba Chiefs Secretariat—I don't know if the MLA for Steinbach has started his nomination campaign back there, but I would like some ability to hear the questions and answers.

The southern authority—we were able to move on some of the nominations that had been made, complete their background checks, so I think there are four board members currently sitting on the board. Now, because there's an administration order in place, they don't function with all of the powers of a board. They function in an advisory capacity to the administrator. The administrator is still the one that holds the final governance authority for the board.

So we hope to—right now what we're working on is a clear and transparent process for how nominations to the board happen. That seems to be where some of the process got stuck last time, and that is taking some time. But we want to be clear in the department. We want the nominating bodies to be clear, and we want the southern authority to all be clear on how the board gets nominated.

So, once that process is complete, then we will look for some names to be submitted and make sure that those people are fully vetted. And then I think there will need to be a period of time of transition, ensuring that that board has adequate training—governance training so that they can resume the authority—the governance authority for the southern authority.

So it's going to take some time. I don't have a calendar timeline, but those are the steps, I think, that

would have to happen before we're able to lift the administration order.

**Mrs. Rowat:** How often do they report to you as the minister on the progress being made? Is it weekly, monthly? Is there a framework that you use?

**Ms. Howard:** I would say they're ongoing reports or, kind of, reports as needed. There have been times when those reports are daily and there have been times when they're more of a weekly variety. But they report on an ongoing basis to me, either—I will either meet directly with Mr. Dubiński or he'll report through the deputy.

**Mrs. Rowat:** Mr. Chair, can the minister indicate to me how this situation would be affecting the agencies under the supervision of the southern authority? Obviously, if that function or that piece of the puzzle isn't complete and isn't functioning, you know, at—the way that you would like it to see, how does that then trickle down into the agencies and how they're operating?

**Ms. Howard:** Well, I think, you know, that's one of the reasons why we took this step, to make sure that the agencies weren't unduly affected, that the care of the children, the quality of service wasn't unduly affected because there wasn't a strong governance structure in place. And I think, of course, any change like this is going to affect the people who are involved, create some anxiety and some questions.

My reports are that both Mr. Parr and Mr. Dubiński in their roles as administrators were able to meet with the agencies, were able to communicate with them. I—you know, when I have heard back from the field, I think people have really appreciated that level of communication. My understanding is that, although, you know, I think this kind of change is bound to always create some anxiety, my understanding is that it hasn't affected service to children and families. That remains a priority for everybody and that, I think, as much as possible, agency directors have been brought into the discussion and are receiving good communication about how the process is unfolding.

**Mrs. Rowat:** As this seems to—based on what you're sharing with me today, governance seems to be an issue, you know, background checks are—seem to be an issue.

Could the minister indicate to me—is she confident that the agencies have good governance in place with regard to their boards? Like is—are criminal checks up to date? Are—you know, are they

aware of the governance protocol or process? Are there any—you know, when an issue arises is it being dealt with immediately?

**Ms. Howard:** I believe the authorities are well aware of the requirements for board members for agencies and they do enforce that. We have had unfortunate situations from time to time where somebody serving on the board of an agency will have an allegation levelled against them that does not make them a suitable board member for a Child and Family Services agency. In my experience, both the agencies and authority deal with that quickly and the person is asked to step aside and remove themselves from the board. So the evidence I have is that that's taken very, very seriously and people are aware of their obligations and they exercise them, and when an issue does arise, in my experience, it's dealt with quickly.

**Mrs. Rowat:** I would—I look forward to continued conversation with the minister with regard to this because, as we all know, we want to ensure that our children are safe in our province. So I appreciate the update.

The all national co-ordinated response vacancy—is that—was sort of an issue that was raised a bit ago, and I just wanted to know if the minister would provide me with an update. Is the full complement still at a hundred and sixty-five or are there any vacancies in that area?

\* (15:10)

**Ms. Howard:** I'll endeavour to get the exact numbers of FTEs for the member and what the vacancy, the current vacancy rate, is. I think it might—I think the number of FTEs may be different than what she's citing, but I want to make sure I've got the right number.

From what I understand, I think there isn't any vacancy issue at ANCR that is unusual or different than other organizations where there is just a natural turnover. From what I understand, they are able to meet their needs in terms of recruiting staff, but I'll get the fuller information for the member.

**Mrs. Rowat:** Yes, this is an issue that was raised, I think, two or three years ago. You know, it's a very significant issue because it deals with caseloads and workers in the field so I would really appreciate an update on the number of individuals in that response unit and also to—or network and also to know the vacancies that are currently in that network because it does tie in definitely with the issues of casework.

With regard to the Children's Advocacy Centre, what kind of services are being offered at that centre, and do you provide any grants or funding to that centre?

**Ms. Howard:** The child abuse centre, and I would say that this is a new thing in Winnipeg, and it's just getting up and running. It is a more common type of organization in other parts of the country, and we certainly learned from their experiences. We provide a grant just over \$300,000 to the organization. The federal government also provides some funding for which we're very thankful, and I have to say, in my meetings with the federal Minister of Justice, who's come on a couple of occasions now to tour the centre, his support for that centre and for that model is very important.

The kind of work that they do at the centre is really trying to provide a co-ordinated way of doing investigations into child abuse and primarily working with victims who come forward, and having both a central location for the victim to be able to be interviewed but also providing co-ordination among all of the people that are involved in a child abuse investigation. So the partners that work out of there include some folks from the Winnipeg Regional Health Authority. Although I think it's important to note that the actual medical examinations don't occur there, it's important that they continue to occur in a hospital setting. We also have the police that work out of there, the Crown, Victim Services, as well as Child and Family Services.

And the goal of having this kind of service set up—when I was able to go and talk to the people there and tour the facility—is that you have—you want, a victim to tell their story as few times as possible, both because you don't want to re-traumatize them with the telling of the story, but also because, in these cases, in order to actually prove a case, get a charge and get a successful prosecution, the evidence has to be as solid as possible. And, when you're dealing with children witnesses, that evidence always comes under attack.

So that's kind of the premise, is to get better service for victims and their families, to have better ability to interview and to co-ordinate that case, so you're getting the most solid evidence possible. And I think in addition to victims, they may also interview witnesses there. So, it is just—it's just starting to be up and running.

The other thing that's important that they do there is ensure documentation of evidence. They

have very sophisticated equipment to record the interview with the victim, and that is very useful. So that, for example, the Crown, instead of having to reinterview and reinterview and reinterview, they do a good, solid interview—that evidence is recorded. The Crown is able to listen to that, play it back. So, I think we'll continue to monitor their progress.

There's also—when I was there—there's a really—I mean, they've worked very hard to make it a warm and inviting place. They have a really nice family room there with games and toys. It makes a huge amount of difference for the family and for a child victim to be in that kind of environment, as opposed to a police station, or a Crown prosecutor's office, telling their story.

**Mrs. Rowat:** Can the minister indicate to me how many people are currently working out of that facility? Is it at full complement? Are there positions that are still vacant? And also, if she could indicate to me the number of children that have actually been aided by the centre, if she can provide me with some statistical information with regard to that, as well?

