

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

Member	Constituency	Political Affiliation
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

Tuesday, July 2, 2013

The House met at 1:30 p.m.

Mr. Speaker: Good afternoon, everyone. Please be seated.

ROUTINE PROCEEDINGS

Mr. Speaker: Introduction of bills. Seeing no bills—

PETITIONS

Provincial Sales Tax Increase—Referendum

Mrs. Bonnie Mitchelson (River East): I'm not used to being first.

I would like 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 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 C. Rempel, T. Tallman, B. Tallman and many, many other 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): Good afternoon, Mr. Speaker. I wish to present the following petition.

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 J. Wiebe, W. Peters, L. Wiebe and many, many other concerned—many other Manitobans.

Hydro Capital Development—NFAT Review

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

And these are the reasons for this petition:

(1) Manitoba Hydro was mandated by the provincial government to commence a \$21-billion capital development plan to service uncertain electricity export markets.

(2) In the last five years, competition from alternative energy sources is decreasing the price and demand for Manitoba's hydroelectricity and causing the financial viability of this capital plan to be questioned.

And (3) the \$21-billion capital plan requires Manitoba Hydro to increase domestic electricity rates up to 4 per cent annually for the next 20 years and possibly more if export opportunities fail to materialize.

We petition the Legislative Assembly of Manitoba as follows:

To urge that the Minister responsible for Manitoba Hydro create a complete and transparent needs-for-and-alternatives-to review of Manitoba Hydro's capital development plan to ensure the financial viability of Manitoba Hydro.

This petition's signed by G. Aloho, A. Champion, Y. Derkach and many, many more fine Manitobans.

Provincial Sales Tax Increase—Referendum

Mr. Wayne Ewasko (Lac du Bonnet): 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.

This petition is signed by L. Bailey, B. Dougall, L. Derksen and many, many more fine Manitobans.

Municipal Amalgamations—Reversal

Mr. Blaine Pedersen (Midland): Mr. Speaker, 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 it 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 M. Hannah, D. Woodworth, R. Porterfield 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 C. Michalski, E. Merrin, R. Demawleon and many others, Mr. Speaker.

Municipal Amalgamations—Reversal

Mr. Cliff Cullen (Spruce Woods): 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 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.

This petition is signed by M. Williams, E. Desrochers, L. Koldyk and many other fine Manitobans.

Provincial Sales Tax Increase—Referendum

Mr. Ralph Eichler (Lakeside): Mr. Speaker, 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.

* (13:40)

We petition the Legislative Assembly of Manitoba as follows:

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

This petition is submitted on behalf of J. Rootsart, D. Alles, M. Schott and many other fine Manitobans.

Mrs. Heather Stefanson (Tuxedo): 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.

And (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, Mr. Speaker, this petition is signed by V. Pedersen, I. Kames, R. Nychuk and many, many other Manitobans.

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

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.

This petition is signed by D. Cockbill, S. Thomson, V. Groom and many, many others, Mr. Speaker.

Provincial Trunk Highway 5— Reducing Speed Limit

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

And these are the reasons for this petition:

Concerns continue to be raised about the number of motor vehicle accidents at the intersection of PTH No. 5 and PD-PR No. 276 and at the intersection of PTH No. 5 and PR No. 68.

The Rural Municipality of Ste. Rose and the town of Ste. Rose have both raised concerns with the Highway Traffic Board about the current speed limits on the portion of PTH No. 5 in the vicinity of Ste. Rose du Lac.

Other stakeholders, including the Ste. Rose General Hospital, Ste. Rose and Laurier fire departments, East Parkland Medical Group and the Ste. Rose and District Community Resource Council, have also suggested that lowering the current 100-kilometre-an-hour speed limit on a portion of PTH No. 5 may help reduce the potential for collisions.

We petition the Legislative Assembly of Manitoba as follows:

To request the Minister of Infrastructure and Transportation to consider the importance of reducing the speed limit on PTH 5 to 80 kilometres an hour in the vicinity of the town of Ste. Rose from the west side of the Turtle River Bridge to the south side of the access to the Ste. Rose Auction Mart to help better protect motorist safety.

This petition is signed by N. Boerchers, K. Asham, A. Labelle and many, many other fine Manitobans.

Provincial Sales Tax Increase—Referendum

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

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.

Signed by G. Dunn, D. Bayes, M. McPhebon and many other Manitobans.

Hydro Capital Development—NFAT Review

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:

(1) Manitoba Hydro was mandated by the provincial government to commence a \$21-billion capital development plan to service uncertain electricity export markets.

(2) In the last five years, competition from alternative energy sources is decreasing the price and demand for 'Manitoba's'—Manitoba's hydroelectricity and causing the financial viability of this capital plan to be questioned.

(3) The \$21-billion capital plan requires Manitoba Hydro to increase domestic electricity rates by up to 4 per cent annually for the next 20 years and possibly more if export opportunities fail to materialize.

We petition the Legislative Assembly of Manitoba as follows:

To urge that the Minister responsible for Manitoba Hydro create a complete and transparent needs-for-and-alternatives-to review of Manitoba Hydro's total capital development plan to ensure the financial viability of Manitoba Hydro.

This is signed by N. Cooke, F. Petrie, J. Huggard and many, many other Manitobans. Thank you.

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 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 not to raise the PST without holding a provincial referendum.

This petition is signed by B. Daudet, S. Mezeo, K. Goertzen and many more fine Manitobans.

Municipal Amalgamations—Reversal

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:

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.

And this petition is signed by A. Dyck, D. Brown, L. Koop and many, many others.

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

And this is the background to this petition:

(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 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 amalgamations 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.

* (13:50)

And this petition has been signed by M.L. Southam, A. Egey-Saeno, S. Stein and hundreds of other fine Manitobans.

MINISTERIAL STATEMENTS

Forest Fire Update

Hon. Gord Mackintosh (Minister of Conservation and Water Stewardship): I have a statement.

I rise in the House today to provide an update on the increasing concern of forest fires in the northeastern region of the province.

First off, however, I would like to give my heartfelt condolences to the friends and families of the 19 Arizona firefighters who lost their lives over the weekend fighting the wildfires. We know first-hand here in Manitoba the danger firefighters face when they do their jobs to protect families and communities.

Regarding the current fire threat in Manitoba, I can report that the northeastern region continues to be an area of concern with little to no rain in the immediate forecast. Fire danger levels are very high in many areas of northern Manitoba and will remain so for the next few days.

The Town of Gillam has issued a voluntary evacuation notice for all residents due to the amount of smoke in the community.

Fire crews are on high alert. The fire program has positioned aircraft, crews and equipment in the area to prepare for anticipated new fire starts.

Mr. Larry Maguire (Arthur-Virden): I thank the minister for his statement.

And, Mr. Speaker, northern Manitobans' summers continue—summer continues to be hampered by wildfires. Currently, there are 32 active wildfires in northeast portion of Manitoba. On July 1st the amount of smoke circulating in and around the town of Gillam was so bad that it caused the town council to issue a voluntary evacuation order.

While the North continues to be hit by—wildfires, the situation in the south remains calm. However, we must be cognizant of the hot weather and careless acts that can start major fires in more populated regions.

I want to acknowledge the great work of firefighters currently fighting blazes in northern Manitoba. They risked their lives—own lives and

helped to protect their communities and the province, and that deserves recognition. With many natural disasters such as spring flooding, while many of those can be prepared for and anticipated more readily, Mr. Speaker, wildfires are often showing up very quickly with no warning. Firefighters must be prepared to go at a moment's notice, and that puts a lot of stress on them and their families.

Mr. Speaker, we also want to send our condolences on behalf of all Manitobans to the families of the 19 firefighters who were killed fighting a wildfire in Arizona.

I want to thank all Manitoba firefighters and their families on behalf of my colleagues and all Manitobans for the work they have done, and I look forward to the minister's future updates as he may wish to provide them, Mr. Speaker.

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

Mr. Speaker: Does the honourable member for River Heights have leave to speak to the ministerial statement? *[Agreed]*

Mr. Gerrard: Let me start by joining other MLAs in this Chamber in extending condolences to the friends and family of the 19 firefighters in the United States who died so tragically trying to help others and trying to fight a very difficult fire.

And that being said, I appreciate the update on the situation in northern Manitoba, concern for the region of northeast Manitoba in and around Gillam and, in fact, extending for quite some distance from there.

I think it's important that we recognize the many people, many firefighters and others who are involved in addressing the situation, and we wish them well and ask them to be careful and safe as well as effective in dealing with these fires.

Thank you.

ORAL QUESTIONS

PST Increase Government Values

Mr. Brian Pallister (Leader of the Official Opposition): All of us yesterday, Mr. Speaker, celebrated Canada Day, and we celebrated at the same time the real builders of this country and this province and the values they stand for: honesty, respect and fairness, values which seem absent from the government's current approach to the PST hike.

Betrayal is a word that more accurately describes the actions of this government, not only betrayal of the real builders of this province, Mr. Speaker, but betrayal of the values that they stand for and we stand for here. Raising the PST after promising not to is not honest, eliminating taxpayers' right to vote in a referendum not respectful, and placing political interests above Manitoba's best interests is not fair.

When did this Premier get so out of touch with the real values of Manitobans that he began to believe 37 NDP MLAs were above the laws of this Province?

Hon. Greg Selinger (Premier): Mr. Speaker, when we listened to Manitobans, they told us they want to be protected from flooding, which is why we spent a billion dollars in the Red River Valley and extended the flood protection around the city of Winnipeg to one-in-700-year protection.

And, regrettably, it was the Leader of the Opposition that wanted to halt that project in its tracks. The result would have been we wouldn't have had that protection this spring and families in the Red River Valley and Winnipeg would not have been protected as they were. We're now offering the same protection to the people of Lake Manitoba, Lake St. Martin, Brandon and the Assiniboine valley because they have told us that being able to stay in their homes, to have that sense of security, to be able to carry on their lives in a normal fashion, is their top priority. We respect that, and we will follow through that.

Provincial Deficit Future Concerns

Mr. Brian Pallister (Leader of the Official Opposition): Listening hasn't been this Premier's strong suit, but there's still time. There are committee meetings; he should go and he should listen to the people of this province as they come forward with their heartfelt thoughts.

Sixty-one ribbon cuttings—61 ribbon cuttings—by this government in the 60 days following the budget, a new record, not an enviable record. I understand they have 192 communicators. They don't need to overwork them. They don't need to use them every day for ribbon cuttings.

Now, how does this Premier pretend to build? He steals from Manitoba's future and every spendP ribbon cutting is paid for with borrowed money. Every spendP attack ad is paid for with borrowed

money. Every part of the PST ribbon-cutting tour, paid for with borrowed money.

Mr. Speaker, you and I were kids once. Remember when we used to build with those building blocks? We're trying to build the future of this province, and we can't do it.

Doesn't the Premier realize that we can't do it if his pretending to build means that he takes those blocks away from the very people that we're counting on building the future of this province, the children of this province?

Hon. Greg Selinger (Premier): Mr. Speaker, if the Leader of the Opposition, member from fort right, wed—read the budget, he would know that our debt as a proportion of our total economy is smaller than when he was in office. He would know the cost of servicing our debt is less than half of what he was paying out during that period of time. He would know that Manitobans—more Manitobans—are working now than ever in the history of the province. He would know that more Manitobans are graduating from high school than ever in the history of the province.

And all of these things—all of these things—bode well for the future because a larger economy, more people working in the economy, a better educated population with better roads and schools and building Manitoba hydro is the future of the province. Members opposite want to halt it all in their tracks, return to the dark days of the '90s. We don't want to go there. Manitobans don't want to go there. Only the Leader of the Opposition wants to go there, Mr. Speaker.

PST Increase Impact on Seniors

Mr. Brian Pallister (Leader of the Official Opposition): We won't get there with 61 ribbon cuttings in 60 days, Mr. Speaker.

Why does this Premier insist on selling Manitobans on tax hikes that he claimed just a few months ago he would never enact? Why does he do that? Because he wants to pretend he's a builder. And he's not a builder. Canada Day, we celebrated real builders, real people in this country, especially, for example, Mr. senior—seniors, Mr. Speaker, especially seniors, whose commitment and sacrifice and foresight is worth celebrating. The PST hikes the Premier proposes will impact particularly hard on seniors already impacted by last year's expansion of the PST: gas, hydro, haircuts, home insurance, all

hard on seniors living on fixed incomes. The NDP ribbon cuttings come at the expense of a ball glove or ballet slippers or skates or singing lessons.

Does the Premier not understand that the ribbons he insists on cutting and using for his ardent self-promotional campaign are taken from the gifts Manitoba seniors won't be able to give to their grandchildren in the future?

* (14:00)

Hon. Greg Selinger (Premier): Mr. Speaker, when the Leader of the Opposition was last in government, he cut the property tax credit for seniors from \$325 to \$250. School taxes went up at a record level during their time in office because they were cutting money to education and laying off teachers and school taxes were rising.

Under us, seniors have more access to Pharmacare drugs. They now get access to cancer-care drugs free so they can stay at home in their community and be able to function and be close to their families. They have more access to palliative care. They have more access to home care and, in particular, special teams of home care professionals that will go to their homes and allow them to remain in their homes.

What did the Leader of the Opposition want to do when he was in office? He wanted to privatize health care. He wanted to crank up the price for home care and shift the profits outside of Manitoba, just like he did with the telephone system. He took it from the third lowest rates to the third highest rates. The dividends flow out—

Mr. Speaker: Order, please. Order, please. The First Minister's time has expired.

PST Increase Request to Withdraw

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, ordinary Manitobans stood before us on Thursday for the first evening of public hearings on Bill 20. Their speeches were powerful and passionate. Ninety-nine per cent of those speakers were angry at this NDP government and used words like liars, immoral, cheats, unethical, arrogance, disrespect, banana republic and fraud. And that came from the speakers on the first night.

Bill 20 has not yet passed, and I'd like to ask this NDP government: Will they listen to what these

presenters are saying and reverse their wrong-headed move by raising the PST?

Hon. Stan Struthers (Minister of Finance): Well, Mr. Speaker, I look forward to hearing again tonight from Manitobans who've come to give us advice on what we're doing in terms of the PST increase. I look forward to hearing ideas on infrastructure. I look forward to hearing ideas on schools and hospitals and roads and bridges, daycares that we need to be paying attention to. What I think the people of Manitoba understand is that this side of the House, we know how to build Manitoba. That side of the House knows how to cut.

Mrs. Driedger: Mr. Speaker, it's obvious by that answer that this minister was not listening very well to the presenters the other night. I'd like to share some more comments with him. One person said, I wish you guys had a conscience. Another one said, there's no more money in the wallet. Another one said, the only thing you want from the working man is his money, and another one said that they should be charged with fraud.