\* (15:20)

**Ms. Howard:** Well, first of all, I want to start by trying to explain the structure of the centre. It isn't part of government. It's a independent organization; like, it's a non-profit organization with its own board, incorporated on its own and we fund it. We're one of the funders of it, and so we don't directly hire the people that work there. The people that are currently there, I think their positions they have is an executive director, some admin support and two forensic interviewers. I believe they're still in progress of hiring those forensic interviewers, so right now the people who are doing the interviews come from the Child Abuse Unit of the police. But really the way that it functions is that all of the different organizations who touch on a child abuse investigation work together out of there, so it is a co-ordinating body, a co-ordinating centre. But having the police work out of there and do their interviews, having case conferences between police and Crowns and CFS workers, that's really the function of the organization. The people current—I think the number that have currently—as of a week and half ago, they've served about 25 children and five adult witnesses.

**Mrs. Rowat:** Can the minister indicate to me why there seem to have been a delay in the opening of that facility? I know it was announced quite some time ago and it seemed to take some time to get the

facility up and running. Could she indicate to me what exactly were the issues that were—or the challenges faced in opening up that facility?

**Ms. Howard:** I think, you know, as I said at the time, the thing that is important about this centre and the thing that is vitally important about doing the work of investigating child abuse, especially child sexual abuse, is that you get it right, and it took some time to do that. It took some time to get all the organizations that are involved to be coming together, working together, agreeing on how the centre would proceed. It took some time to make sure that the equipment was working properly so that you didn't interview somebody and then find out, oh, we actually didn't capture all of that and we have to do it again.

I think the consequences for the people who were involved—and certainly we were all anxious to get it up and running, but for the people who were involved in organizing it and in getting it started, they were really clear that the last thing they wanted was to rush to open a centre that then wouldn't serve children well, that wouldn't—where they hadn't done the work with all the partners involved to make sure there was a co-ordinated effort to investigate child abuse. The last thing that anyone would want to do is have a situation where either an investigation doesn't go smoothly, the evidence isn't attained properly and that, in the end of the day, jeopardizes a successful prosecution of a child abuse case. And so, I think, you know, there was a lot of caution in how it was proceeded. A lot of desire to make sure that they had certainty in terms of the processes and in terms of the equipment. They wanted to make sure that the facility, where it was, was fully ready.

As I said earlier, this is a situation where, you know, the furnishings and the wall colours and all those things matter. They want to make sure that they had a facility that was going to be warm and inviting for children and be comforting for families and helped to put people at ease, so that took some time. It probably took more time than expected; it probably took more time than the politician in me would've liked. But knowing that, you know, the—what rushing before it was ready could've caused, which could've been that a child abuser gets off, I wasn't willing to take that risk.

**Mrs. Rowat:** So what I'm hearing from the minister is that it was not dollars that were stalling the project, it was more standards required, training that was required. Did—was it—was there issue with, you

know, the ability to hire people with the qualifications that were required? You know, it just seems that when it was announced, you would think that, you know, some of that legwork would've been done prior to.

**Ms. Howard:** Yes, there was never a question of financial support. I think they had the financial support that they required to do what they needed to do.

I think it was a new endeavour that required a tremendous amount of co-ordination getting various organizations to the table to work on, you know, things like a constitution and bylaws and all of those things, and making sure that they were set up properly. But it has never been indicated to me that the problem was with the funding.

**Mrs. Rowat:** Wanting to ask the minister a question with regard to the new National Building Code, the new—*[interjection]* Yes, I'm sorry, I'm just sort of wanting—I don't have a lot of time, so, and these were the questions that were important to me. *[interjection]* Oh, okay, okay. I'll come back to that then. Do you want me to just continue with the question or—

**An Honourable Member:** Sure.

**Mrs. Rowat:** Okay. The classification, I know that it created some issues with residential homes and units in—and several communities—I know Brandon was one of them, I think Winnipeg has identified.

Can the minister give me an update on that change? Because I know the new classification, the new B classification, resulted in higher standards than were previously required for residential care homes and this caused delays.

And I know that in Brandon, for example, it was a significant dollar loss and homes were empty and there's, you know, always a need for residential care homes available. So I'm, you know, I'm asking the question because it's critical, I think, in the big picture of providing those supports.

**Ms. Howard:** Yes, so this, I have to share with the minister, is a very frustrating experience for me as well. And I'm going to start with a boring discussion of how the building code works.

But—so in Manitoba, and this is something I think we've got to bring forward some legislation to fix, but in Manitoba, we automatically adopt the National Building Code. And what happened here, as

I understand it, is in the discussion about the National Building Code changes, a draft was shared with our officials and the draft looked fine, so we adopted the code.

When the final code came out, there was, I think, frankly, an error made that classified those homes as institutional buildings, which they are not, right? Anybody who's visited a group home or a home for disabled adults know they're homes. They're homes like you and I live in. They make some modifications to make it easier for the people that live there, but they are in no stretch, in my view, should they be treated as institutions. That's the whole point of community living.

So we endeavoured for a time to try to work out between the building code officials and the community living officials a way to get these homes opened. It became clear that that was not working, as the member has stated. I also met with those operators who were very frustrated, who had homes ready to go, weren't open.

So what we have done is we've brought in a regulation change to go back to the old code for the next year while we try to sort out what the new code is going to be.

So I will get an update for the member but my expectation is the way is now clear for those homes to open under the previous code. The way that we ensure life safety for those homes is through licensing, so we go in and we check and we make sure that they have, you know, in case of fire, all of that stuff. What I think the desire was, was to now try to handle that under the building code, which put onerous requirements on homes.

\*(15:30)

And so we're now—what my direction was, was we're going to go back to the way we've always done it. We're going to ensure safety through licensing. We're going to take the next year and see if we can work out something that's going to be practical and sensible, and we're not going to make a change until we've got something that is practical and sensible.

**Mrs. Rowat:** I—my understanding is that it has been a year now. It would have been a year, very shortly, that this, I guess, temporary order or temporary amendment has been permitting the new care homes to open or operate. So what I'm hearing from the community is they are at a time where they're going to need further direction from the minister on this, because they are now, you know, obviously, looking

at a more permanent solution, but it—you know, or something to continue to remove that anxiety of whether the home is complying.

**Ms. Howard:** Yes, I will have to get more information from the minister on what she's hearing. I signed that regulation two months ago. So it's good for a year from now. So it should be—right now, the situation should be—and if it isn't, we need to know, because we need to communicate with the building officials in those communities—but right now the situation should be that those homes are being treated as resident—under the residential part of the building code.

And the stuff that has to do with, are they safe, or they have all fire stuff—that is being licensed under the Community Living disABILITY Services, which was the old way. That should be the current situation. That situation is in place for the next 10 months.

But I'm going to give you my commitment that it ain't going to change, under me, anyways, until I'm satisfied that the new building code is going to work for people and is not going to lead to the same situation that we've come out of.

So we put in place a year, hoping to spur some creativity and innovation. But I share your concern about that and I think—I don't believe that there was ever the intention to create this kind of challenge. It is a flaw in our system. We're one of only two provinces that just automatically adopted the National Building Code. I think that's—I understand that's something we're going to have to bring in legislation to change, so I hope to do that.

And I think this was—you know, this was a situation where mistakes were made, and probably I should have fixed it sooner than I did. But when it became clear to me that it was unworkable, I put in place a regulation to go back to the old way of doing things until we can come up with a better, new system.

**Mrs. Rowat:** I thank the minister for those comments. I'm going to share them, obviously, fairly quickly with the organizations, because it was something that was raised as a priority to ask. So I appreciate that.

With regard to residential care for persons with disabilities, I know that there's been discussion with regard to a process or a guideline that—funding guideline that has been used in Winnipeg for a number of years which was not shared with agencies outside of Winnipeg.

And I just would like to know what the minister's comments are with regard to that. Because I do know, based on the organizations that I've talked to, it's a significant amount of dollars that we're talking about, that have been missed by some communities if they would have been fund-following that funding model that others have been able to use. So I just would like the minister to comment on that.

**Ms. Howard:** Well, certainly, the area of community living has been one of the highest growth areas in our budget and I think there's another increase in this budget. And I think over the last several years, that budget has gone up by about 150 per cent—300—over 300 per cent, by about \$150 million.

What we're currently doing is we've heard these concerns from organizations, community living organizations, mostly in the rural areas. And so what we've been trying to do is meet with them one on one, kind of go through their funding agreements, go through their financial statements and try to make sure that they are getting the funding that they would be eligible for.

But I think what's also come to light through this experience, is that we probably do need to revisit the funding guideline. The one that is in place now, I think, is about 10 years old. It's a draft guideline; it's never been finalized. So we do have a situation where I don't think we have as good transparency as we should have with those agencies, but this is what you're eligible for, this is how it works.

So we've been trying to go back, kind of, one by one and work with them to make sure that they have the funding that they're eligible for, but we also started the conversation with community living organizations and advocates about a new kind of funding model. One of the things that we note is that, and this—the member will know this because she comes from a rural area—but in rural areas the organizations tend to be smaller. In the city they're very large organizations. Some of them have million—multi-million dollar budgets and so it's easier for them to be—to adjust, to be flexible, to find money to do the things they need to do. It's not as easy for smaller agencies and yet we treat them the same. So that's part of what we have to grapple with and figure out how we resolve it.

I think the other thing that we're looking at in community living is some new models of community living. We've become very accustomed in this province to there being one kind of community

living model and it works for lots of people. It doesn't work for everyone, and in other provinces are other models that encourage independence, but also gives people the level of service that they need instead of treating everybody like they have the same needs, and that's also something that we're interested in.

But I'd say we're, you know, we are making progress. We are meeting with agencies. We're doing our best to adjust their budgets, but I think, you know, what the learning from this is is that we do need another look at the funding guideline. We do need to make it more able to account for very different organizations and we need to be able to communicate that with a lot more transparency.

**Mrs. Rowat:** I agree with the minister with regard to transparency because this funding—draft funding model was not shared with all agencies and, you know, that's concerning to me because I think, you know, all of these agencies are important. All of the people that are involved, whether they be clients or whether they be workers or whether they're on the board, they're all significant and important pieces of the puzzle and, you know, we don't want to see agencies feel that they aren't being treated any less than an agency in another area of the province. And, you know, I represent an area that has several, you know, community living initiatives and community living resources, and these are major employers in our communities and they do do a lot of the work that communities rely on and respect.

And so I think when you're looking at new models of funding, some of the communities already do that. They are—you know, they do treat each individual within that agency with respect and independence. Everybody in the community respects that and embraces that.

So, when I heard that the funding model wasn't being shared with all agencies, I was very disappointed, you know, that's—and I know that the minister would be, too, or when you did find out I'm sure you would have been as well because it doesn't bode well, people put in a lot of time. I know agencies have now tried to address that by, you know, putting their centres or their, you know, their services at jeopardy by increasing wages by, you know, \$5 or \$10 or whatever it is is that they need, whatever they need to keep those facilities open and those services available for those individuals. And I'm hopeful that the minister is following what's happening with a lot of these agencies out there and

knows that some of these agencies will not be able to sustain, you know, the increase in salaries that they've put out there.

On the other side of that, the increase in salaries has actually brought staff back, has strengthened their service base. You know, the individuals that are working in those positions are making, some of them, the same amount of money they've made for 10, 20 years. And so we really need to be looking at this because we don't want to lose those services in those communities, and I've heard of individuals who are—an individual who's, you know, in his—I think he's 78 years old, moving from a rural community to Brandon because they had to close a home because they couldn't afford to keep some of those homes open.

\* (15:40)

So, when you have situations like that where an individual who's been in the community for a significant number of years—I know a 78-year-old grandmother, or my mother for that—you know, would find it extremely difficult to leave a small community and have to go into Brandon, never mind facing, you know, intellectual challenges as well and trying to, you know, you know, muddle through that.

So I see that there are several issues in this area, and I know that there's been a significant increase in the budget in that area. So I'm assuming that the \$32.1-million increase in Community Living disABILITY Services, some of that will be targeted to address the challenges that are being faced by these individuals. I don't know for sure, but I look forward to the minister explaining to me exactly how she sees this area addressed.

**Ms. Howard:** Well, we've been able to do more analysis in the last few months of some of the costs in this area and other areas where we see the budget going up pretty dramatically really. This budget has gone up almost by double-digit increases every year for the last several years. And one of the things we found in this area is that about 80 per cent of that increase is due to the cost of services increasing. Now, I was surprised about that. I thought it would be more driven by the number of people served, but it's mostly driven by the cost.

And I don't have a complete appreciation of why that is. I think some of it is because in many respects, it's a population that's aging. The member references someone who's 78 years old. Like all of us, I guess, we're all living longer and being healthier, but also as

a population ages—well, the member for Steinbach (Mr. Goertzen) better get in shape because I hear he might be running soon. *[interjection]* I've already ran. I don't got to run anywhere for another couple of years so. The—you're making me lose my train of thought you guys. So that's a concern.

We need to figure out what is driving some of the costs. Some of it is population—has more and more acute needs and, you know, some of these places where people are living are just providing—you know, they provide exceptional service, but they're providing a huge range of service and much, much more service to a client who's in their 70s than they were when they were in their 20s or 30s, so that's something we have to pay attention to. I think what we need to do—I believe that with the—it's like almost a 400 per cent increase in the budget since 1999, I believe the money's in the system and we got to figure out how better to use it, and we have to work with the people in community living to figure that out.

And some of that is going to be changing the model of community living. Some of that is going to be what I spoke about before that not—we don't have—we can't have a one-size-fits-all approach. We're going to have to have different kinds of models and we have to talk to these organizations and family members about what some of those things are. I think that we have to realize that not everybody's needs are the same and that I think probably in the current model, people's needs are being met.

Some people may not have as many needs as we think they do and we have to work with them to make sure that we're meeting their needs adequately but we're also allowing for them to live independently. The purpose of community living is independence.

And sometimes that's hard, especially for families. It's hard for families of any kind of child to make—to let them be a little independent and make some mistakes sometimes. So that's part of what we have to do. So that's kind of how I see it unfolding.

Certainly, one can always use more money, and I do accept the challenge of wages in this area. The member is correct. Part of that is, as she will know in her area of the province, we have a rural economy that is doing very well in many places, so the competition for jobs, the competition for skilled staff and the wage competition is unlike things we had seen before, and I hear that from agencies that are competing with industries that are there because of

the tremendous boom in oil and gas exploration and all of the wage competition that that creates.

So we've got some work to do there, but I think what we're going to have to do is find ways to live within the resources that we've been given, which are generous, especially in a budget that is under constraint in other areas, and that means we're going to have to do things differently than we have in the past. I think we can. I think the agencies that I've spoken to are keen to accept that challenge, but I think, you know, that is the challenge in front of us. And the members lay them out—laid them out very well.

**Mrs. Rowat:** And I agree. It's—the Community Living disABILITY Services are changing. Not only are the clients getting older, but some of the people that have been working with the clients are aging as well. And also the health-care needs have changed dramatically. So a lot of transportation costs have increased because you're going to have to travel to Brandon, and if not Brandon, Winnipeg or Dauphin to, you know, receive those services.