Mr. Speaker, Bill 20 has not yet passed, so I'd like to ask this NDP government if they will listen to the presenters that are coming to these sessions on a hot summer night. Will they listen to them, and will they reverse their decision on the PST hike?

Mr. Struthers: Mr. Speaker, I think Manitobans understand that it's not an easy decision to raise a tax of any kind or any sort. I think what Manitobans understand is that they have a government that thinks things through, that understands that that revenue that we collect needs to be dedicated to infrastructure such as schools and hospitals and daycares. They need to be dedicated to things like roads and bridges so that we can build our economy in this province. I think Manitoba families get that, and the people, I think, who don't get it are members opposite who would go to 1 per cent cuts across the board, indiscriminate, mean-spirited cuts that the member for Fort Whyte (Mr. Pallister) has talked about over and over and over again.

Mrs. Driedger: Mr. Speaker, there were dads, moms, grandparents, students and business owners who spoke very, very passionately on Thursday night about how the PST hike is going to hurt them. In fact, one of them even asked this Minister of Finance, do you hate me? Do you hate my family?

One man from Transcona, whose wife is working three jobs just to make ends meet, said, and

I quote: I wonder how many of you guys tell your kids it's okay to lie. It's arrogance that you guys think you're smarter than us.

So, Mr. Speaker, I would ask this NDP government one more time: Will they listen to these powerful presentations by speakers who are coming to committee, and will they reverse their PST hike?

Mr. Struthers: Mr. Speaker, our kids and our grandkids need a government that's going to dedicate this money towards the things that matter most to their families. And that's not cutting health care. That's not cutting education. That's not scaling back the revenue going to infrastructure, as members opposite have been clearly saying they would do. That's not the vision that Manitoba families purport.

That vision is the one that this government has put forward very clearly. That PST increase will go directly to supporting hospitals and schools and roads and bridges, the very infrastructure that'll put people to work, that'll keep our economy rolling forward and will pay dividends for the next generation.

PST Increase Legality

Mr. Cliff Graydon (Emerson): Mr. Speaker, it was clear at committee that none of the presenters believed this NDP government.

On Canada Day the Premier (Mr. Selinger) decided that Julie Bubnick should join him and break the law. Julie Bubnick is now paying an additional 14 per cent PST in an illegal NDP tax grab. The Premier decided to break the law and now Julie is forced to pay for an illegal PST hike.

Mr. Speaker, will the Premier listen to Julie or will he continue to break the law?

Hon. Stan Struthers (Minister of Finance): Well, Mr. Speaker, I very much appreciated Ms. Bubnick's presentation where she pointed out that she did receive the bulletin that has been tabled in this House on a couple of occasions that made it very clear—very clearly put out the process that we followed, very clearly made sure that people understood that that was the same process used today that was used in 1993 when the members opposite, in particular the Leader of the Opposition, put forward a proposal in 1993 that expanded the provincial sales tax to include baby supplies.

It was the same process then. It's the same process now. I'm very pleased that Ms. Bubnick and

other vendors in Manitoba got that notice, that bulletin, that very clearly states what is expected of each and every vendor in this province.

Mr. Graydon: Mr. Speaker, on Canada Day, for Julie, the festivities were dampened thanks to the Premier and the Finance Minister. The Premier and his Finance Minister decided to break the law, and now Julie is forced to pay and collect an illegal PST hike. The Finance Minister heard very clearly from Julie that she didn't need his thank you for her presentation. However, her reply was very clear: You owe me an apology, Mr. Finance Minister. You forced me to break the law. You owe me an apology.

What do you say to Julie today?

Mr. Struthers: Well, Mr. Speaker, I say that vendors and small business people work very hard in this province. They work hard every day. We do ask a lot of people on behalf of society when it comes to being vendors. We get that. That's why we're very clear with the process that we took on. That's why we put it in a bulletin, made sure that Ms. Bubnick and others, other vendors, had that clearly in front of them to make that decision. That's why we took decisions to take—put exemptions in place, things like bike helmets, safety equipment and clothing. That's why we removed the PST—the Conservative-driven PST expansion onto baby supplies. That's why we take those decisions—

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

Request to Withdraw

Mr. Graydon: On Canada Day, a day meant to celebrate everything about our country, including our democratic rights, the Premier decided to throw those rights out the window. The Premier decided to break the law and raise the PST rather than listening to Julie Bubnick and all Manitobans respecting their democratic rights.

Mr. Speaker, will the Premier today reverse his decision to raise the PST or will he continue to force Manitobans to break the law?

Mr. Struthers: Well, in the 1993 budget, the member for Fort Whyte (Mr. Pallister) and his Filmon friends at that time brought a budget forward on April 6th that raised taxes as of May 1st and the enabling legislation didn't receive royal assent until nearly three months later on July 27th.

Mr. Speaker, it's somewhat hypocritical for members opposite to stand in this House and pretend

that they're democratic and pretend that they're righteous when they followed the same process then as what we're following now.

* (14:10)

PST Increase Impact on Non-Profit Organizations

Mr. Stuart Briese (Agassiz): Mr. Speaker, in committee on Thursday, Regan Archambault from Rossmere spoke about the impacts of the 14 per cent PST increase on non-profit, non-government-funded, volunteer-run charities. Ms. Archambault said that those organizations would be forced to provide services to less people because of the increase in the PST.

I ask the Premier (Mr. Selinger): Considering the impacts of the 14 cent-per cent increase in PST, the impacts it has on non-profits, will you do the right thing and remove his illegal PST increases?

Hon. Stan Struthers (Minister of Finance): Well, Mr. Speaker, again, I think that non-profits in Manitoba are second to none. Right across the country we have non-profits that work very hard for a number of different causes in Manitoba. This government is very proud to stand with those non-profits time after time after time on issue after issue. We work with the non-profits so that they can be successful in Manitoba and, like I said, that that approach has meant that we can have—we have bragging rights ahead of any other province when it comes to our non-profits.

Mr. Speaker, we believe that the kind of support that the non-profit sector requires is the kind of support that we work with them on, and we want to continue to work with them to make sure that we accomplish the kind of goals that we can all be proud—

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

Mr. Briese: Mr. Speaker, he's great at bragging rights, but not very good at reality.

Products such as baby bottle warmers, diaper pails, nursing pads are now more expensive to charities that provide for young, single mothers and their families thanks to the 14 per cent increase on PST, yet the spenDP have taken a \$200,000 vote tax.

Mr. Speaker, I ask the Premier: Wouldn't that \$200,000 be better spent on those non-profits, or are the spenDP the most important charity in Manitoba?

Mr. Struthers: Well, Mr. Speaker, that's exactly why we exempt baby supplies. Why you folks across the way would have put it on in the first place, I'll never know.

But that's why we work with the non-profit sector to make sure we can provide those kind of supports. We work with them in terms of procurement, Mr. Speaker. We work with them in terms of so many issues so that our non-profit sector in Manitoba can compete with any other in the country.

But like I said, that's why we provide exemptions for things like baby supplies which members opposite put on back in 1993.

Mr. Briese: Mr. Speaker, the 14 per cent increase in the PST increased costs the essential products such as sterilizers, toddler beds, strollers, diaper wipe dispensers, amounts to less services provided to non-profits to their clients.

I ask the Premier again: Why does he think the funding of the NDP operations is more important than the funding of organizations that assist young, single mothers and their families?

Mr. Struthers: This, Mr. Speaker, this coming from a member who is a part of a party who in the 1990s clawed back the child benefit from every single mom in the province. So let's take with a grain a salt—let's just take with a little bit of a grain of salt what's coming across from members opposite.

Also, Mr. Speaker, the member for Agassiz touched on baby strollers, which is something that we, on Canada Day this year, have exempted from the PST. Why they put it on in the first place, I'll never know.

PST Increase Impact on Families

Mr. Blaine Pedersen (Midland): Mr. Speaker, on Thursday evening, Eric Pollmann, a stay-at-home dad, presented a very moving presentation to the public committee on Bill 20. With a 14 per cent increase in the PST, Mr. Pollman stated that their family will now have to make the choice whether to send their kids to camp or save that money to pay for the additional costs of the 8 per cent PST.

So I ask this spenDP government: What should the Pollmanns decide, kids' camp or saving for the extra PST?

Hon. Stan Struthers (Minister of Finance): Well, Mr. Speaker, there will be a top-notch education system in this province because we are putting money towards that education system. We're working with school divisions, we're working with teachers, we're working with trustees to make sure that that education system is a good one and is second to none in the country. If we don't invest in that, if we don't invest in our kids' future, then we see our economy shrink and we see more pressure on Manitoba families.

Mr. Speaker, we have a lot of challenges in terms of infrastructure in this province. Mr. Pollmann, I know, had a very good presentation. I know he understands that infrastructure is important to Manitoba and if we don't invest in it, if we don't pay for that infrastructure, then his kids will be paying for it—

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

Mr. Pedersen: So, Mr. Speaker, what that answer—it's pay the PST, not kids' camp for the Pollmann family. Mr. Pollmann stated that their household budget is, and I quote: one major car bill away from disaster. And he questioned the spenDP's inability to balance their own budget each and every year, unlike what they have to do in their family.

Why is the spenDP so intent on destroying any hope the Pollmann family has to make ends meet each and every month?

Mr. Struthers: Well, Mr. Speaker, that we—we know that this is important to Manitoba families. We know that they work hard for the money that they earn. We know that they face all kinds of challenges when it comes to costs—we understand that.

Mr. Speaker, we also know that the—every government in the country is facing an infrastructure challenge, and every government in the country is raising funds in a different way to make sure that they provide though—that revenue—that's what we're doing. We're providing revenue to invest in infrastructure; we're providing revenue to invest in roads and bridges and schools and hospitals and daycares. Those are the kind of things that Manitoba families see as important, and so do we.

Mr. Pedersen: Mr. Speaker, the Pollmann family feel they are the low-hanging fruit, as Mr. Pollmann described it, when it comes to taxes and the spenDP. Mr. Pollmann rightly accuses the spenDP of putting

their own interests ahead of his family's needs, despite what the minister may try to say.

Why is the spenDP choosing to give themselves a vote tax and then penalize families like the Pollmanns?

Mr. Struthers: Well, Mr. Speaker, over the last number of years since we've been in government, we have provided \$539 million in total personal tax reductions—that's \$539 million. That's a lot of benefit to Manitoba families. That means money that has gone back into our economy to support the services that we depend on. We've given \$336 million in property tax relief and we've given \$432 million in business tax relief. We take our role seriously to stand with Manitoba families.

What I also think is serious is what the member for Fort Whyte (Mr. Pallister) has said, and that is that he would, Mr. Speaker, move to a two-tier, for-profit, private health-care system, which, you know, is not going to do the Pollmann family—

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

PST Increase Government Response

Mrs. Bonnie Mitchelson (River East): The Minister of Finance has all the answers here in this House, but he had no answers for the presenters that made presentations on Thursday evening. Mr. Speaker, he had no credibility with those presenters.

Mr. Speaker, Mr. David Sutherland said, the NDP, and I quote: lied to the people. And he said also, I quote: honesty and integrity has died. He also said that the NDP should remove the word democratic from their party name. He said that backbench New Democrats had a choice to represent their constituents and vote against the PST hike, but they chose not to. They turned their backs on hard-working taxpayers and their constituencies.

Who on the government's side can stand up and tell us why?

Hon. Stan Struthers (Minister of Finance): Mr. Speaker, another point, I think, that needs to be main, is that people who come and talk to us about the future of Manitoba, I think they understand that they live in one of the most affordable provinces in this country. We have bundled together hydro rates and we have bundled together the car in—Autopac insurance and home heating and 'ser—bills. We

bundle those together and we guarantee through law that we have the lowest of that bundle in the whole country. And that's what we've done, and it's been identified by Deloitte—third-party, arm's-length. They have independent—have identified our affordability advantage in this province. That is something that is of real benefit to Manitoba families, along with the kind of tax credits—

* (14:20)

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

Mrs. Mitchelson: But the only people that would applaud that kind of answer are the 36 members of the New Democratic Party sitting in this House that have their heads buried in the sand and aren't listening to hard-working taxpayers.

Mr. Speaker, on Thursday evening, Mr. Humphry Davy said, and I quote: What are we teaching our kids? How many of you tell your kids it's all right to lie? Who gives you the right to bully us?

Well, Mr. Speaker, what does this NDP government say to Humphry Davy and many others like him who are disgusted with the lack of respect for Manitoba taxpayers?

Mr. Struthers: Mr. Speaker, only someone with a lack of respect for the Manitoba taxpayer would tell them they're going to cut health care; they're going to cut education; they're going to cut spending on infrastructure; they're going to cut daycares. A 1 per cent indiscriminate cut across the board for every single department—that's disrespectful to the Manitoba family and that's exactly what the member for Fort Whyte (Mr. Pallister) said he would do if he was ever given the chance.

They can talk all they like across the way about disrespect and not being respectful, but, boy, I tell you, when you tell that to Manitobans that the number of cuts that they would make, the number of nurses they fired back in the '90s that they'd do again, that speaks loudly. That speaks disrespect, Mr. Speaker.

Request to Withdraw

Mrs. Mitchelson: Mr. Speaker, once again this government and this Minister of Finance has no credibility with Manitobans when he's part of a government that will lie and say anything to get elected.

Mr. Speaker, on Thursday, 18-year-old Jared Miller said, and I quote: We face a bleak future here in Manitoba. He works three jobs to put himself through school and has trouble making ends meet. That's without a raise in the PST.

Will the NDP government now listen to people like Jared Miller, like Mr. Sutherland and Mr. Davy and reverse their decision to raise the PST?

Mr. Struthers: Mr. Speaker, I did—I'm glad that the member brought forward Jared Miller's presentation that he made the other night. I was very impressed with what Mr. Miller had to say. I was very impressed at the thought that he'd put into his presentation—maybe more so than the member for Emerson (Mr. Graydon).

Mr. Speaker, I had a conversation with Mr. Miller after he presented, and we talked—we had a very good discussion. He wants to be a law student. Mr. Miller was very impressed with our tuition tax rebate that he said would tip the scales in his favour—in Manitoba's favour to get hired on after he's done through law school.

So, Mr. Speaker, we don't have to take lessons from members opposite in terms of building a province. We build; they cut.

Early Childhood Dental Extractions Rate Increase

Hon. Jon Gerrard (River Heights): Mr. Speaker, you know, on this nice day of this emergency sitting of the Legislature, the NDP have increased the PST without the legally required referendum, but we are still waiting for sensible expenditure actions to save costs.