And so I agree that, you know, there has to be some review of the model that right now is provided for persons with disabilities living in a community living model. But I do believe that, you know, several agencies have, you know, put their centres' finances in jeopardy to address this, and I think it—they need some assurances, sooner rather than later, or those facilities will close, and then we're going to see, you know, more and more elderly individuals from these communities who've relied on these services and these people and be moved into, you know, communities or cities that they're not familiar with and just create undue stress when things can be worked through.

So I look forward to a continued dialogue with the minister with regard to this issue, 'especially' with the complex needs that are being identified by individuals and boards as well within that area.

With regard to the Children's disABILITY Services, there's a \$921,000 increase in that area, and I'm just wanting to ask the minister; she's quite aware that I have an interest in the autism spectrum disorder issue and really concerned about children aging out of the program and not being able to receive services. In the community where I live, we're very good friends with several families and have appreciated and recognized the significance of services that they receive prior to school and then through school. Some of them have gone on to—

through Special Olympics and have won, you know, international sports awards and stuff.

So we as a community embrace that and recognize the significant of that without the supports like ABA and other supports out there that aren't covered by the Province, but there are other supports. We really would like to see, you know, where this government is at with regard to how she's going to be allocating the \$921,000 because we know that there are lots of need—needs out there with regard to Children's disABILITY Services.

\* (15:50)

**Ms. Howard:** So the budget line that the member is referring to is broad range of services provided to families with children with disabilities, everything, many of which are services that families who have children with autism spectrum disorder would also use. But they're things like respite services—I think that's probably one of the fastest-growing areas within the budget—things like home and vehicle modifications that are assisted with.

We've also talked about—although I know we've had some discussion about, you know, this isn't an ABA service, but it is still a very valuable service to the parents that take advantage of it. We've added, of course, autism outreach service workers outside of the city of Winnipeg. We're hoping to do more of that so that we can bring some services to people who are outside the city. I know there will be an ability in the fall to accept 15 children into the ABA program because of the other children that will be leaving that program.

And the other thing I would say that we continue to try to work on is, with all of the systems and organizations that work with these families, when you look totally at the government spending for support for families with children with autism, it's around \$30 million, just over \$30 million. And that's found in many systems, in Child and Family Services, but also in the education system and the health-care system. And one of the things we do hear from families is a need to a better co-ordination of those services and better navigation of them and to make better use of them. And I think if we can do that, then we will be able to make sure that we're getting the resources we have available to the children that most need them and where we can make the most difference.

There is a huge demand for ABA services. There's no doubt about that. And, you know, we

continue to look for ways to meet as much of that demand as we can, working with the St. Amant Centre and the families. I note that last year we were able to increase the capacity of that program because the St. Amant Centre, working with families, brought us a proposal that, again, looked at, instead of giving everybody the exact same level of service, looking at some kind of assessment and being able to make sure that everybody was getting the right level of service. And that allowed for us to take in additional children—how many children—I think it was 43, wasn't it? *[interjection]* Yes. It was about 43 additional spaces that that was forecast to be able to create.

But, you know, it's an area that is a 'conti'—it is a program that is going to continue to be very popular. It's also a program where our support is among the most generous in the country. When you look at the cost of the program, it's about \$70,000 per child; and that, certainly, that investment is worthwhile. But it is a growing program, and it is a program where, again, we're going to have to work with everybody involved to see if there are ways that we can continue to provide good service to the kids that need it and get our resources to where they're going to make the most difference. And that's what we're struggling to do, I think, with that program in particular.

But I appreciate, is the member opposite has been a strong advocate for those families. I know she'll continue to be. And those families are strong advocates for their children, and I know they will continue to be. And we'll continue to do our best to provide as much service and as much support to those families as we can.

I think—you know, one of the things that I always do in this job is try to look around to what other jurisdictions are doing, and the truth of the matter is that other jurisdictions also have wait-lists for these kinds of programs. They're very intensive programs, and that is the reality across the country. So we have a commitment to work to reduce that wait-list. We're going to continue to try to make progress on that commitment. We made some progress last year, but the popularity of the program far outstrips the current capacity of it to take individual children. So we'll continue to work to continue to work on that.

But I don't minimize the investment in providing services, even if they aren't ABA services, to families outside the city of Winnipeg. I think—one of the things I've learned working with families of

children with disabilities is different families make different choices for different kinds of services for their children. And just as there are incredible advocates for ABA services, there are very strong advocates for other kind of autism services as well, and our role is to try to work with families and providers to make sure that all kids are getting a level of service that meets their needs, and that's what we continue to do.

**Mrs. Rowat:** I thank the minister for those comments. The reason why we bring ABA forward to the minister is that's pretty much the only program that the minister, I believe, funds, unless she can identify and share with me some of the other programs that is—are being funded by the Province with regard to autism.

**Ms. Howard:** Yes, I can get the details for the member of all the kinds of services that we fund and provide to families who have children with autism. But, certainly, some of the range of services that we provide—and again, this is across departments where services are provided—but child development services or services that those families require—home tutoring support—many of those families who use respite services that we've talked about that are necessary for families who have children dealing with disabilities, you know, those are all services that we fund. ABA is also a service that we fund.

But we will certainly check and provide for the member a comprehensive list of services that we—across the government—that we fund and provide for families of children with autism.

**Mrs. Rowat:** I thank the minister for that, but it raises something that I had raised as a question, I think, last week with regard to, you know, a detailed listing of services that are available for families so that when they look at—and when their child is diagnosed it's overwhelming. It's scary and they—what they want to do is—you know, and whenever our children are sick we want to make it—make them better, you know, and do whatever we can to make that happen. So what I've been told by many families is there's not a comprehensive list of services that are available for families who have children with autism spectrum disorder.

\* (16:00)

And I indicated that there was a—you know, a document, that's being handed out right now, is an American model or American pamphlet. And if there is something that is available that is Manitoba-made,

that would be great. And if there is, families are not being shared that information, so I look forward to that information.

But I also encourage the minister to, you know, look at ways that she can ensure that families are receiving as much information as possible, because this—what I'm hearing from families who have a child that has ASD is that it's tiring, it's demanding, it's, you know—and it's scary because they don't know how to handle it and they need support and guidance, and that's also a concern for people that are, you know, being aged out or are no longer receiving services for their child is that they're scared, they're worried that they're not going to be able to continue to provide that support for their child. So I think, if we can provide as many tools as possible to assist that, that would be great.

**Ms. Howard:** Yes, I think the member points to a need that I've been aware of and have talked about and that is the need for information, co-ordination of services, help for parents to navigate through the services that are provided, and that is certainly work that's ongoing, both with St. Amant Centre, with many of these families interact with—also with a leadership group that we've developed to help us make sure that we're implementing services for children with autism and adults with autism in an appropriate way. So we'll continue to work on that to find better ways to provide good-quality information to families, information about all the kinds of services that are available to them and assistance.

Part of also what we want to do is help families better interact with the education system. For many of these children they also receive support through the education system in terms of educational assistants who are assigned to them, special needs supports that are assigned to them, and one of the things that we know that I've heard that families are also looking for is some additional help and information about how best to work with the school to make sure that those supports are in place and that those supports are what those children need, and I think that's also something that we have been working on is better co-ordination between us and education and ability for families to interact with the schools where their children are, to work with the school teams so that they can make sure that their children are getting the adequate kind of support, but also that the family feels that they're informed and that they are also part of the team.

**Mrs. Rowat:** Thank the minister for those comments.

With regard to the leadership group, I have spoken to several members of that group and just—they agree education has to play a bigger role. I know they—I think they put in about \$100,000 into programming. I was in the Legislature when they brought in the special needs legislation and I, you know, I support the concept of that but I think that an issue that was raised during committee was, you know, there's a huge financial implication to moving forward on that legislation. We are seeing the challenges now that were identified by many people within the community with regard to that.

So I agree that Manitoba Education has a role to play. I think they have to take a stronger role in that because I think \$100,000—and not all school divisions are buying in, you know, to the need to provide those supports. Sometimes families have to fight to get those supports in their schools and that to me is, you know, just wrong because those families are dealing with a lot, as the minister knows, with trying to make sure that their child is receiving really positive care and is moving forward and then to be hitting roadblocks and challenges when they hit the school system is just not acceptable. So I think a leadership group is an excellent idea, but I think they need to be, you know, given, you know, a more clear mandate and, you know, probably, you know, taken seriously about what their ideas are and move forward of that.

So I just want the minister to comment on that.

**Ms. Howard:** Yes, it's—I'm aware of those challenges that the member's talking about that, you know, and it's not unlike any relationship between the school and parents and it's even more important when the child involved is special needs and sometimes there's really good relationships. And when it works, it works well, and when it doesn't work, it's extremely challenging. And for parents who are also dealing with all the challenges of having a child with disabilities not feeling like they're a part of a team with the school just compounds that.

So, you know, we have some work to do with our partners in education. Some of that work is communicating with school divisions and administrators in schools about what the possibilities are in terms of supports for special needs students.

Mr. Chair, I'm going to check on the hundred-thousand-dollar figure that the member referenced and find out what that is designed for. But I would say, certainly, in the education system, the amount of support going to support children with autism would far, far, far, far exceed a hundred thousand dollars. I think a hundred thousand dollars wouldn't even pay for two educational assistants. So this may be some additional funding that has been discussed and I'll look into that.

But I do think we, you know, there's more work that we can do to help families navigate the services that are eligible for—to communicate to schools, what their obligations are, to provide those special needs supports and to help make sure that there are good relationships between parents and teachers and parents and schools and parents and EAs, so those kids are getting the support they need.

**Mrs. Rowat:** Mr. Chair, thank the minister for those comments and I know that there's, you know, money going into the program but the number of children that are being, you know, diagnosed as having autism has also skyrocketed in increase. So we need to be cognizant of the fact that the children are out there, they're needing our supports and the supports aren't necessarily keeping up with the children that are out there that are requiring these supports.

Another question with regard to child and adolescent development, the Knowles Centre indicated that there are a significant number of children and adolescents with severe emotional and behavioural problems living in hotels and shelters when they have unfilled spaces in their various specialized programs which are less costly than, you know, hotels and shelters.

Can the minister indicate or provide some comment on this statement that has been made and how she's planning to address that situation, if that is the case?

\*(16:10)

**Ms. Howard:** Services for children and youth with complex needs, high needs, is a topic of conversation we got into a little bit yesterday. And certainly it is one of the most challenging parts of what we do to find the right kind of service for these children and adolescents, and occasionally we do use hotels. The goal and the mandate is to use those very infrequently, to use them in situations where you've got a sibling group and the—you don't want to split up a sibling group; to use them in situations where you

have a child or an adolescent who has very challenging needs, very specific needs, where to put them in a setting with other adolescents could cause danger to the other adolescents or to themselves. And we are working with partners like the Knowles Centre and others to see if we can develop new ways to provide programs to these youth, new ways to provide them a residential option that better meets their needs.

And part of the—you know, I—it's maybe not the best comparison, but I think sometimes in terms of comparing the child welfare system to the health-care system, and like in the health-care system, you have different kinds of services depending on how acute the need is. And so in the child welfare system as well, we have placements that I would consider almost like an intensive care unit, and they're not full all the time because you don't always need them, but they are funded because you may need them, and I think that's part of what this situation is. We try very hard to make that match between a child who is in need or an adolescent who is in need and maybe in a hotel and a place for them. We're looking at better ways to make that match more quickly. Nobody wants kids to be in hotels for long periods of time—we monitor that very closely.

And we work with organizations like the Knowles Centre and others to develop other options that can house those kids. But we also do that within the budget that we have, and sometimes those are the discussions that we have to have with organizations, that there is an amount of resources that are available. It's an amount of resources that has gone up and up and up over the last few years, but those are the resources that are available. And nobody wants a child to be in a hotel when another option exists, and so we try very hard to make those matches. But sometimes it also means that you have to specifically develop or specifically build an option for a child who has needs that are so specific or so complicated or so high that there really is no other place in the system that they can be safely housed.

So that's what we continue to work on. It is certainly a priority for our department to develop those solutions for these young people. And to develop those solutions, not only the best meet their needs, but are as cost-effective as possible. Both of those things are important.

**Mrs. Rowat:** Would the minister be able to provide me with the number of children in care based on this system with children with complex needs, the

number of children that are being placed in hotels and then also the number of children that are being placed in shelters over the last—I would say, last year's stats and this year's stats, just so I get a better understanding of how that system is working and how those children are, you know, being housed. Also, the length of time that these children are staying in those facilities, because it does make a difference, the length of time that individuals are staying in those facilities.

Also, we—she mentioned briefly, and I had touched on it, the unfulfilled spaces—unfilled spaces in various specialized programs. How long does—generally, does a non-filled space remain empty? Like, is there a timeline on that?

**Ms. Howard:** So the hotel information is provided on the website and it's updated quarterly. So that information is publicly available.

The information about shelters, we'll see what we can gather for the member.

And I guess the first thing is, you know, what's been instructive to me is to understand what we're talking about when we're talking about shelters because what we're talking about really are group homes, mainly settings for young people and children that are staffed by caring and trained people. So we can try to get some information on that. It's going to vary significantly because they are designed to be short-term placements, so they're going to vary from day to day. So what we may try to do is kind of match what—we'll get the information that we can. I think the best way to describe it would be to try to match number of children in and number of children out. I think that would give a better picture.

In terms of how long the stay is, it varies widely. I would say normally you can measure that stay in days; sometimes though, it is several weeks. And those situations—when we're aware of those situations—we ask the questions about what it is about this situation that's requiring several weeks in a temporary bed. And often times, the answer is that this might be part of a large sibling group. I think the largest sibling group I remember ever seeing was seven or eight kids who came into care at one time. Nine I'm being told. And so, if your goal is to keep those siblings together, it's going to take some time to find a place for them—to keep them, at least, if not all nine together, in groups as large as you can.

The other thing that sometimes accounts for stays that are longer, again, are children and youth

who have very complex needs for whom there isn't an available high-needs bed. And so when that happens, we work to find the correct placement for that person.

In terms of how long some of those high-needs beds are empty, again, I think that would vary widely. We do want to do a better job of matching kids and young people with placements, and so that work is also ongoing. But, again, it's, you know, the nature of it is, is that these are beds that are required from time to time, and so once you develop them, you want to keep them available; you want to keep them open.

So we'll try to get the information that we can for the member. I'm not—but I want to provide it in a way that gives an accurate picture of the way that the system works.

The other thing that I would say about the emergency placement resources, these beds that are meant to be temporary in nature, we do, from time to time, have a situation where because a child may have been in that group home for a period of time, they develop attachments with the other people there, with the staff that are there. And sometimes the question that has to be asked is, is it the—in the best interest of this young person to move them from a place where they have developed a routine and developed attachment and are doing well, to a more permanent placement, because that permanent placement is permanent, and the bed they're in is classified as temporary. Does it make sense to move that child and disrupt their life once again, or does it make more sense to let them stay in a temporary placement for a longer period of time? I think that's also part of the—part of what plays into this dynamic.