The minister of child and youth opportunities, Healthy Child Manitoba 2012 report illustrates the government's failure to 'prioritize' rational approaches to keeping kids healthy and to preventing the need for expensive procedures. For example, on page 45 we see that the number of dental surgeries in children up to age 5 has increased.

I ask the Minister of Children and Youth Opportunities (Mr. Chief) how he plans to effectively address the escalation in early childhood dental surgeries.

Hon. Greg Selinger (Premier): Mr. Speaker, the first and most important thing for any child to prevent tooth decay is to have access to healthy food, and that's exactly why we have, compared to a decade ago about five gardens in northern Manitoba,

900 community gardens in northern Manitoba, a gigantic difference. We've also increased the northern food allowance seven times in northern Manitoba to help people have access to better quality food.

Community gardens, northern food allowance, better opportunities to be in school with an increased emphasis on a graduation rate and an opportunity to learn how to look after yourself and to be able to thrive in the world: those are just some examples of how we're helping young people prevent tooth decay and get off to a better start in life in Manitoba.

Mr. Gerrard: Mr. Speaker, but it hasn't worked. The foresight and prevention can be extremely effective and simple approaches to reducing both physical pain and the financial costs of these early childhood dental extractions, but instead the present government has let it fester into a financial abscess with more and more surgeries needed. And they have to raise the PST to cover them.

In the Burntwood region, for example, the rate of dental extractions is nearly eight per 100 children. This is a very expensive approach to a problem which can be prevented at much lower cost.

I ask the Minister of Children and Youth Opportunities (Mr. Chief): What actions will he take to address the extraordinarily high dental extraction rate in the Burntwood region?

Mr. Selinger: Mr. Speaker, not only are we providing access to healthy foods, freezer programs so people can store the food that they grow and an increase in the northern food allowance so they can have access to higher amounts of good quality calories.

In schools we've discouraged the use of soft drinks and selling soft drinks in schools. We've encouraged more physical activity for young people, and we've encouraged them to have access to proper training and education so they can get jobs and lead a better quality of life.

Dental extractions are a serious problem for any young child that has to experience that. We want to make sure that they first and foremost have access to healthy foods and nutrition so that they don't have to decay their teeth and then require these procedures, Mr. Speaker.

Mr. Gerrard: Mr. Speaker, in 1999, the day that the NDP Cabinet was sworn into office, I said, and it was quoted that day in the Free Press: How the new NDP government addresses the issue of dental health

for children will be a test of whether Gary Doer and his team can make a real break with the disastrous health policy of the previous Tory government.

Clearly, with the increase in early childhood tooth decay and the increased surgeries for children under 6, the policies of the NDP are not working.

I ask the Minister of Children and Youth Opportunities: What actions will he take to reverse his own government's disastrous policies over the last 13 years and nine months?

Mr. Selinger: Mr. Speaker, what we have done is we've introduced the Healthy Child initiative in First Nations communities across Manitoba. We've provided prenatal benefits to young expectant mothers, no matter where they live in Manitoba, including in First Nations.

I only remind the member opposite—he talks about 1999—he was in the federal Liberal government in 1996 that cut the Canada Assistance program, which required that all families have access to the necessities of life. When the Canada Assistance program was eliminated, that triggered all the action across the country, which took away the necessities of life for people. Shame on him, Mr. Speaker.

Beliveau Road Apartments Upgrades

Mr. Dave Gaudreau (St. Norbert): Mr. Speaker, we all know that housing is one of the most basic needs in life to raise a family. Earlier today, the Minister of Housing and Community Development as well as the Minister of Education (Ms. Allan) attended an exciting announcement regarding housing investments in Manitoba housing units. It's become quite obvious that we're the party that builds in Manitoba and the Conservatives are the party that cuts.

Can the minister please tell us of the details of this announcement?

Hon. Kerri Irvin-Ross (Minister of Housing and Community Development): I was very proud to be in sunny St. Vital today and announce the reopening of the Beliveau Apartments: 16 new units refurbished by Manitoba Housing, \$7.6 million invested to provide better affordable housing for Manitobans and specifically in St. Vital.

In those units we have families coming back. And we had Kim and Spencer speak about their experience of being back in St. Vital and how excited they are to be in their brand-new unit, back

near their schools, back near the shopping, in the community that they love.

This is one example of the hundred million dollars a year that we are going to invest over the next three years to make a difference for Manitoba's housing and make that investment to preserve our housing stock.

PST Increase Request to Withdraw

Mr. Larry Maguire (Arthur-Virden): Well, Mr. Speaker, private citizen, Mr. Charter Kidzugane, immigrated to Manitoba years ago after leaving a dictatorship where he was persecuted for speaking out.

As a presenter at the Bill 20 hearing committee meetings on Thursday, he told the NDP to quit acting like the dictatorship he fled, and told further that the NDP should take a business 101 course to get a clearer understanding of the increased PST's impact on Manitobans.

*(14:30)

Will the NDP reverse their ill-thought decision to raise the PST, or is it their priority to force Manitobans to break the law, Mr. Speaker?

Hon. Stan Struthers (Minister of Finance): Well, in the lead-up to Canada Day, I was very pleased that Mr. Kidzugane had the opportunity to come to the Manitoba Legislature and talk to all of us on each side of the House.

Mr. Speaker, Mr. Kidzugane would also recognize, I think, that we have an infrastructure challenge in this country, in our province too. I think he would understand that we are taking that challenge head-on, whether that be infrastructure such as hospitals and schools and roads and daycares, or whether that be to protect Manitoba families from the next Manitoba flood.

Mr. Speaker, I think we can safely assume that Manitoba families would want a government that would step forward and protect Manitoba families from that next flood.

Mr. Maguire: Mr. Speaker, I think the NDP Finance Minister is starting to believe his own rhetoric.

Mr. Kidzugane told the PST committee that he believed demise of the NDP was coming. His personal experiences led him to offer that even in a banana republic somebody would have gone to jail for NDP actions.

Why do the NDP think his concerns can be disrespected? Will the NDP reverse their decision to raise the PST, or will it continue to force Manitobans to pay this tax in a bill that hasn't been passed yet?

Mr. Struthers: Well, Mr. Speaker, this government has been very clear that we were going to take on the challenges of infrastructure in Manitoba. We've been very clear in the budget how we were going to do that. We're very clear with the vendors in this province through bulletins as to exactly what is expected of vendors come July 1st. We've been very clear through Bill 20 exactly where that money is going to be spent, and that's going to be money spent directly into schools and hospitals and roads and bridges and daycares, the exact infrastructure that Manitoba families want us to be supportive of. They don't want us to adopt the Conservative view, and that is to cut hospitals, to cut schools, to cut roads and bridges. That's not what Manitoba families tell us they want. They tell us they want a government that will be up front—

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

Mr. Maguire: Mr. Speaker, if there's one thing clear it's that the government isn't clear about what they're going to do with the money after they put it in their slush fund.

Mr. Kidzugane urged the Premier (Mr. Selinger) and his NDP colleagues not to throw away the constitution of our country, Mr. Speaker, for their own political purposes. He offered that government services under the NDP management have deteriorated. That's even with the benefits this government has received in transfers and low interest rates.

Why won't the NDP listen to people like Mr. Kidzugane and reverse the PST decision, or will he just continue to disrespect our newest Manitoba citizens like Mr. Kidzugane?

Mr. Struthers: Well, Mr. Speaker, as I said, I appreciated hearing from Mr. Kidzugane the other night, and I wonder if he and many other Manitobans remember the days when the paltry amount of money that was being invested by—in Manitoba infrastructure from members opposite when they were in government.

Mr. Speaker, on roads and bridges alone we've quadrupled the amount of money that we've invested into that transportation network, and you know what else? When the member for Fort Whyte was in that

Filmon government, they raised gas taxes in this province. They raised gas taxes, and you know what they—else they did? As they raised gas taxes they lowered the amount of money going into infrastructure in Manitoba. You think that's what Manitoba families want?

**PST Increase
Request to Withdraw**

Mr. Reg Helwer (Brandon West): Well, Mr. Speaker, what Manitoba families don't want is the gift that this government gave to them on Canada Day, a PST increase, a gift that—it's not really a gift if it takes that much money out of your pockets.

We heard passion, we heard anger. We had opposition to this PST increase on Thursday night, and I have a hotelier in Brandon who is just as passionate about his business. This government is going to take \$200,000 out of his pocket to pay for their tax increases. What else is \$200,000? Let me think now, oh, there's a vote tax right into their pockets. How about that? He has some very difficult decisions, difficult decisions that this government can't make, won't make.

Will they listen to Manitobans? Will they listen to this business person, call a referendum and reverse the PST increase?

Hon. Stan Struthers (Minister of Finance): Mr. Speaker, I certainly hope that the member for Brandon West, in conversations with that business owner constituent of his, I certainly hope that he mentioned that this was the government that took his small business tax from 8 per cent down to zero per cent. I assume that the fine, upstanding member for Brandon West would have had the decency, would have had the moral courage, would have had the stomach to turn to his own constituent and tell him, how much did you gain by a reduction from 8 per cent to zero per cent? I wonder if he had the guts to do that.

Mr. Speaker: Time for oral questions has expired.

MEMBERS' STATEMENTS

**Promoting Literacy and Learning for Girls and
Young Women in India**

Mrs. Myrna Driedger (Charleswood): I was recently honoured to attend an event, along with my colleagues from La Verendrye and St. Paul, called Learning for Life: Promoting Literacy and Learning for Girls and Young Women in India.

It was a gala dinner sponsored by the University of Winnipeg. The University of Winnipeg and World Literacy Canada work closely with partners in India to promote education for young girls and young women in India. For World Literacy Canada, the common thread in all of their work is women's empowerment, fostering literacy skills among women and children that will enhance their standard of living, enabling them to live with greater independence and dignity.

The event raised funds to support two very important initiatives, a library and learning centre in rural Punjab and the creation of scholarships for girls in the Varanasi area. Because of a generous donation by Ventura Custom Homes of Winnipeg, a library and learning centre in the village of Bhanohar, Punjab, India, has been built. The Mata Gujri Memorial Library and Learning Centre managed by World Literacy Canada will provide library services, computer training, English and Punjabi language classes as well as courses in life skills.

Funds raised will also help support WLC's Sally Swenson Scholarship project, which makes a difference in the lives of hundreds of Indian children living in poverty. Scholarships cover the cost of a student's tuition, books, school supplies, transportation, after-school tutoring and provides opportunities to participate in a number of special events throughout the year.

This year, the guest of honour at the dinner was the High Commissioner of India in Canada, His Excellency Admiral Nirmal Verma, and the keynote speaker was Monika Deol, a well-known broadcaster and philanthropist.

Mr. Speaker, I would like to congratulate the organizations and sponsors of this very special event and wish them much success in their fundraising for such an important cause.

Herb Lake Landing

Mr. Clarence Pettersen (Flin Flon): Mr. Speaker, on June 1st, the community at the south end of Wekusko Lake gathered to remember those buried at Herb Lake Landing. Commemoration of the pioneers who lived and were part of the gold rush was honoured with a plaque listing the names of all the individuals who passed in the community.

Herb Lake Landing is a small community in northern Manitoba known to many Manitobans, but it is a community beloved by its residents. Herb Lake Landing is situated on Wekusko Lake in northern

Manitoba. Gold was discovered in the area in 1914, making it a thriving gold-mining town for nearly 50 years. However, the gold rush did end eventually, and the last mine closed in 1948. Over time, the town has become quiet, yet remains a small community, a home to wild-rice harvesters, trappers, fishermen and retirees. There's also cottage country for some.

The town was a community filled with pioneers coming to partake in the mining efforts. After they passed, they were buried in Herb Lake cemetery. Since Herb Lake Landing was a small, remote community, when people passed on, their way—usually buried at the community graveyard south of town. However, over the years, it became more difficult to get to the graveyard, especially for older loved ones. Mother Nature has also taken over. Wooden crosses are in disrepair and stones are becoming harder and harder to find.

In order to make it easier for people to visit their loved ones, a plaque has been erected. The plaque and the information on it required a lot of work, and I would like to recognize the efforts of everyone who worked to make this plaque possible. Residents of the town worked to gather all the names and known information about those buried in the cemetery, and the plaque was designed by Mr. Hemauer, owner of the Hemauer Funeral Home in The Pas.

Mr. Speaker, Herb Lake Landing may be a small community but it has a big and rich history. This commemoration is an example of how important it is to remember where we have come from, not just focus on where we are going.

Thank you.

Megan Jack

Mr. Cliff Graydon (Emerson): Mr. Speaker, everyone should have the ability to follow their dreams, regardless of barriers that are thrown in the way. Education is a great equalizer, and all students should have the opportunity to learn the skills required to followed their dreams.

*(14:40)

Megan Jack from Altona is an exceptional student who's followed her dreams. Being deaf, she never thought twice about her dream job of becoming a doctor. She graduated from W.C. Miller Collegiate in Altona, a community that does not have abundance of support for students with accessibility issues.

Throughout her high school career, an educational assistant helped her with note-taking in the class and she was able to graduate with top marks in her class. Her dream since grade 7 was to become a doctor. The University of Manitoba only accepts a hundred and ten medical students a year from over a thousand applicants, and Megan was able to enter medical school. With the challenge of being deaf, the university met that challenge in terms of providing interpreters. She was able to have four interpreters each year during her studies; however, only one of those interpreters had a medical background. Megan waited a year to start the program so that her interpreters could be trained in the terminology of medical school, and even then an intense amount of preparation was required before classes.

Megan will be working as a family doctor after her two years of residency and she will have to hire an interpreter so she can treat and work with patients who do not understand sign language. She hopes that she can work in rural medicine and return to her roots in rural Manitoba.

Mr. Speaker, on behalf of my constituents and all members of this House, I want to congratulate Megan on all of her accomplishments. I look forward to her returning to practise in rural Manitoba. She is an inspiration to everyone who wants to follow their dreams.

Thank you, Mr. Speaker.

Jeanne Perreault

Mr. Dave Gaudreau (St. Norbert): Mr. Speaker, as people from all over Winnipeg are coming out to visit St. Norbert's most beloved spots, the farmers' market, the Trappist Monastery Ruins and the unique heritage buildings of Place St. Norbert, I would like to pay a tribute to the woman who helped make it all possible.

Ms. Jeanne Perreault passed away five years ago, but her lasting impacts are still resonating throughout our community. While I didn't have the privilege of knowing Ms. Jeanne Perreault in life, I know that St. Norbert would not be the vibrant, independent community it is today without many of her years of advocacy and leadership. Jeanne taught at St. John's-Ravenscourt for 35 years, but her involvement with the community did not end there. She volunteered with Pregnancy Distress Service for over 25 years. She was a school trustee with the Seine River School Division, served on the

Fort Garry Library board and was a long-time member of the Catholic Women's League.