\* (16:20)

*Mr. Ted Marcelino, Acting Chairperson, in the Chair*

But, certainly, the whole emergency placement resource system is something that we have identified for some needed change, and to look for ways that we can better match the needs of kids with the beds that we have available and where we know we need to develop new kinds of placements that we are actively developing those placements.

**Mrs. Rowat:** Thank the minister for her comments.

I agree, you know, the money is tight and you want to make sure that you provide as many services and supports as avail—that are available for children

when they're in crises or when they're need—they have complex needs.

So, with regard to placement beds or, you know, emergency placement beds, I've seen with the—you know, when I was a critic for, I think it was healthy living with addictions, you know, touring different facilities and the beds being vacant and being vacant for extended periods of time when we know there's so many individuals and families that are looking for supports and beds to help their family members. So I'm encouraged to hear that that's happening. I'm still curious to know the numbers and to take a role in, you know, understanding exactly what the challenges are in moving forward. So I appreciate that.

I have another question with regard to—I'm going to be—this is flipping back to questions that were asked yesterday. There was some questions asked with regard to the standing committee for Family Services with regard to her department and making recommendations for specific areas. I'm really wanting to get a handle on, or an understanding of, of the challenges and why there are challenges in trying to meet the standards required for social work or workers within the system. Just looking at, you know, past reviews—and I agree with the minister, you know, there's reviews and recommendations coming from every, you know, every incident and, you know, it's very difficult to ensure that those, you know, recommendations are implemented. But they need to be implemented. We can't rely on changes just based on a child death or a situation. We can't use children as the means for the tools to make a better system. We have to try to stay ahead of the incidences instead of doing follow up.

So I just want to know what the role of the standing committee is, and if the standing committee's role is to ensure that standards are being met across the board and that, you know, job qualifications are being addressed. I just would like to know their role and how often they meet and does she see that as an issue that needs to be strengthened as well?

**Ms. Howard:** The—so the standing committee is—consists of the four CEOs of the child welfare authorities, as well as the director of the Child Protection branch, who's also the ADM for Child and Family Services, and, really, they meet monthly, at least. I think they generally meet for one or two days at a time, and their role is really to come together to help develop standards. They're just a place for the senior leadership in child welfare in the province,

really, to come together and talk about how to make a better system and some of that is about standards development, some of that is about sharing ideas and best practices, some of it are things that we just talked about: how do we get a better emergency placement system in place; how do make sure we're matching those beds with kids?

The responsibility for making sure that people abide by the standards really lies with the authorities and the agencies, and so the steering committee is very involved in helping to develop standards, also making sure that people understand standards. But the responsibility for insuring that people are meeting the standards is with agencies, supervisors and authorities. And what we—I think what we found useful is better training when it comes to understanding what the standards are. I think also making the standards available in a more usable way to social workers; I think they're all online now. So those are some things that have moved forward, and I think that's important and I think also having the standing committee involved in the development of the standards makes sure that those standards are applicable to the work that they're doing but also are realistic; I think that's also an important issue.

I think that, you know, we want to—the member's right, we want to anticipate where we need to do standards development work. Some of that is also reactive to recommendations that come as the result of a tragedy that occurs in the child welfare system. I think we do have in place better case management standards. We had a good discussion about that yesterday. We also have in place better tools for front-line workers to use, that gives them a more consistent approach to doing things like risk assessments and safety assessments. And we also support in place for those tools. I think one of the things that we've learned is that simply providing additional training without having that backup support so people can get trained and then practise what they've learned and go back and ask questions, that's also something that we've put in place through our leading practice specialists.

So I think updating standards, ensuring that they are implemented, ensuring that they are adequate and ensuring that they're realistic, that is an ongoing role, and standing committee plays an important part in that role, but also agencies and authorities and front-line supervisors play an important role.

**Mrs. Rowat:** I thank the minister for the comments and the support from the staff. In consideration of

moving forward with Estimates—there's other departments that have to come before the House, so I'm just wanting—*[interjection]* That would be good. Okay, I'm in. Kelvin wants to come. *[interjection]*

The minister says we can continue our conversation on a patio, and I kind of think that would be a great way to learn more about Manitoba's Family Services. But I'm going to cut this short for now, or cut it to an end at this point and look forward to learning more about the department. There are a number of issues that I've identified—the minister's indicated she's going to look into and provide me with some feedback.

So I've enjoyed the opportunity to ask the questions. So, with that, I want to thank the staff for the work that you do and all the people that work within the department. It's not an easy department to be involved in, but I think there are times when there are positives that you have to reflect back on to continue on through that department. So I want to thank you for the work that you do.

**The Acting Chairperson (Ted Marcelino):** Resolution 9.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$18,230,000 for Family Services and Labour, Labour Programs, for the fiscal year ending March 31st, 2014.

**Resolution agreed to.**

\* (16:30)

Resolution 9.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$495,539,000 for Family Services and Labour, Disability Programs and Early Learning and Child Care, for the fiscal year ending March 31st, 2014.

**Resolution agreed to.**

Resolution 9.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$432,369,000 for Family Services and Labour, Child and Family Services, for the fiscal year ending March 31st, 2014.

**Resolution agreed to.**

Resolution 9.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$136,848,000 for Family Services and Labour, Community Service Delivery, for the fiscal year ending March 31st, 2014.

**Resolution agreed to.**

Resolution 9.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,824,000 for Family Services and Labour, Costs Related to Capital Assets, for the fiscal year ending March 31st, 2014.

**Resolution agreed to.**

Resolution 9.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$137,000 for Family Services and Labour, Capital Assets, for the fiscal year ending March 31st, 2014.

**Resolution agreed to.**

The last item to be considered for the Estimates of the department is item 1.(a)—*[interjection]* Oh, 9.1—sorry—is item 9.1.(a), the minister's salary, contained in resolution 9.1.

At this point, we request that the minister's staff leave the Chamber for the consideration of this last item.

The floor is open for questions.

**Mrs. Rowat:** Mr. Chair, I move,

THAT line 9.1.(a), the minister's salary, be reduced to \$1.08 respectively.

**The Acting Chairperson (Ted Marcelino):** It has been moved by the honourable member for Riding Mountain,

THAT line item 9.1.(a), the minister's salary, be reduced to \$1.08.

The motion is in order.

The floor is open for questions or comments.

**Mrs. Rowat:** I want to put a few words while on the record. I—in discussion with the minister, there are a number of areas that are a concern. There are a lot of, you know, individuals who have raised concerns with regard to this—the child and family services system and have indicated that they need, you know, to see a stronger leadership shown from this government in the area of child welfare.

When we see a system that has over 10,000 children in care, more kids than attend school within the Brandon School Division, we know that the minister is dealing with a significant number of challenges. We see 6,200 children supported in their own homes, so we know that there are challenges in

providing supports available to those families, but we also know that each of these children deserve to have the supports in place to ensure that they remain safe in their homes and in their communities.

We know there have been a number of reviews, three reviews that were recently completed on the Phoenix Sinclair case which were not shared with staff or supervisors and not necessarily, you know, the responsibility immediately of this current minister but of past ministers who had a role to play in ensuring that front-line staff and their employers had the tools available to ensure that children were safe.