Jeanne was the kind of person who, when she saw a need, would not stop until that need was fulfilled. In 1979 she helped found Heritage St. Norbert to protect our area's heritage and culture. Her tireless efforts were crucial in securing the property that is now used for the farmers' market and many unique heritage buildings, including the Metis log house dating from the late 1800s and a timber frame structure housing of a Red River ox cart displaying an effigy in memory of Jeanne Perreault.

She served as the president of Heritage St. Norbert for many years and won several awards during her life, including the Prix Manitoba Award for Heritage in 1996.

Jeanne Perreault was an extraordinary woman who was proud of her French and Metis heritage and lived most of her life in St. Norbert. As she liked to say: We started out a small canoe, but we have now become an ocean liner.

The life of Jeanne Perreault is proof that one determined person can make a difference.

Thank you very much, Mr. Speaker.

PST Increase

Mr. Cliff Cullen (Spruce Woods): It was, indeed, a very interesting and memorable Canada Day weekend. I had the opportunity to visit a number of communities in my riding. I'm thinking—also took part in the Killarney Fair, the Glenboro Fair, visited some people at Pelican Lake, Killarney Lake. It was great to visit the great people of the Spruce Woods constituency.

Mr. Speaker, there was a lot of talk about the gift the NDP had given them over the first of the weekend too, the 1 per cent increase in the provincial sales tax. And certainly this July 1st weekend will go down in history as very memorable for a lot of Manitobans, and certainly for those of us in the Legislature.

Clearly, you know, the comments kept coming up. Didn't the Premier (Mr. Selinger) say to us before the last election that there would be no increase in provincial sales tax? I said, in fact, he did. He said the thought of increasing provincial sales tax was utter nonsense. But here we are. We had an increase in the 2012 budget, a dramatic increase in the PST in the 2013 budget.

And many taxpayers, many of my constituents, are saying, where is it going to end? The taxpayer's on the hook year after year. At the end of the day there's no accountability on behalf of the NDP government, and, Mr. Speaker, we heard that last Thursday in committee. Many speakers came to the committee to voice their concerns about where this NDP government is headed. And, clearly, we are hearing various reports about the integrity of the leadership over on the other side of the House, and certainly people are getting disenfranchised with government. And I think it's a sign of a lack of respect for government, and I just wanted to say that this will be a very memorable July 1st weekend and we're certainly interested to see what the fallout will be from the gift from the NDP this weekend.

Thank you, Mr. Speaker.

Mr. Speaker: Grievances? No grievances.

ORDERS OF THE DAY

(Continued)

GOVERNMENT BUSINESS

House Business

Hon. Jennifer Howard (Government House Leader): Mr. Speaker, pursuant to rule 31(8), I'm announcing that the private member's resolution to be considered next Tuesday will be one put forward by the honourable member for Tyndall Park (Mr. Marcelino). The title of the resolution is Refugee Health Care.

Mr. Speaker: It has been announced that, pursuant to rule 31(8), that the private member's resolution to be considered next Tuesday will be the one put forward by the honourable member for Tyndall Park, and the title of the resolution is Refugee Health Care.

Ms. Howard: Would you resolve into Committee of Supply.

Mr. Speaker: We'll now resolve into the Committee of Supply as listed on today's Order Paper. Mr. Deputy Speaker, please take the Chair.

COMMITTEE OF SUPPLY (Concurrent Sections)

JUSTICE

* (14:50)

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.

Last time we met, we were debating the following motion by–moved by the honourable member for Brandon West (Mr. Helwer)

THAT line item 4.1.(a) the minister's salary be reduced to \$1.08.

Are there any questions?

Hon. Andrew Swan (Minister of Justice and Attorney General): Well, thank you, Mr. Chairperson. I believe I had the floor when we ran out of time on Thursday afternoon. I was just having a chance to put on the record some of the things that maybe the member from Brandon West and his colleagues weren't aware of. And I would like to use the rest of my time to talk about some other things that maybe we didn't have a chance to address that I think are really important because I know the member for Brandon West (Mr. Helwer) has put forward the motion but he can certainly vote against his own motion when we go into the House to deal with it.

When we broke on Thursday I was talking about some of the major investments that we've made with respect to prosecutors and with courts. And I just started talking about the really positive things we'd done in giving prosecutions more capacity to take on some of the challenging kind of issues that we know police and Crown attorneys have to deal with.

I briefly mentioned the Criminal Organization High Risk Offender Unit and the Gang Prosecutions Unit. We also have a Crown attorney who's the child sexual exploitation case co-ordinator; certainly, protecting children from sexual exploitation has been a major plank, a major thing that our government and I personally are very, very committed to

And I know, for the member for Brandon West, he'll be very interested to know that one of the additional positions we've added is an anti-gang prosecutor for Brandon. Brandon is a great city; it's a peaceful city. But we know that it stands at, on the Trans-Canada Highway and a crossroads for those who might not be so interested in building the great community that it is. And we wanted to make sure that Brandon had the tools as well to take on those who would hurt our communities.

And of course, we've got to the community prosecutor program that was, I believe, under Minister Mackintosh's watch that Manitoba, I

believe, became the first place in Canada to have a community prosecutor. That Crown attorney has the opportunity to focus in on the kinds of crimes which, taken in isolation, might appear to be relatively minor, but taken in series actually demonstrates offenders who may be causing a lot of damage to the community, who may be, in their own way, really impacting public safety.

Our community prosecutor has the respect of the court, and although many times the community prosecutor will search for alternatives and diversions for the individual, when it becomes clear the individual has refused treatment or has walked away from treatment, it's often the case that that community prosecutor has sought and has actually been successful in getting serious penalties for people who, again, have committed a series of relatively minor incidents but have had an impact on the community.

One example very close to where I live, there's a food store near the corner of Arlington and Portage Avenue. There was a very aggressive panhandler who actually was scaring people, who was having an impact on the business and the businesses in the area.

The evidence had been that he'd refused treatment many times, and the community prosecutor sought a very, very stiff sentence, and the judge, on the particular facts of the case and because of the respect the judge had for the community prosecutor, agreed.

There was another individual who had assaulted a bus driver, which was one of–the last straw, if you will, for someone who'd committed a number of increasing crimes, and the community prosecutor was very successful.

I did speak about the mental health court and the drug treatment court, so I don't need to put anything else on the record about that, although I would again highlight the positive results from the Winnipeg Drug Treatment Court. And I can't recall if I put on the record that the most recent figures indicate a reoffence or recidivism rate of only about 13 per cent, which seems to indicate that an intensive approach like that, a diversionary approach like that can be successful as long as the services are there.

I wasn't asked anything about investments in Corrections. Since 1999, we've added, in fact, 941 new jail beds to date. We did talk a little bit about planning for the new jail in Dauphin.

I also wasn't asked about probation officers. We now have 51 more probation officers doing their job here in the province than we did in 1999.

I talked a bit about innovation on the court front and on the technology front. Of course, there's also innovations that we've brought in in terms of fighting crime, and we spoke just a little bit about the auto theft suppression strategy. It is working. Auto theft is at its lowest point in more than two decades now. It's down nearly 80 per cent from where it was.

And we talked a little bit about Criminal Property Forfeiture Unit, but I can add that this summer I'll be visiting police forces across Canada, and actually, this summer alone, we're handing over \$1 million to the police to assist—[interjection] Well, I know members opposite aren't very happy.

I'm just putting on the record some of the points in counter to the motion. There was a lot of questions that weren't asked, so I thought it was very good to just make sure members opposite are aware, because clearly they're not. And thanks to the Criminal Property Forfeiture Unit, we're handing over more than a million dollars to the police.

I was out in Selkirk just a couple of weeks ago. We're actually supporting some agencies that work hand in hand with the RCMP in Gimli, in Selkirk and also in Stonewall—member for Lakeside's (Mr. Eichler) community, beautiful community—where we're more than happy to provide some resources to assist the RCMP doing their work.

And, indeed, in Selkirk we're able to see the boats that they've been able to purchase with the provincial money from the Criminal Property Forfeiture Unit. I can't tell you how excited the RCMP officers in Selkirk were to have those craft. They will save lives. They can easily move them up and down the river or even the lake and launch those boats very quickly in case somebody should happen to be in distress. That equipment, that investment is going to be saving lives.

Of course, The Safer Communities and Neighbourhoods Act. We've now been able to shut down—and I have the most recent number, because I know the members opposite want the most recent numbers—we've now shut down more than 644 drug dens and prostitution houses to restore order for communities, for people living in communities that just want to be able to enjoy their neighbourhoods in peace and quiet.

And thanks to the use of that, at the time, groundbreaking legislation in Manitoba, which has been copied by virtually every province and territory now, we've been able to restore order to those communities.

And, of course, the warrant enforcement squad continues to do its work. It's now made more than 1,100 arrests of individuals with outstanding warrants who failed to comply with the requirements to show up, many of whom have committed serious and/or violent offences.

*(15:00)

And, of course, in terms of punishments, we've introduced tougher penalties for breaking the law here in Manitoba. Of course, we've already said we've been seizing houses that are fronts for organized crime and other property bought with profits of crime. As I think members are aware, we've introduced legislation that's been supported unanimously, to suspend driver's licences for people convicted of drug trafficking and, of course, we prevented the introduction of body armour and fortified vehicles.

I know members opposite weren't in support of that when we brought it in. Thankfully, maybe they've spoken to the police; maybe they've seen what's happened elsewhere. I'm glad they've now recognized that we were actually ahead of the curve when it comes to protecting our police, our other first responders and our citizens generally.

And, of course, we've been supporting efforts to make gang recruitment a crime and to make it more difficult. Sometimes that's done by giving young people more positive approaches, and my colleagues, I know, are very dedicated to that.

As well, we also asked for tougher penalties against those who would bring young people into a life of crime, and the federal government moved some way. We're pleased they brought introductions—introduced changes to the Criminal Code. I wasn't pleased that they didn't take some other ideas on how the bill could be made even stronger, but we never stop trying on this side of the House.

So, certainly, we know that we've continued to innovate. Manitoba's always recognized as one of the leaders—things like The Missing Persons Act which we know is very important, things like scheduling criminal organizations. I know that there was no questions about that, but the members should know

that, again, this was first-of-its-kind legislation in Canada, and I'll be pushing the federal government to continue to move.

I believe I have a good relationship with Minister Nicholson and I believe he's interested in public safety just as we are. We think there's more work for the federal government to do and, of course, as Manitobans we're quite prepared to provide assistance to them and allow them to bring in the right laws to hopefully make our communities safer.

So there are an awful lot of really good things to talk about on the Justice front. I know the member, I suppose, didn't have time to ask them all or didn't think certain things were important enough, but I thought it was really important to put some comments on the record just explaining how some of the other things we're doing that maybe we didn't get to in the course of the questions.

But I thought it was really important in light of the motion that's been brought by the member for Brandon West (Mr. Helwer) just to put some more information and some perspective on the record.

So I thank you for that opportunity, Mr. Chair.

Mr. Chairperson: Is the committee ready for the question?

An Honourable Member: Question.

Mr. Chairperson: Shall the motion pass?

Some Honourable Members: Yes.

An Honourable Member: No.

Mr. Chairperson: Okay, I think one member said a no.

Voice Vote

Mr. Chairperson: All those in favour of the motion, please say aye.

Some Honourable Members: Aye.

Mr. Chairperson: All those opposed to the motion, please say nay.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Nays have it.

An Honourable Member: I don't think so.

Mr. Chairperson: Okay, member from Brandon West?

Recorded Vote

Mr. Reg Helwer (Brandon West): Recorded vote, please, Mr. Chair.

Mr. Chairperson: A formal vote has been requested by two members. This section of the Committee of Supply will now recess to the—to allow this matter to be reported and for members to proceed to the Chamber for the vote.

The committee recessed at 3:03 p.m.

The committee resumed at 4:15 p.m.

Mr. Chairperson: Order. Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the last item, resolution 4.1, of the Estimates for the Department of Justice.

Are there any questions?

Seeing none, I will now put up the question.

Resolution 4.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,885,000 for Justice, Administration, Finance and Justice Innovation, for the fiscal year ending March 31st, 2014.

Resolution agreed to.

This completes the Estimates of the Department of Justice.

The next set of Estimates to be considered by this section of the Committee of Supply is for the Department of Infrastructure and Transportation.

Shall we briefly recess to allow the minister and the critics the opportunity to prepare for the commencement of the next department? Agreed?

Mr. Ralph Eichler (Lakeside): I thought a break would be fine.

Mr. Chairperson: Okay, as agreed, five minutes will be—it will be. Okay.

The committee recessed at 4:16 p.m.

The committee resumed at 4:20 p.m.

INFRASTRUCTURE AND TRANSPORTATION

Mr. Chairperson (Mohinder Saran): 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 Infrastructure and Transportation.

Does the honourable minister have an opening statement?

Hon. Steve Ashton (Minister of Infrastructure and Transportation): I, first of all, want to highlight the degree to which this department reflects this government's historic commitment to investment infrastructure. In this budget year, we are investing \$622 million to renew and improve roads and construct new roads throughout the province. And I want to stress that that is at historic levels, including a very historic commitment to capital. We've increased our capital spending from about \$85 million when we came into office in 1999, to the point that this year capital alone will be \$468 million.

I do want to highlight that we have a number of new initiatives that were announced as part of our budget rollout that includes the Urban Highway Fund and the Commercial Infrastructure Fund. These are important new additions that allow us to cost-share with emerging situations, both in terms of commercial investments and growth, and also in terms of the growth in many of our—what are often called rural communities, but obviously have urban components. And, certainly, more than prepared to answer questions about these initiatives.

The flood of 2011-2012 continues to be a major focus for us, with significant reconstruction both on our road network having taken place and significant undertakings in terms of bridges, as well. I can indicate that that also includes a very significant focus on Highway 75. We're anticipating the technical work on the flood-proofing in terms of Highway 75 and around Morris will be completed over the next period of time.

I want to highlight the work that has been done in terms of flood mitigation. We moved to put in place two reports, the 2011 Flood Review Task Force report and the Lake Manitoba Lake St. Martin Regulation Review Committee report. We received those reports, adopted those reports and have made significant progress already on the main recommendation in terms of Lake Manitoba, Lake

St. Martin, where we are committing \$250 million. That's the initial estimated cost for both a permanent outlet from Lake St. Martin and also an additional outlet from Lake Manitoba. And continuing, actually, the technical work and further mitigation studies on the Assiniboine River and Lake Manitoba base-basin.

I want to indicate that the bridge inspection program is a very significant priority for us, as is the repairs to the bridges that were damaged. We also have been working significantly on our dikes, both during and as follow up to 2011. I can highlight that Ralls Island, currently we're benefitting very much from the improvements that were made to dikes in—at Ralls Island and in the RM of Kelsey in 2011.

In 2013, we're targeting upgrading and repairing more than 40 bridges, and we're focusing on more than 1,160 kilometres of scheduled upgrades. I could list off numerous projects, but, in the interest of time, I will certainly save those projects for discussion during Estimates itself. I can indicate that some very significant work will be continuing over the next number of years, again, because of our record investment.

I want to indicate that there has been significant progress on the Souris River bridge, and we are also looking at the St. Jean Baptiste bridge. A transportation study is under way looking at the situation with that bridge.

CentrePort Canada Way is being developed as a major initiative and, again, has been very significant to our progress on the capital side.

A number of significant developments in the Churchill Arctic Gateway, and I do want to highlight again that we are working with the federal government and anticipating, you know, some recommendations that will lead in its new directions in terms of the Port of Churchill. And we have invested as a province very significant the upgrade of the rail line along with the federal government.

I want to indicate, we've made a number of changes that are before the Legislature in terms of regulations, including regulations of vehicle weights and dimensions that bring us into a harmonized regulatory environment with other jurisdictions.

Similarly, we're moving ahead in terms of bus service, reflecting the fact the old system was in need of reform, and we have legislation that deals with charter bus service.

The Nunavut-Manitoba winter road initiative, I know, has been in the news and certainly a continuation of the initiative we took a number of years ago with Nunavut and has renewed interest from the federal government. Again, we have a winter road in every—connect to every community in Manitoba, not connected by some other form of land link, and it certainly has strong possibilities for extension into Nunavut.

We're working on the port of entry at Pembina and Emerson, reflecting its—actually one of the most important corridors in Canada; it's the busiest corridor west of Ontario.

In terms of air services, we're continuing to help support the southern air ambulance inter-facility transport program. I do want to highlight, as well, that the fourth water bomber has been put in place and couldn't have been put in place at a better time, given the current forest fire situation.

We're also moving on greening of government vehicles through the Greening of Government Vehicles Regulation. I'm very proud of the work we've done on Green Building Regulation, as well, and can answer questions related to that.

I do want to indicate, by the way, that we have very significant success with LEED or Green Globe certification for a number of our projects. And again I look forward to questions on that.

And we've opened the UCN campus, in addition, the library, the Oscar Lathlin Library in The Pas, and we're well under way with the UCN campus in Thompson.

The final comment I want to make is that we don't just talk about infrastructure investment, we practise it. And I do indicate, again, that we have historic investments in infrastructure in government. We're at \$1.8 billion worth of investment this year, a significant part of that is in this department, and I look forward to telling the story of just how much we've turned around the infrastructure deficit in the province.

And, to coin a phrase that has been used in the past, even though much has been accomplished, there's more to do and indeed that's very much what this set of Estimates is all about.

Mr. Chairperson: We thank the minister for those comments.

Does the official opposition critic have any opening comments?

Mr. Ralph Eichler (Lakeside): Thank you, I do have just a few comments in regards to the Estimate process and certainly thank the minister for his update as we get ready and prepare for this seven-hour short time of Estimates.

And certainly looking forward to try and drill down and get a little better handle on the announcement in regards to the PST, where this money is going to be going into infrastructure. We find out that, in fact, it's all not going into infrastructure; it's going into some other projects. So perhaps we can find out through the timelines and the questioning how much is actually going to be going into infrastructure.

And, of course, we still have some unanswered questions from last year that's still outstanding, so we certainly want to try and drill back down and find out why we never got answers to those. So we'll certainly look forward to that process.

* (16:30)

I do also just want to bring forward a few concerns that I have in regards to CentrePort and, of course, the Churchill Arctic Gateway, because we certainly know there's large opportunity for growth there. So we're looking forward to that process, and I guess the sooner we get into it, the sooner we can try and get down to some of those answers that we're looking for.

So, with that, I'll close, and, hopefully, we can get started here very quickly.

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 15.1.(a) contained in resolution 15.1.

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

Mr. Ashton: Yes, I have the deputy minister, Doug McNeil; Ian Hasanally, ADM of finance; Chris Hauch, ADM of Accommodation; Lance Vigfusson, ADM, Engineering and Operations; Doug McMahan, ADM, Water Management and Structures.

Mr. Chairperson: Does the committee wish to proceed through the Estimates of this department chronologically or have a global discussion?

Mr. Eichler: Mr. Chair, I suggest global.

Mr. Chairperson: Thank you. It is agreed, then, that questions for the department will proceed in a global manner with all the resolutions to be passed once the questioning has concluded.

The floor is now open for questions.

Mr. Eichler: Last year in the debate in regards to the Perimeter in regards to the area route between Roblin and Portage, there was a bridge that was being repaired and, at that time, I'd asked in regards to whether or not there was some errors or things that were holding up the development of that particular bridge. I would like an update on what had happened with the upgrade and if there was, in fact, any challenges that the minister would care to put on the record in regards to why that project had been delayed so long and what went wrong.

Mr. Ashton: Again, I just want to confirm the member's talking about the West Perimeter Bridge, not the South Perimeter Bridge.

Mr. Eichler: That is correct.

Mr. Ashton: Yes, there were some cracks that were identified by engineering staff, so it reflected the work that was needed to be done to assess both the structural integrity and the repairs that were necessary.

Mr. Eichler: Was there any fees levied against the construction company as a result of those cracks or was it accepted the way it was tendered?

Mr. Ashton: Yes, this was done, again, out of the abundance of caution from the inspection. The—there were some minor requires that were—minor repairs that were required, as the member can well understand. We don't take any chances when it comes to bridges or other structures. In this case, it wasn't the fault of the contractor, and, again, there were minor repairs that were required. It was not a costly impact, although, again, out of an abundance of caution, we did assess the structure, you know, to ensure that it was safe, and that did create some delay.

Mr. Eichler: So there's no legal action taken against the Province or the contractor in regards to those cracks in the bridge?

Mr. Ashton: No, not on that bridge.

Mr. Eichler: In regards to the cracks, were they found by your engineering department or were they by the contractor?

Mr. Ashton: By the department.

Mr. Eichler: The engineers that's currently working for the Province, how many are under contract?

Mr. Ashton: We have various contracts at any given time, if nervous about consulting engineers. If the member wants a list of current contracts, I can provide it. It wouldn't necessarily identify how many engineers; we hire the services of an engineering company. But, if the member's interested, perhaps at the next sitting we can get a list of some of the ongoing projects.

Mr. Eichler: Yes. Mr. Chair, I would like a list of the contracted engineers whenever you can make that available, hopefully, in a timely manner. Also, how many engineers are currently on staff?

Mr. Ashton: I can get that number. Again, is the member interested in engineers or, you know, we also have engineering techs as well. I can certainly provide whatever specificity of information that the member requires. Again, we can probably table that tomorrow when we're into Estimates again.

Mr. Eichler: That would be appreciated.

With the City of Winnipeg, are there still contracts entered into them in regards to using their engineers rather than provincial engineers?

Mr. Ashton: No.

Mr. Eichler: Thank you, I want to move on.

Recently the Province issued a statement that they were going to be taking First Nations to court in regards to a class action lawsuit. What was the basis of which the Province decided to take these First Nations to court?

Mr. Ashton: Yes. Well, actually, I think what the member is referring to is there was a class action law suit filed that included a number of First Nations people in the lawsuit. The Province did not initiate that court action. A statement of defence was filed and that is normal. You know, and without commenting on the specifics of the legal action—obviously, that's why we have courts and why we have lawyers. Certainly, we—the Province did not take First Nations to court. This was an action that was initiated by the plaintiffs themselves. So the Province, as is standard practice, filed a statement of defence.

Mr. Eichler: I'm having a—I have a little bit of a hearing problem. We don't have hearing devices. So, if the member from Brandon East and Brandon—member from Fort Garry-Riverview could take their conversation to the loge, I would much appreciate it.

Mr. Chairperson: Order, please. Now, make sure—

An Honourable Member: Sorry to disrupt you.

Mr. Chairperson: All right.

Mr. Eichler: Thank you, I appreciate that. I wasn't trying to be coy, but I do have a bit of a disability, one of many, probably, but we won't get into those here.

But just to follow up on this, the control structures that's highlighted in the press release refers to Dauphin River, Little Saskatchewan, Shellmouth Dam, Portage Diversion. So, basically, what the department is saying is that really there—this is brought on by another department or by the First Nations rather than by the Province of Manitoba.

Mr. Ashton: Well, no. I think it's important to recognize, if you were to look at the flooding situation facing First Nations, let's start from the initial premise that many reserves were located—and, again, this was not the choice of First Nations—but they were located in flood-prone areas. Probably the best example of a relocation that really has had a huge impact in those communities is the relocation of Peguis to its current location, which is flood prone to the point where flooding occurs on, you know, if not on an annual basis, probably every second or third year. So you start off with that as being one of the key factors. You then have in some areas other contributing factors, and if you look at Lake St. Martin, for example, in the early '60s an outlet was built from Lake Manitoba. The Portage Diversion was built in subsequent years, oh, probably in '71, '72. Shellmouth Dam was completed—all parts of the flood infrastructure. But an artificial outlet out of Lake St. Martin was never constructed. It was looked at in 1978 and was rejected. In 2011, as part of the emergency response to the 2011 flood, we built it.

* (16:40)

So, in some areas, you have very site-specific impacts. It's then compounded by another factor, which is there has been little or no investment in flood mitigation by federal government on—in First Nations communities. In the case of Peguis, for example, we did, as a Province, at our initiative, work with the First Nation on LiDAR surveying and

identifying many of the problems. There was a report; the report identified some of the causes. The only commitment from the federal government thus far is for relocation of 75 homes, and that apparently is in process.

So there's the broader issue of flood mitigation. There's also the underfunding of both planning and what would be considered normal municipal-type services and structures so that many communities—and I'll take Peguis as an example; I just recently met with the chief again—there are low-level crossings that creates a problem in terms of flooding. There's poorer drainage. There's been a significant amount of development within the flood plain, again, because there just wasn't the land available.

So there's a whole series of causes that put First Nations in the untenable position of being impacted by flooding time and time again. Each community is somewhat different, but since '09 and again in 2011-12, we've seen a disproportionate impact on First Nations. Now, there's a further complication as well, and you saw it during the 2011-2012 flood with evacuees, again, a disproportionate impact on First Nations. And the key issue there was, you know, evacuees eventually hope to go home, but in many cases there were—simply weren't the homes to go back to because of both flood impacts, but of chronic mould, water table problems in and around Lake St. Martin, for example, and the desire by a number of the First Nations communities to have a resettlement to a preferred land base. So, in many cases, even though homes were available, again, the long-term goal has been to have a location that will avoid those kinds of problems.

So, you know, there are complex factors, but what it really comes down to, quite frankly, is First Nations are disproportionately impacted, and we have identified with the federal government that this is a huge concern. We've also identified some of the significant weaknesses in the current model of response for First Nations. Again, you have lack of funding in the case of ANSI. You know, we have played a role traditionally where we essentially have to help finance one federal department to get payments to another to get payments to First Nations. So there are problems with that.

It's a complex problem, but the solution has to be based on nothing less than a wholesale reform of the way we deal with First Nations. We communicated that to the federal government; I think there's some positive signs with the current federal minister. I

think he takes the issue very seriously. But, until we can prevent these disproportionate impacts on First Nations, we cannot and we will not accept the status quo.

Mr. Eichler: Certainly, I understand the challenges that the Province is going through in regards to, you know, these communities that have been impacted by the flood of 2011-2012, in particular, Lake St. Martin. And my understanding is that there was a number of temporary homes brought in to the old airport base, is my understanding. What was the decision, or how did you arrive at how many homes to be located there, and what cost was that for Manitoba taxpayers?

Mr. Ashton: The Minister of Aboriginal and Northern Affairs (Mr. Robinson) has been the lead on the relocation issues. I can certainly undertake to contact him directly. I'm not sure what the arrangements are in terms of estimates, but we will attempt to get a response. I can indicate, by the way, that there have been some fairly detailed and complex negotiations, and I'm not pointing fingers, but, obviously, you know, there are various reasons why discussions were as extended as they were, and I do want to stress again that I think there's been a renewed commitment by the federal government, and the federal minister in particular, to move this along.

I think the Prime Minister's also aware of this as well, and we're seeing some significant progress. We've seen some over the last couple of months.

And the goal is to get people not necessarily back where they were but to get them into a better situation than they were before, which is in an area with arrangements, where there's mitigation and far less risk of flooding.

Mr. Eichler: So I'm clear on the role played by EMO in regards to the cost, what does the department have a handle on what that particular cost was for Manitoba taxpayers, just in regards to the Lake St. Martin folks that were relocated back to the base?

Mr. Ashton: Yes, again, I mean, there are costs were covered by DFA, which is administered by EMO. There are other costs that are outside of that scope. Again, the Minister of Aboriginal and Northern Affairs has been the lead with the federal government, and I will undertake to contact that minister and try and get back in terms of 'spec' information.

And, if the member is interested, too, I can also arrange when the deputy of—responsible for EMO, is also Local Government, is available—I believe Local Government is still continuing—to answer detailed questions on any and all aspects related to the 2011-2012 flood, including some of these issues.

Mr. Eichler: Yes, I would appreciate, you know, the response back to that.

Also, in regards to the new proposed site for the Lake St. Martin folks, what role does EMO play in that? I know that, you know, we'll probably be told that it's going back to Aboriginal and Northern Affairs, but there has to be some role in the decision-making process where the department has a certain responsibility to determine whether or not—or consultation with the department in order for that decision to be made.

I understand it is now in the Prime Minister's office or maybe it's already been signed off. I was wondering if we could get an update on that.

Mr. Ashton: Again, in terms of the actual discussion with the federal government, it's been Aboriginal and Northern Affairs. Housing has also been involved. EMO's role is, on behalf of the federal government in terms of working with First Nations, is the evacuation costs, other elements. This is really about a permanent resettlement, and that is, again, being dealt with by Aboriginal and Northern Affairs, is being dealt with by Housing, and is really beyond the scope of the DFA mandate, as the member, I'm sure, is aware.

And I think the member's assessment is quite accurate. I think there's some indication that it's moved to the highest levels in the federal government, and we're anticipating some further progress very soon.

Mr. Eichler: Would the department have a bit of a timeline on—we still have roughly 2,000 people live in hotels or outside their community. Is there a guideline or a timeline that the department like to see these folks relocated back to their homes?