We know that the Auditor General's report outlined a more co-ordinated effort in focusing on the system failures and need that corrected through information management systems, so there are a number of things that need to be improved on within that area.

We also know that children that are dealing with complex health and intellectual issues are being aged out and aren't receiving those services, and so we need a system that better addresses that.

We have residential community development programs for individuals with complex needs, whether it's housing or services, and we know that several agencies that are dealing with children with— or families that are dealing with a family member who has complex needs in community are not necessarily receiving either a home to live in or the supports available to remain in the community, and we need to be doing a better job of that.

So I appreciated the dialogue I had today, and my colleagues had over the last few days, with regard to this department. There are so many things that are still needing attention, and we will continue to hold the government to account to that.

Thank you, Mr. Speaker.

**The Acting Chairperson (Ted Marcelino):** Is the committee ready for the question?

**Some Honourable Members:** Question.

**The Acting Chairperson (Ted Marcelino):** Shall the motion pass?

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

**The Acting Chairperson (Ted Marcelino):** I hear a no.

### Voice Vote

**The Acting Chairperson (Ted Marcelino):** All those in favour of the motion, please say aye.

**Some Honourable Members:** Aye.

**The Acting Chairperson (Ted Marcelino):** And all those opposed to the motion, please say nay.

**Some Honourable Members:** Nay.

**The Acting Chairperson (Ted Marcelino):** In my opinion, the Nays have it.

\* (16:40)

### Recorded Vote

**Mr. Kelvin Goertzen (Steinbach):** For a greater certainty, a recorded vote, Mr. Chairperson.

**The Acting Chairperson (Ted Marcelino):** A recorded vote has been requested. Call in the members, please.

*All sections in Chamber for formal vote.*

*Mr. Chairperson in the Chair*

**Mr. Chairperson:** Order. The one hour provided for the ringing of the division bells has expired. I am therefore directing that the division bells be turned off and the committee proceed to the vote.

In this section of the Committee of Supply meeting in the Chamber considering the Estimates of the department of family services and housing—and labour, the honourable member for Riding Mountain (Mrs. Rowat) moved the following motion:

THAT line item 9.1.(a), the minister's salary, be reduced to \$1.08.

This motion was defeated on a voice vote, and subsequently two members requested a formal vote on this matter.

The question before the committee, then, is the motion of the honourable member for Riding Mountain.

\* (17:40)

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 18, Nays 30.*

**Mr. Chairperson:** The motion is accordingly defeated.

\*\*\*

**Mr. Chairperson:** The sections of the Committee of Supply will now continue with consideration of the departmental Estimates.

Order. We shall resume consideration of the Estimates for Family Services and Labour.

Resolution 9.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,602,000 for Family Services and Labour, Administration and Finance, for the fiscal year ending March 31st, 2014.

**Resolution agreed to.**

This concludes the Estimates for this department.

The next set of Estimates that will be considered by this section of the Committee are the Estimates of Local Government. Shall we recess briefly to allow the minister and critic the opportunity to prepare for the commencement of the next set of Estimates? *[Agreed]*

*The committee recessed at 5:43 p.m.*

*The committee resumed at 5:44 p.m.*

## LOCAL GOVERNMENT

**Mr. Chairperson (Tom Nevakshonoff):** Order. Will the Committee of Supply please come to order.

This section of the Committee of Supply will now consider the Estimates of the Department of Local Government.

Does the honourable minister have an opening statement?

**Hon. Ron Lemieux (Minister of Local Government):** I'm really pleased to represent the Department of Local Government 2013-14 Estimates. I'd like to begin by acknowledging the hard work done by Local Government staff and the work they do with Manitoba municipalities and important stakeholders such as the Association of Manitoba Municipalities and many others. They really should be commended. Each and every day they put in a yeoman's work trying to do the best they can to ensure that there's good representation as well as dollars are wisely spent, invested in Manitoba municipalities and all the stakeholders.

So, with that, Mr. Chair, I would like to certainly offer my critic the opportunity to say a few words,

but more importantly, get into some questions related to Local Government.

**Mr. Chairperson:** We thank the minister for those opening comments.

Does the official opposition critic have any opening comments?

**Mr. Blaine Pedersen (Midland):** As the minister has stated, I don't have a very long opening address at all. I would like to get into questions right away, also, and just also my appreciation for the staff at—in Local Government for the work that they do, and it's always good to acknowledge their hard work. So thank you.

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

Under Manitoba practice, debate on the minister's salary is the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 13.1.(a) contained in resolution 13.1.

At this time we invite the minister's staff and opposition staff to enter the Chamber, and we ask that the minister introduce the staff in attendance when they arrive.

Order. I recognize the Minister of Local Government, to introduce his staff.

**Mr. Lemieux:** Mr. Chairperson, I'd like to introduce the Deputy Minister Linda McFadyen, and that is who is with us today. Thank you.

**Mr. Chairperson:** I thank the minister.

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

**Mr. Pedersen:** A global discussion.

**Mr. Chairperson:** Thank you.

It is agreed that the questioning for this department will proceed in a global manner with all resolutions to be passed once questioning has concluded.

The floor is now open for questions.

**Mr. Lemieux:** Just—I would ask if my critic could give me certainly an idea, for example, Water Services Board, it's located in Brandon, Manitoba and that's where the staff is. So, if there's any questions pertaining to Water Services Board, I don't mind going globally, but if we want accurate answers

and not just anything deferred to another time, then that would be much appreciated and we can have the actual answers take place. But, other than that, I'm certainly—I'm fine with global. It's okay.

**Mr. Pedersen:** I will keep the questions about water services until the next day that we—whatever day that is—that's what'll be the day that we'll do Water Services Board.

**Mr. Chairperson:** Now, the floor is open for questions.

**Mr. Pedersen:** I would just like to start—emergency expenditures, 27.1, claims from departments for the year ended March 31st, 2012, and I have a number of the departments, and under the Local Government a grand total—although the grand total for this 2011-12, 2011 spring flood is a hundred and forty-one million dollars and change, the Local Government Department share of this 27.1 emergency expenditures is \$394.37. Could the minister explain that amount?

\* (17:50)

**Mr. Lemieux:** I believe, and I've been informed, that this was a final payment as part of an overall payment with regard to coverage of some taxes that were given to municipalities to assist them—not necessarily in the transition, but to assist them after the flood. And this was, kind of, the last amount, but we'll clarify it for sure. But that's why the—that's what that amount is. It was a final amount that was given to municipalities. Thank you.

**Mr. Pedersen:** All right, so you will clarify if it's anything different than that, then, the next time we're sitting.

All right, moving to the Taxicab Board—I understand the minister is responsible for the Taxicab Board.

**Mr. Lemieux:** Yes, I am. And in Manitoba, we're very fortunate to have very professional organizations running our taxicab business: Duffy's Taxi, Unicity, and there's others, of course, in the taxi business in Manitoba. And I am responsible for the Taxicab Board, but that's just for taxis within the Perimeter, within the city of Winnipeg, which is quite unique because every other province it's the cities and municipalities that are responsible for their taxicab boards.

And I digress slightly, but my father was owner of a taxicab business in Dauphin, Manitoba, and I dispatched taxis there when I was young. I'll tell you,

if anybody wants an education, go into a taxicab stand or go into a taxi business and you'll get an education in a hurry. But I digress slightly.

But the quick answer is, yes, I'm responsible for the Taxicab Board of Manitoba.

**Mr. Pedersen:** Can the minister give me the makeup of the board, including how many are on the board, who is on the board and their terms?