Mr. Ashton: Again, that's really dependent on movement on what we've been talking about the last few minutes, and I think best way to describe it is there's some encouraging signs. And certainly we're anticipating some significant progress in the next period of time—next short period of time. I think it's clear the federal government is engaged on this. We certainly have been. And I'm anticipating some major progress very shortly.

Mr. Eichler: MANFF has been removed, I guess, as the main negotiator or the main department that's used to pay bills and so on. What's the process to have them replaced, and how is that going to roll out for those that may be interested in being the moderator, so to speak, for those funds that are coming from—back to flood victims, of course, and then back from the federal government?

Mr. Ashton: Well, it's a good question.

* (16:50)

First of all, MANFF, the Manitoba Association of Native FireFighters, has historically dealt with forest fires, evacuations, continues to do so, is doing a very good job currently in a very difficult circumstances, and I got a chance to talk to northern MANFF officials who dealing with the forest fire situation. So I want to stress they continue to have an important role.

When it came to flood evacuations, again, MANFF, which is an agency that certainly the AMC, Assembly of Manitoba Chiefs, has indicated has credibility with First Nations, did step up to the plate under some very challenging circumstances. We've have thousands of evacuees for extended periods of time and that stretched their resources and their mandate to the limit.

They have—their board has given notice that they're now withdrawing from the—their role. The Red Cross has indicated that it is looking at that. Certainly, the federal government has approached the Red Cross.

Our role has been traditionally in providing, essentially, financial services, because you have two federal departments, the—Public Safety Canada, which has the funding, and Aboriginal and Northern Affairs, which has the fiduciary responsibility mandate for First Nations. So that's where we interfaced with MANFF in terms of evacuation and evacuation costs, and I want to stress again, this is all—it's all a hundred per cent federal fiduciary responsibility.

And I can indicate that we've also, in our discussions with the federal government and with First Nations, indicated that there's a real sense that the current system is not working for anyone, particularly First Nations, and we would be interested, based on our consultations with First Nations, in a new model, and discussions are continuing on that basis.

I want to stress that we do continue to provide the services that are there in the case of flood evacuations. One of our concerns during the 2011-2012 flood was, if the Province wasn't there, that there might be evacuees that would not get what they needed in the way of assistance and support. So, notwithstanding any of the events over the last period of time, we feel that that was the right thing to do.

Having said that, though, the current system is unwieldy and is not in the best interests of First Nations, as clearly what First Nations themselves are saying, so we are all looking at a new model. And whatever role the Red Cross may or may not have really is a decision the federal government will make, but they have certainly indicated that that is one of the models they're looking at, certainly, in the interim. And it's a well-respected organization, as the member knows, so, again, it may be an interim arrangement, there may be some shifts.

I know First Nations have a particular interest in a more regional approach that would include not only dealing with some of the impacts but also having flood mitigation. We have worked with Peguis, for example, to help them have the capacity with flood equipment. We helped them prepare in the 2011 flood preparation scenarios. I'm talking about, you know, search trailers, flood tubes, et cetera—the tiger tubes—and we're—you know, we have indicated to the federal—and we've had a great deal of success with the consortium of north of Winnipeg municipalities on the Red River. You know, the Amphibexes—we've got, you know, various other items of equipment that they have, and it may be a model for First Nations. Certainly, Peguis has a lot of expertise. They have a emergency operation centre, they do have some equipment, they were quite involved in the flood fight. So not only are they impacted by floods, but they could have—play a key role.

But, again, we're into some discussions with both First Nations and the federal government on a better system than we have currently.

Mr. Eichler: Thank you, and I appreciate the update.

In regards to the Red Cross, where's that in negotiation stage? Does the department have any say in regards to those negotiations or are they just based basically on the federal government?

Mr. Ashton: It's essentially up to the federal government in terms of that. However, we certainly

have communicated the frustration that we and First Nations Manitoba have about the overall system. And we're anxious to be part of discussions that lead to a comprehensive overall improvement, both in the emergency services side but also all the way through to flood mitigation, because if there's one area outside of Lake Manitoba and Lake St. Martin, of course, that has impacts on First Nations.

But, if there's one series of communities that clearly doesn't have flood mitigation, that report after report has indicated they need it, it's First Nations. And I'm not pointing fingers at the federal government. It's a host-whole history, how we got where it is, but if we're to prevent this disproportion impact, it's got to be part of the mix as well, not just changing how we deal with evacuees, but making sure we have improved flood mitigation and improved living conditions in many of the communities. That includes being less subject to flooding because there are things that can be done within Aboriginal communities on the infrastructure side by the federal government that can make a real difference.

Mr. Eichler: In the past, when MANFF has been administering these funds, is there a—what's the fee structure? How is that outlined for MANFF, or now, in the future, if it does go through with the Red Cross? Is there a set fee or percentage that they're allowed to collect for those services to reimburse them for some of their cost to administer those funds back and forth between the federal government and the Province and, of course, the flood 'evacuees'?

Mr. Ashton: I can get the member a summary of the, you know, some of the broader financial arrangements. I can indicate that, obviously, the specific claim structure is grounded in the DFA program. At times, some, you know, enhancements have been made to recognize unique circumstances, but the general structure of what's covered and what isn't covered is something that's set through DFA guidelines. But again, when my deputy minister from the Emergency Measures side is available, I'll certainly undertake to provide a more detailed answer.

Mr. Eichler: I'll have a few more and on that, then, maybe we'll just leave that particular point now and come back to it once the deputy's here.

In regards to the comments made earlier, in regards to Peguis, is there programs under way or announcements that'll be coming forward in regards to flood protection for Peguis?

Mr. Ashton: Again, we—we're involved in LiDAR surveying, not just in Peguis but in the Fisher River area generally. Of course, Fisher River is also flood-prone as well—the, you know, First Nations community, Fisher River. The federal government has committed to relocating 75 flood-prone houses. That's in progress as we speak, but there's been no additional commitment to flood mitigation and, certainly, is something we'll continue to push the federal government on.

The reports that are out there, the technical work, points to the fact that things can be done. I mentioned lower-level crossings, for example. That would be one of the initial places that could make a real difference, just given the flooding that occurs because of the backup of water from that. Drainage is a huge issue. There's a lot of overland flooding. So, again, more equipment would be very useful. There's a variety of things that could be done. Thus far, the only commitment from the federal government is for the relocation of the 75 homes.

Mr. Eichler: When—you said that, Mr. Chair, that Peguis has a fairly structured team put together to fight floods. Whenever we're looking at rebate cost for municipalities, for example, there's set guidelines what their—the Province has laid out for municipalities to be reimbursed, based on a per hour, whether that's be on tractor or they're using old equipment or if it's contracted out. In regards to Peguis, are those rates the same as what they are for municipalities as their guideline, or is it a different rate that's established or negotiated with First Nations such as Peguis?

Mr. Ashton: Well, we do have the best reimbursement for municipalities in the country. There's been significant movement. It used to be 17 per cent of the heavy equipment operating rental rate. The feds moved to a 40 per cent basic amount, and we're at 65, which basically covers a full range of incremental costs and does mean that there's not an, you know, disincentive for municipalities use their own equipment. If there are any additional arrangements outside of DFA with First Nations, I can't speak to that, but that's the basic formula that applies. And we apply the same basic formula as when we're adjudicating claims. Again, if the federal government exceeds that or has—comes to other contractual arrangements, that's between them and the First Nations.

Mr. Eichler: Are band council members similar to that of RMs and municipalities, with mayors and

reeves being reimbursed for consultation, being it by the hour or by the day, based upon compensation—

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

AGRICULTURE, FOOD AND RURAL INITIATIVES

* (14:50)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to some semblance of order. This section of the Committee of Supply will now resume consideration of the last item, resolution 3.1, of the Estimates for the Department of Agriculture, Food and Rural Initiatives.

Are there any questions? Seeing none, I'll now put the question.

Resolution 3.1: RESOLVED that there will be granted to Her Majesty a sum not exceeding \$4,036,000 for Agriculture, Food and Rural Initiatives, Administration and Finance, for the fiscal year ending March 31st, 2014.

Resolution agreed to.

This completes the ever-exciting Estimates for the Department of Agriculture, Food and Rural Initiatives.

I would like to thank everyone involved in the process.

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

What's the will of the committee? You want a brief recess for changing of the people involved? Five minutes?

An Honourable Member: Ten minutes.

Mr. Chairperson: A 10-minute break has been suggested. Is that acceptable? *[Agreed]*

The committee recessed at 2:50 p.m.

The committee resumed at 2:59 p.m.

ADVANCED EDUCATION AND LITERACY

Mr. Chairperson (Rob Altemeyer): All right, we are now resuming our considerations in this section of the Committee of Supply, and the next department up is Advanced Education and Literacy.

Does the honourable minister have an opening statement?

Hon. Erin Selby (Minister of Advanced Education and Literacy): I do.

Mr. Chairperson: Well, go right ahead.

Ms. Selby: Well, thank you, Mr. Chair, and I am pleased to be here as my third year as Minister of Advanced Education and Literacy and welcoming my third critic to the file as well, and look forward to spending some time with my critic and we will certainly get to know each other better over the next few hours, I suspect.

* (15:00)

Did want to point out that Advanced Education and Literacy came in under our budget this year for 2013, but we still managed to provide the best university funding across the country, a 2.5 increase in funding which is significantly better than many of the other provinces and, as I said, is the best in the province. Of course, keeping in mind that it was important to develop a prudent and sustainable post-secondary investment plan that will help meet our province's needs, our students' needs, our children's needs, of course, as we look into the future and one of the most important one, making sure that Manitobans can reach their goals, their potential for years to come.

Definitely, we were looking at some ongoing challenges and uncertainties because of the current global economy, but we have moved forward with our target programs and initiatives that will mean better education and training opportunities for all Manitobans, and I think that to look at Advanced Education's budget is just to show that education remains a priority for this government and I know it is for families in Manitoba. I speak to them and hear from them quite often that education and post-secondary education is key to their children's future, of course.

Knowing that by providing a 2.5 increase for universities and colleges got a 2 per cent increase in the operating grant, I think, shows that we are dedicated to post-secondary education across this province. We know that in other provinces we haven't seen the same approach. We've taken the opposite approach of provinces like Alberta that slashed 7 per cent from their post-secondary budget. But this, of course, is probably, in our opinion, not the way to see an economic future for a province. When you aren't training people and preparing from—

for the jobs of today and the jobs of tomorrow, you're cutting your future economy before it even gets a chance to grow.

So we know that these increases help strengthen the post-secondary sector and also keep us competitive and stable relative to other post-secondary institutions across the country. We did definitely—made a choice to make sure that money was going towards post-secondary education and to make sure that faculty and staff have the resources that they need and to ensure that we have some of the best university and college training right across the country here in Manitoba.

Since 1999 our government has doubled its operating support to universities and colleges and has addressed some of the significant reductions that did occur in the '90s. But beyond just the 2.5 increase to universities and 2 per cent to colleges, we're also focused on the important structural requirements, of course, of our universities, and if you go to any college or university campus around Manitoba you can see that the once-extinct building crane is no longer. There's buildings up. Some of the campuses—if you attended university or college a number of years ago you might not even recognize your campus any longer for all the growth and new buildings that are there today.

We can see at universities across the province—UCN had a number of infrastructure, main campus and regional centres. We know that these are important to making sure that we provide resources for people in the North so people can learn closer to home. One of the ones that I was particularly pleased to visit was the library and learning centre at UCN, The Pas, named after my late colleague and MLA, Oscar Lathlin, and I can imagine Oscar would be very proud to see the students in that library and seeing people of the North recognizing a dream and reaching their potential as well.

Keeping in mind that that is just one area of UCN where students can learn, that there are 12 regional centres for UCN right across the North—a chance, as I said, for more people to learn closer to home and also recognizing that these have—these infrastructure projects have been partnerships between provincial, federal and band authorities in each of the communities and making sure that we're working in partnership with our northern and First Nation communities.

Another exciting build that I was really pleased to visit was a northern Manitoba mining academy. I

would urge anyone who has not had a chance to be up in the North, it's a fantastic trip to take and particularly if you get a chance to stop by the mining academy, which as you can see is—provides opportunity for people—again, in their own back yard—which only makes sense. Train people close to work and that makes it easier for them to access education, but, of course, makes it easier for industry to find properly trained people as well.

We know that this is a concept that government has been working towards, but that the greatest resource in the North, of course, is its people, and we're doing what we can to help those people reach their potential.

We have seen, of course, many things happening not just in the North, but right across. We've got the skilled trades centre is under way, \$60 million going towards a Red River College skilled trades centre. We'll see the breaking of new ground at the Notre Dame campus to see an urgently needed facility to meet Manitoba's need for skilled trade workers.

We're seeing that parts of Manitoba, the economy is doing very well and the demand is there for skilled trade workers, and we're going to do what we can to meet that need as well. We have a target of creating 75,000 new skilled workers over the next decade. It's an ambitious target but it's one that I feel confident that we will reach, thanks in part to some of the expansion at Red River College.

I was also pleased to work with the folks at the skills summit in February. They brought together a cross-section of Manitoba society with fantastic vision for skills development in the coming months, and anticipate the report of the summit and how we can address some of those needs as well. Certainly important to see that we're working together with workers, labourers, apprenticeships, journeypeople and business, of course, to build the future for Manitoba.

Of course, it's not just the skilled trades centre that we need to keep track of. We also know that there's a large demand of folks in health care as well, which is why, in the last election, we made a commitment to meet the health care staffing needs of the future.

We know that there are people who are working in health care that will be set to retire over the next few years, and it's important that we've got nurses and doctors and all the support staff trained and ready to go on that as well, which is why we've

dedicated—last year we started towards \$1.2 million towards that. We've got more money going into health-care education over the next while.

We'll see more funding for Université de Saint-Boniface with the first French language practical nursing program so that people can be served in both languages because, of course, certainly when your health care needs are in a—at a difficult time, it's much easier to be able to be served in your native language, and French being a really important service for people in the St. Boniface area, particularly.

We are also—are helping USB start its own baccalaureate nursing program, which is the only French language registered nursing program in western Canada. We are also looking at maintaining and increasing the amount of nurse practitioners in the province. We know that nurse practitioners are a really important part of the health-care team, which is why we've been supporting that and also supporting more nurse practitioners for rural and northern Manitoba through Manitoba Student Aid.

University of Manitoba has been establishing Manitoba's first 'doctorial' nursing program. As we know that we are looking for a need for nurse leaders, researchers and faculty, this program is going to make a big difference in the future of Manitoba. As some of those more experienced folks in health care start to retire over the next few years, we're training the next batch to come up and be leaders for the future.

And, of course, recently announced, we are training more nurses closer to home with the third rural rotating practical nursing training spot. This is so nurses can train outside of—not just Winnipeg and Brandon; this will be the third one that rotates through the province, assessing both where there is a potential need for nurse training, where students can get the best training opportunities and where there is students available to take that training.

It's a fantastic program and, again, brings education to the people instead of people having to find the way to the big centres which, in the past, didn't have as many opportunities. So it's good to see that.

We've also put money towards a commitment to therapists, technicians and technologists for a respiratory program at the University of Manitoba. We've also expanded training capacity for ultrasound technicians at Red River College. It has been a very

successful program at Health Sciences Centre, but we need more capacity, which is why it is now moving to Red River, where we will be able to train even more ultrasound technicians than ever before to respond to current and future needs.

We're going to also be looking at an implication of program transfer. I'm pleased to see that that will help both the ultrasound and nursing students with a capital investment towards a state-of-the-art clinical simulation facility. I've had an opportunity to visit a couple of these facilities and it's remarkable the experience that our students get long before they even get a chance to practise with people. They get a strong technical background by working in some of those areas.

I would also just like to share with folks the importance of supplying graduates to all regions of the country beyond just—or the province, rather—beyond just the importance of health care. Of course, we know that's important. We know it's important to get skilled trains, but it's important for our—university opportunities for students as well.

We're expanding opportunities for medical training and education with money going towards the francophone undergraduate medical opportunities at the University of Manitoba, making sure that people can get the medical need—the medical care that they need in either of our official languages. Also confident that by providing those languages we will make sure that our substantial Franco-Manitoban community will also be served as well.

*(15:10)

So I know that we're going to cover many areas. I barely get a chance to speak about all the exciting things that are happening but I'm quite sure I will get a chance over the next little while to do so. And I look forward to discussing all the great things going on in Advanced Education and Literacy over the next few hours.

Mr. Chairperson: We thank the honourable minister for those opening remarks.

Does the official opposition critic have an opening statement?

Mr. Stuart Briese (Agassiz): Thank you, Mr. Chair, and a very short one. But I—oh my goodness—

Mr. Chairperson: Order. As you may have all 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 the all-important formal vote.

The committee recessed at 3:11 p.m.

The committee resumed at 4:16 p.m.

Mr. Chairperson: Hey, we're back. We were in the midst of the melodious tones from the official opposition critic who had just started warming up, so, assuming you have more to say, please proceed, good sir.

Mr. Briese: Well, I will say a little bit more. I think that was almost too brief an opening and for a moment there, in the minister's lead off I looked over at the file she had in front of her and I thought maybe I was getting into the same situation you had with Kelvin Goertzen on unlimited time. She went on to great length on many things.

There's a number of things we will be raising in the portfolio of Advanced Education and I notice the minister as she's quite able to do, sings all the praises and I notice she compares the cuts across the provinces but she doesn't compare the standings that we have with our universities and post-secondaries here to what other provinces are. I have been pleased, and she touched on it, to see the establishment of quite a few satellite campuses both in the North and in southern Manitoba, although most of the ones in southern Manitoba are now being closed, supposedly to go to a more of a digital or electronic type of training and I will want to discuss how that's happening.

But I am pleased to be the critic of Advanced Education and Literacy and I know the minister's probably got a number of staff here to back her up on quite a few things and I do commend the staff and all the people at work in that department and the quality of our post-secondary education. There's always room for improvement, but we do have a pretty good set up in this province. And it's in a lot of cases working well, but there's always room for some improvement in some areas.

So, with that I'll send it back to you, Mr. Chair.

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

Under Manitoba practice, debate on the minister's salary is the last item considered for

Department in the Committee of Supply. Accordingly, we shall now defer consideration of line 44.1.(a) contained in resolution 44.1.

And also at this time, we'd invite the minister's staff to come join us at the head table, and ask, maybe after they get settled, if the minister would be kind enough to introduce them to members of the committee.

* (16:20)

Ms. Selby: It's a pleasure for me now to introduce the hard-working staff of Advanced Education, of course, the folks who don't nearly get enough credit for all they do to make sure that we have an affordable, accessible and high-quality education system. Of course, there are many people beyond this that are—play a strong role in that, including at all of our post-secondary institutions and our adult learning and literacy.

But the folks joining me here today, right now, I guess I will point out, first of all, that next to me is the associate deputy minister for Advanced Education and Literacy, Dr. Rory Henry. And going down the table, we have Claude Fortier, who is the executive financial officer in the administration and finance branch. We then have Ray Karasevich—I'm not going to say your name correctly, Ray, but you know that it doesn't change my respect for you, my pronunciation of your name—who is the secretary on Council on Post-Secondary Education, at what we, of course, refer to as COPSE. Next to him is Carlos Matias—I did better with Carlos's name—who is our chief financial officer at COPSE. And a little bit down from Carlos is Cheryl Prokopanko, who is the acting director of International Education. Beyond that, we look a little further down and we see Lynette Plett, who is the executive director of Adult Learning and Literacy. Next to Lynette is Kim Huebner, who is the executive director at Manitoba Student Aid. And, way at the end, we have Josh Watt, who is the acting executive director of the Corporate Services branch.

Mr. Chairperson: Thank you, honourable minister. One last thing for the committee to decide before we proceed, is how you want to proceed. Shall we do this chronologically or have a global discussion?

Mr. Briese: Global, please.

Mr. Chairperson: Global has been requested.

Ms. Selby: That certainly works for us, to do a global.

I wonder, if the critic knows that he's finished with a particular department on a certain day, if we can give them a heads-up, if it's possible, and he may not be able to make that decision. Of course, he may have questions that he'd want to come back to in particular areas, but if the critic and folks who have questions feel that they've wrapped up a particular area, it would be wonderfully helpful. And I'm sure the people on this side would appreciate if they can go so that they can get back to some of the important work that they do. But, of course, we're all available to answer questions as needed.

Mr. Chairperson: Thank you very much for that. It's therefore decided the Estimates for this department will proceed in a global manner. And wouldn't you know it, the floor is now open for questions.

Mr. Briese: I'd be pleased to do that, minister, if you'd just give me a slight breakdown on where the lines would divide on that, and I'm not talking about the five or six different—like, maybe into two or three, where it would free up some people.

Ms. Selby: Recognizing, of course, that some areas may cross, and we'll be prepared for that if the critic has some global questions that go across it, but I guess in some of the traditional ways that people have asked questions, they have, sort of, looked at COPSE as one entity; they've looked at Adult Learning and Literacy as its own entity; they've broken it down into International Education and Student Aid. So that's maybe three or four different ones.

And, understandably, that it's sometimes not entirely clear and we can't expect not some of them to cross departments, but, when possible, if the critic does know that he and his colleagues are finished with a particular area, be it Adult Learning and Literacy or International Education, it would be ever so appreciated if we are able to let people know that—even if we let them know that we're done for the day and that we may come back to them the next day. It just means that they can get to some of those stacks of paper that I'm sure—on their desks. Not that they don't work at those diligently, but, of course, these folks are right in the front service lines of making sure that our students have the information that they need at the time when they need it. So that would be greatly appreciated and I thank my critic for that.

Mr. Briese: It certainly appears that you didn't leave too many people back in their offices.

First of all, just on generic-type questions for the department, I'd like a list of all the political staff, including name and their position.

Ms. Selby: The political staff that are in my department working with me are Michelle Bowles, who is my SA, who is in the room with us right now, and Jill Stockwell, who is my executive assistant, who works out of the constituency office.

Mr. Briese: What other staff does the minister have in her office and the deputy minister's office?

Ms. Selby: Let me start with the staff that work directly in my office, and it gives me the opportunity to thank them all for the hard work that they do and the fact that they do it with a smile on their face and never a complaint to be heard from any of them, hard-working, good people.

The administrative secretary to—within—directly in my office is Hazel Cruz. I already mentioned that Jill Stockwell is the executive assistant to the minister, but she works out of the constituency office. Rosalie Prawdzik, who is my secretary—appointment secretary and all-around superstar, I would like to put on the record right now as well. And I already mentioned Michelle Bowles, who is the special assistant to the minister who works out of the office here.

We're just gathering some of the information out of the deputy minister's office, and I will remind my critic that my deputy minister, Dr. Gerald Farthing, of course, is the shared deputy minister between Advanced Education and Literacy, and his staff, therefore, would also be shared between Advanced Education and Literacy.

I'd—we'll have to get those names for him. We can probably bring them in the next session because we don't have the list of Dr. Farthing's direct staff in his office right now with us.

Mr. Briese: How many staff are currently employed in the department?

Ms. Selby: I appreciate the question, and, again, it gives me a chance to talk about the hard-working people that make things runs so smoothly in Advanced Education and Literacy. And I would just point out right now that I'm listing people from Advanced Education and Literacy division and branch, which includes the administration and finance, support people, of course, for universities and colleges, Manitoba Student Aid, Adult Learning

and Literacy. The total number of full-time equivalents is 103.25.

Mr. Briese: What's the vacancy rate in your department?

Ms. Selby: Thank you very much, Mr. Chair. I thank the critic for the question as well. Our current vacancy rate is 11 per cent.

* (16:30)

Mr. Briese: Have there been any positions that have been reclassified in your department in the past year?

Ms. Selby: I will have those for the critic. We don't have those answers for him today but we will supply those to him.

Mr. Briese: And would the minister also provide at the same time a list of the vacant positions so that we have some idea of what isn't being filled at the present time? And, with an 11 per cent vacancy rate, are there any impacts being felt in the department because of that vacancy level or is that a normal vacancy level ongoing?

Ms. Selby: I have that list here that I can read onto the record for my critic. In Adult Learning and Literacy, we have a senior consultant and an administrative and finance manager position that is vacant. On the Council of Post-Secondary Education, we have a senior program analyst position currently vacant. On the International Education, we have the director of International Education vacant, but, as I mentioned, Cheryl, who is with us today, is the acting director for International Education. In policy and planning, we have the executive director position that is vacant. And, in Student Aid, we currently have the manager of the program development, information co-ordinator, director SA operations, a mail clerk, awards clerk, project officer and repayment counsellor. Of course, there are people in place to keep the system moving, and I will say that it is our—it always is our first step to make sure that those front-line service positions are filled.

Of course, from time to time, whether it be that—and certainly, if someone's going to retire, that's an easier thing for us to anticipate and predict and prepare for. But, occasionally, unfortunately we have a situation where a particular person is—unfortunately becomes ill and rather suddenly is unable to fulfill their duties and vacates their position. In the case of it being one of our front-line services, we do make it a first step to fill those ones. That's the priority that we look at to ensure that those absentees and those

vacancies don't affect the services for students. But we have a—basically a normal average turnover that one would see in most departments, and, as I said, when we know that there is one that we can anticipate, we prepare for that, whether that be someone coming up on retirement years or a maternity leave, are the ones that we can obviously prepare for. But, occasionally, there is a situation where a position is vacated that we don't get advance notice for; and, as I mentioned, that when it is one that directly affects students and directly—affects the speed in which we can process their applications or make sure that we're responsive to student's needs, those front-line services—that is our first step of priority positions to look at. And we continue to fill those as quickly as possible with the right person, making sure that we have a competent person with the right background and experience to do those jobs, being that those are some of the most important ones those folks who are on the front line and dealing with students on a day-to-day basis.

Mr. Briese: So the short answer is, Minister, that you are trying to fill those—fill all those positions. They sounded some of them like fairly senior positions.

Ms. Selby: As I mentioned, that there are some vacancies particularly in the Student Aid area which is our priority to have those filled. So we are looking at filling the vacancies within the Student Aid, which falls into the management of program development: the information co-ordinator, the director of SA operations, the mail clerk, the awards clerk, the project officer and the repayment counsellor.

Of course, we feel that these are important to students. It's important that students are able to apply and get the assistance that they need, whether at the front end when they're applying for financial aid, whether they have questions and, certainly, when they finish their program and are looking at paying back their student loans. Sometimes they have questions. Sometimes they have individual casework that needs to be addressed, and we want to make sure that we're responding to students in a timely manner. So those are our priority ones that we are—that we have focused on getting replacement for.

We are looking for a replacement for the senior program analyst in the Council on Post-Secondary Education. COPSE provides us a very important role in the province of the direction and policy of our post-secondary institutions, something that we feel is a vital piece. In the other ones that I have listed here,

in Adult Learning and Literacy: the senior consultant, the administration and finance manager; in International Education, the director of International Education; and in policy planning, the executive director. We do have people in place right now as acting at the moment. I think it's really important to recognize that these are important positions.

In—if I can touch for a moment on International Education, we know that there is a huge economic impact to the province of ensuring that we bring in international students, ensuring that we stay competitive. There is increasingly a competitive market in the world to bring in international students. It makes a huge difference. About \$150 million—a little more than that—annually, is brought into our province through International Education.

So just an example of why having a director, or in this case, Cheryl, acting as our acting director is hugely important both, of course, for those students who are choosing Manitoba to study in—and we're grateful that people see this is as a good place to come and learn and stay and soak up some of the famous friendly Manitoba culture—but also knowing that this is a huge impact on our economy and very important driver for our universities and colleges.

So, again, I'll just say that we are looking to replace some of these particular positions, and those front-line services ones being our priority. But the positions that I've mentioned do have people in place and acting, because all of them have a very important role to play in our post-secondary system and ensuring that our post-secondary system stays competitive and continues to grow and that we can maintain the affordability, accessibility and quality that we do enjoy here in Manitoba.

Mr. Briese: Are there any contractual—any contracts let out in your department to other entities to provide services in Advanced Education?

* (16:40)

Ms. Selby: In general, the answer is, no, we don't have any. But we do have one position through the bridge program, the program that helps internationally trained people in particular areas bridge into meeting their qualifications in Manitoba. It's a federally funded position, and it is required under that federally—under that federal funding.

Mr. Briese: So the—it's federally funded and the funding comes to your department and then you

administer that position? Or is it the feds directly paying for that position?

Ms. Selby: The money does come from the federal government to us, but we administer the contract for that particular person.

Mr. Briese: I'd like to ask some questions now about the student financial aid information system that was promised on at least three different occasions prior to this. The last promise was that the program would be online by 2012. What's the status of that program now?

Ms. Selby: I thank the critic for the question. It gives me a chance to talk a little bit about the current system that we have in Manitoba.

Just to be clear, we do have an online system in place for student aid. Students are able to go online and can do their entire process through it.