**Mr. Lemieux:** I'll start off with the chairperson, which is Bruce Buckley. And members on the board currently are Navjit Singh Sidhu; Sylvia Farley; Richard Mahé; Roxanne Dorvault; Harvey Smith, city councillor of Winnipeg—they're entitled to one member; and also the Winnipeg Police Service has a member, Lou Malo. And that's the current board.

**Mr. Pedersen:** So what are the qualifications to be on the board?

**Mr. Lemieux:** I'd say the qualifications are fairly broad in the sense that you certainly have to have a want and need to contribute to Manitoba in a way that will make whatever you're participating in much better, and make it a much better province to be part of.

Taxicab Board itself is certainly a board that is unique in a sense, because the board really deals with a lot of issues related to the public. You have to have, I think, a good idea as to—you have to have an understanding, certainly, of the taxi business and how—the important role that they play as ambassadors to the province, or to the city, in this case, because when people get off a plane, the first place that they arrive, of course, is at the airport, and at the airport you have transportation there for them. And it's important that those drivers be good ambassadors for Manitoba, and I believe the majority of them do, and they certainly do their utmost to make sure that they put Winnipeg forward in a very positive light.

So the board itself has to have an understanding of what it's like to deal with issues that the taxicab industry itself deals with. And, I mean, some of the duties that they have, they conduct public hearings; they establish and review and revise a number of taxi licences that are available; they regulate rates charged by the industry; they issue taxicab licences, as I mentioned; they regulate the transfers; they provide training for taxicab drivers, which really important; they establish vehicle standards and inspect taxicab vehicles for safety—the condition of the vehicle, the meter accuracy, to make sure when

people are being billed, that when that meter goes on, that it's accurate; they certainly investigate and resolve complaints against taxicab operators and drivers for breaches of regulation and service failures, when warranted; and maintain the liaison between the board and the taxicab industry and governments, and other affected groups.

So the taxicab industry held a review a number of years ago, looking into the industry itself, like how many cabs would you need to service a city like Winnipeg. And so the board members themselves have to have some knowledge of the industry, and we're very fortunate to have the people who are on our board that are doing a very, very good job for us.

**Mr. Pedersen:** Is there a set term for the board members, and if there is, how do you go about replacing them? Is there a specific process you go through to replace them?

**Mr. Lemieux:** Yes. On average I would say they are probably two to three-year terms for the chair and for members of the board. We have an Agencies, Boards and Commissions organization that looks through appointments—board appointments. They screen resumes; they take a look at people who have submitted their names and try to, certainly, match people with that particular board if they've applied for whatever board it may be—Residential Tenancies, or whatever board it may be that they're applying for.

Agencies, Boards and Commissions reviews applications, reviews resumes and so on, and they are appointed by order-in-council, and—but Agencies, Boards and Commissions, I feel, have done a very, very good job over the years and we are well-served by the boards we have in Manitoba.

**Mr. Pedersen:** You mentioned two-to-three-year terms. Is it two? Is it three, or is it as needed, or is there a specific term?

**Mr. Lemieux:** It's a combination of. Some people are two-year appointments; some are three-year appointments, and I know the member will understand this: That you don't want to remove all members off a board all in one shot because then you have no consistency, you have no corporate knowledge, as it were, of hearings or issues that they may have dealt with in the past, so you try to stagger them so when people are being replaced, you still have some consistency of some people who have remained and have some knowledge of the hearings or issues that they've dealt with in the past.

And I think that pretty well applies to almost every board in the province, and I think the member opposite would agree that you have to have that type of a transition between new people coming on and people who have some experience stay on a little longer, so you have some cohesiveness on a board, whatever it might be.

**Mr. Pedersen:** Does the Taxicab Board, then, also regulate limousines?

**Mr. Lemieux:** They do. Once again, it's part and parcel of what the board does. They issue licences and they do look at the limousine industry and certainly deal with that industry all the time, and any new applications come forward with the limousine industry. In fact, even if the industry or limousine owner wanted to look at a Town Car, for example, smaller Town Cars as opposed to the long stretch limos, they would go to the board as well.

And this is something that the board is very diligent on, quite frankly, because that report—even though that report and study that was done a few years ago didn't deal directly with limousines, they dealt with the whole industry, as taking a look at the needs of the city of Winnipeg, primarily on cabs. But they do really take a close look at the kind of services being provided, the quality of service, the type of vehicles, and also how many vehicles are needed in the size of a city like Winnipeg.

**Mr. Pedersen:** And the minister mentioned the board inspecting cabs. Now, I would assume, and you should never assume anything, but I assume that it's not the actual board members who are inspecting the cabs.

What is the process for cabs or limos inspected and approved?

**Mr. Lemieux:** Yes, and the critic is correct. It's not the board members themselves. We do have inspectors. There's a chief inspector, and I would have to clarify how many other inspectors there are that the chief inspector's responsible for. I believe it was four at one time, but I'll check and see—

**Mr. Chairperson:** Order. The hour being 6 p.m., committee rise.

Call in the Speaker.

#### IN SESSION

**Mr. Speaker:** As previously agreed, this House is—it's 6 p.m. This House is adjourned and stands adjourned until 10 a.m. tomorrow morning.

**CORRIGENDUM**

On June 25, 2013, page 2731, second column, last paragraph, should have read:

And, unfortunately, some of the residences being in the conditions they're in, the best solution is basically the demolition of the buildings.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 26, 2013

## CONTENTS

<b>ROUTINE PROCEEDINGS</b>			
<b>Petitions</b>		Taxation	
		Driedger; Selinger	2781
		Driedger; Struthers	2782
Provincial Sales Tax Increase—Referendum		School Property Tax	
Rowat	2773	Ewasko; Struthers	2783
Goertzen	2773	Flooding (2011)	
Wishart	2773	Briese; Ashton	2784
Driedger	2774	Manitoba Hydro	
Cullen	2775	Gerrard; Selinger	2785
Eichler	2775	Building Futures Initiative	
Stefanson	2775	Braun; Howard	2786
Mitchelson	2776	Flooding (2013)	
Smook	2777	Maguire; Ashton	2786
Friesen	2777	Assiniboia Downs	
Municipal Amalgamations—Reversal		Cullen; Ashton	2787
Ewasko	2774		
Pedersen	2774	<b>Members' Statements</b>	
Maguire	2775	Swinging Squares—50th Anniversary	
Helwer	2776	Ewasko	2788
Schuler	2777	OCN Community Graduation Feast	
Graydon	2778	Whitehead	2788
Provincial Trunk Highways 16 and 5 North— Traffic Signals		PST Increase—July 1	
Briese	2776	Schuler	2789
<b>Ministerial Statements</b>		Winnipeg Folk Festival—40th Anniversary	
Wind and Rain Storm Update		Altemeyer	2789
Ashton	2778	PST Increase—Referendum	
Maguire	2778	Gerrard	2790
Gerrard	2779		
<b>Oral Questions</b>		<b>ORDERS OF THE DAY</b>	
PST Increase		<b>GOVERNMENT BUSINESS</b>	
Pallister; Selinger	2779	<b>Committee of Supply</b>	
Graydon; Struthers	2782	(Concurrent Sections)	
Gerrard; Selinger	2785	Justice	2790
		Agriculture, Food and Rural Initiatives	2804
		Family Services and Labour	2815
		Local Government	2831

The Legislative Assembly of Manitoba Debates and Proceedings  
are also available on the Internet at the following address:

**<http://www.gov.mb.ca/legislature/hansard/index.html>**