Phase one of our program, the banking component of it, was delivered on time and on budget, but we are currently looking at a new application process. But I would say that, you know, despite a strong commitment by all the stakeholders, the complexity of the business needs have resulted in delays of the new release of the new student financial aid information system.

As I said, there is an online system available, but the new application process has been delayed, particularly complex area, and we know that there have been difficulties with similar systems in other provinces as well, particularly complex from my understanding of how IT processes work.

Additional work is under way to confirm the functionality selected has been planned and used to its full potential. And it's important to take the appropriate time to ensure that the new system is—adequately handles the complex business requirements prior to being released. We are going to make sure that we let the process unfold in the best interest of Manitobans and Manitoba students.

Mr. Briese: Last year at this time, or whenever the Estimates were last year, the minister had indicated they were doing a quality assurance assessment. Has that assessment been completed, and what were the results of it?

Ms. Selby: My critic is right; in May of last year, when we were Estimates, we had—the department had contracted with SAP to complete a technical review of the proposed solution. Deloitte provided a revised proposal and a high-level plan that addressed

some of the recommendations for the review. And, based on that, we are—based on that, we've contracted another review to provide an analysis of the work completed to date, review the system development and related documentation prepared to date, determine which of the existing work can be used going forward, confirm that the functionality selected has been planned and used to full potential, and provide a go-forward strategy. The proposed solution and options would include costs, timelines that the critic is asking for, and resource estimates, in detail.

Mr. Briese: Did I mishear, or—your review suggested a review? Is that what you just told me?

* (16:50)

Ms. Selby: I've got a little bit more detail on the difference between the two for the critic.

In May we were looking at a high-level review of the software design. The current one that I discussed is a more detailed look at the platform and issues around implementation.

Mr. Briese: With all due respect, Madam Minister, the project was tendered in 2009. You promised it in 2010 that it would be in place. It was promised again to be in place in the spring of 2011. It was promised again to be in place by November 2012.

Have you got a date that you're going to put out there this year on a promise for when it's going to be in place?

Ms. Selby: I do want to just put on the record again that there is a system in place right now. This is a replacement system that we're talking about. There is an online system in place. Students have been able, during the time that the critic referred to, been able to go online to apply and to get information on student aid.

This is—what we're discussing is a replacement system for the system that is currently online.

Mr. Briese: But what you've got so far, Minister, is a partial system. We were promised—or the people were promised that there were—students were promised that there would be a full system in place by those dates that I mentioned, and it just seems to go on and on and on.

When do you really expect this system to be fully in place?

Ms. Selby: With respect, we do have a full system in place. It's not a partial system in place. What we have been talking about is a renewal of the system

that is in place. So currently students can go online and do everything that would need to be done in terms of applying and looking at their student aid loan or bursary. It is a full system in place. But we are looking at a renewal of the system because, of course, IT systems, well, they age quicker than, thankfully, most of us do. And in about a decade or so one does need to look at renewing that technology and that is what we're talking about right now.

We don't offer a partial system right now. We do offer a full system online that students are using, are accessing is working for them. But we are looking at a renewal, something that a lot of provinces have done and have found that it is a very complex system.

And I think it's important to note that we would not want to go online with a new replacement system without being ensured that it is working fully, that it's—that all the kinks have been worked out, that the bugs are worked out, because, of course, we're dealing with very personal information, very important information. So it's important that we do our due diligence in this area.

So students are using our online system right now. We're hoping to have a renewal system for them, but we are going to make sure that we're doing everything to ensure that that system is ready to go and will serve their needs fully. I think that that's the responsibility that we have with a new system, to make sure that it's working at its—beyond just the best that it can do, but make sure that it's fully working to provide the services we expect for it.

Mr. Briese: I'm well aware that there was some problems with the system when you first started trying to put it in place and that some confidential information got out and the whole process ground to a halt for a period of time.

Is the minister confident that the system that's there now is fail-safe?

Ms. Selby: Mr. Chair, and never be—never would I want to be the one to say that a system could ever be entirely fail-safe.

I think that, when we're dealing with IT technology, certainly I know in my own home using a much simpler system, I would hesitate to be able to promise that anything would be entirely fail-safe, but I do think that it's—we have a responsibility to make sure that we are providing a system that, from all tests and observation and the experts who look in on it, that it, to the best of our ability, to the best of our

knowledge, would not come up against any kinks of that.

I do want to just be clear that we didn't have a breach of confidential information being released. Perhaps the critic might be remembering that there was a problem with the federal student aid loan system—recently did have, and I don't know the details of that, but they did have a bit of a breach of contract.

We did have a—and I'll go back a bit. The phase one of our renewal plan that originally replaced the credit union banking system was successfully implemented in November of 2011. That came in time and on budget. But the next system is the understandably more difficult and more complex—there have been some challenges getting this system up and running. There's been challenges getting it up and running by the dates that we hoped but I think the member makes a really good point, that we did have an unfortunate situation sometime back, where a small group of students were—contacted Student Aid to let them know that there was an error. Some students' files had been mistakenly marked as not paying back their student loan. It was a short time period in the time of when students brought this to our attention and we were able to resolve it. The students had all their files corrected, so there was no long-term impact, and not to lessen the fact that probably a little frustrating for the student that did bring this issue forward.

But that I think does make the point of why it's so important that when we're dealing with this complex a system, a system that does have personal information on it, that it is important that we do our due diligence and make sure that we are ensuring that the next phase of the system is able to perform as expected. And, as I said, I think it would be foolhardy for anyone to say that an IT system will completely be fail-safe and never have an error occur. I'm not an IT expert, by any means, but I know that that would be not something that I would probably want to place bets on.

But I do think we need to, with the help of experts who know a lot more about technology than I will admit that I do, need to be confident that before a system is brought forward, the replacement system, that this sort of error or unfortunate mistake does not happen or that they can, to the best of their knowledge, ensure that that doesn't happen. But we do know that first system went on time and on

budget; the second system has faced some—I, you know—it's true—

Mr. Chairperson: With apologies, the hour being 5 o'clock, committee rise.

LOCAL GOVERNMENT

* (14:50)

Mr. Chairperson (Tom Nevakshonoff): Order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Local Government.

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

We are on page 148 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.

Mr. Blaine Pedersen (Midland): Mr. Chairman, just to review, I think where we left off Thursday, budgets audited—or no; this would be just the municipal budgets—they're approved—the budget is approved by the end of March, and what is the process for approving those budgets?

Hon. Ron Lemieux (Minister of Local Government): We have to review Hansard. We went through this, but essentially the department reviews, but does not approve, municipal budgets. They take a look at, just in case there's any outstanding or maybe glaring oversights on behalf of a municipality—they may have missed something, and that would be the time where staff would inform municipalities of their oversight and maybe making a difference to their budget. But, again, it's a budget and it's a draft budget that comes into the department, then they just take a look at it, and—but are not responsible for approving it.

Thank you.

Mr. Pedersen: Moving up to the audited financial statements of a municipality: They're an audited financial statement signed off by an auditor, and then they're submitted to the department. What happens to them then?

Mr. Lemieux: The department, again, the department reviews them once the audits are done by an accredited auditing firm or an individual who is a professional in that area and takes a look for any glaring mistakes.

It is essentially a long check list which municipalities try to meet and which auditors try to meet, and, again, it's those glaring errors that may jump out. But, having said that, when municipalities do not get their books audited as well, and haven't sent them in, and there are occasions where some are three years behind, the department does whatever it can to ensure that they get on with their audits and try to get them done, because it's truly important to have those—their books audited and to know exactly what's going on in that municipality. So that's the other side of that coin as well.

Mr. Pedersen: So who is reviewing these audited financial statements? Specifically, who does it within the staff of the department?

Mr. Lemieux: I can endeavour to try to find a name if the person wants a name or a position that does that, but we have many, many professionals within the department that have that expertise and worked for municipalities for years and years and know these municipalities well after a number of years working with them.

So I guess my questions still is: Does my critic want a name or a position or exactly what would he like?

Mr. Pedersen: So are any of these people within the department certified accountants?

Mr. Lemieux: Yes.

Mr. Pedersen: So you will provide me with a name and the certification of these people within the department?

Mr. Lemieux: I'll endeavour to try to get that, yes, thank you.

Mr. Pedersen: I don't think try is good enough.

Mr. Lemieux: Well, what I'll do is I'll certainly take a look and talk to my department and try to find out who is—who the person is that—and who the individuals are, because I'm sure it's more than one person that does this. And I'm sure the member opposite would certainly understand that people do build up an expertise over the years working with municipalities, and the department has a lot of these people.

Mr. Pedersen: That answer is not good enough. There is chartered accountants who sign off on an audited financial statement. Their licence is on the line when they sign that. When these financial statements are submitted by a municipality, I want to

know the accreditation of those who are reviewing these, and I—subsequently are approved so that things like the gas tax money can be disbursed. So I think it's very important to know what the credentials are of those people who are. Years of experience is not good enough; that is not good enough to get a certified accountant accreditation. So I would like to know who these people are and their accreditation.

Mr. Lemieux: I know the member opposite's very sensitive to this because the premise based on a lot of amalgamations taking place in the province is that there's a lot of gas tax sitting on the table that municipalities aren't able to access because their audits aren't done. And so I know he's very sensitive to this particular issue. Now, I don't know if he wants the address and their phone numbers and all the particulars, but, you know, the point is that I think he doth protest too much, because, you know, the answer was, yes, we can certainly have the people—or many people with this expertise, and the answer was, yes, we'll get the names for him. But, you know, I would really—if I was a civil servant listening to my critic opposite, I would be thinking, oh, my goodness, do I really want that person as my minister? I'd hate to make a mistake. He'd hunt me down and—you know, and rake me over the coals.

But the answer is yes—yes, we'll—we can get it—I thought I answered before, but, yes, yes and yes.

Mr. Pedersen: So, once the audited financial statements are approved, what notification does the municipality get?

Mr. Lemieux: Again, the department does not approve. It takes a look at that particular audited statement, and then it's the municipality that approves it. It goes back to them, and then they actually look at it and approve it. There could be some—again, some item. For example, they may show that they're going to be—or have a potential of running a deficit, which then the department would look at and try to find out why this is the case.

Mr. Pedersen: So is there—right—you got an audit—an auditor has signed off on these statements, I—you mean to say that the department can have issues with a signed—an audited statement?

* (15:00)

Mr. Lemieux: What I thought I would do, is that—if I could, what I'd like to do is be able to put—what I'll do is I'll start kind of from the start to finish with regard to the audits and what role the department has—plays in that at all. And then maybe I'll go

through that with my critic, and then it'll probably—it'll help both of us, actually, to be able to see from the time the audit—whoever is doing the audit does the audit, and then it comes into the department, then it—we go back, and then what the council may be do with it, and then maybe leave it there, or it might show as well why there's gas tax remaining and sitting on the table and that they're not able to access it. Got to be fair, some municipalities it's a small amount of money, you know, but \$25,000 is still \$25,000 for a small municipality.

But there are larger municipalities that have, you know, they get \$300,000, for example, in gas tax money from the feds, and it's really substantial. So this piece is really important because it has become so important, based on gas tax, because the feds' conditions on receiving the gas tax is they have to have—they have to be audited and they have to have that done before the feds will release the money. So this has really put a real exclamation point on the fact—or on the issue about audits.

So that's what I'd like to do, and if the member has another question, I'd be pleased to have it to answer it.

Mr. Pedersen: Is there written confirmation that the audited financial statement is approved from the department to the individual municipality?

Mr. Lemieux: It's—well, No. 1, the department doesn't approve it. The department does not approve the audit. What it is is, well, it's more than a courtesy. It's a—I believe it's a requirement that they have to provide it. But it's not—the department does not approve it. It goes back—once they've looked at the audit it goes back to the municipality. It's the municipality that would approve it and so—and be satisfied with it.

So I guess I just want to make sure that's clear because it's a requirement that the department take a look at it. It's just a second set of eyes or eyes that would, not necessarily listening to it, but certainly seeing it just to review it, just to take another snapshot, take a look at the audit. And then it goes back and the requirement is that it has to be in and that's really the requirement. The department has to see it and then it's submitted back, then it's presented right back to the municipality.

Mr. Pedersen: Just so I can review it on my own time, can you tell me where in the act that this is laid out—in the current municipal act?

Mr. Lemieux: Yes, I'll—we'll look for this—the exact section and where that is, and we'll find it and then we'll pass it on.

Mr. Pedersen: Municipal Finance and Advisory Services are on page 47 of the current Estimates book, and is this the—what is the role of Municipal Finance and Advisory Services?

Mr. Lemieux: If I could answer the previous question, Mr. Chairperson, where I said I'd try to get a, like, a step-by-step as to what the audits look like for a municipality, there's an auditor that's appointed. The auditor undertakes the audit of the municipality and its entities based on the PSAB principles. Municipalities—or a municipality has prepared the information required to do the audit. And then No. 3 is the auditor completes the audit of the municipality, consolidated entity re: municipality. Could be a utility, a—weed districts submits to council and the minister. The department receives and ensures numbers balance and reviews any comment. If there are, and might even talk to the municipality and auditor, and then next step would be the department tracks them and does a follow-up and comments to make sure—just to make sure everything is okay.

And so, with regard to the auditor itself, then, of course, it goes back and then the municipalities are the ones who approve and are satisfied with the audit and then, of course, it moves from there, and that's really the steps involved with regard to the audit. I'll certainly try to—*[interjection]* So what I'd like to do is—I know the Municipal Finance and Advisory Services. It's a large branch; it's a large area. And I believe it's really important to put on the record what they do, and—I mean it has a lot to do, of course, with governance and the finances of municipalities, but it has, you know, it's really to develop and maintain flexible response of legislative and policy framework to enhance the viability of Manitoba communities. It builds capacity of elected and appointed officials at the local government level so that they can respond to the opportunities and challenges in their communities. It develops and maintains financial framework and maximizes the use, provides for equitable allocation of provincial financial resources in support of local government activities and compatible with overall provincial and fiscal plan, and to distribute provincial grants and transfer payments to municipalities accurately, efficiently, in accordance with provincial policy objectives.

And there's a lot of activities that Municipal Finance and Advisory Services takes on. These activities, for example, would be it implements legislative regulatory amendments as required to respond to new and emerging needs of municipalities. It provides advisory and consultative administrative and operational advice to municipal councils and/or administrative staff; delivers seminars, presentations, workshops to elected appointed municipal officials on issue-specific matters; prepares relevant educational material, and, just on that note, many people, of course, have been involved with amalgamations with municipalities; reviews all capital borrowing by municipalities except for the City of Winnipeg, and approves municipal operating deficits; develops municipal financial monitoring systems; administers statutory requirements for audits of municipalities; administers the payment and reporting of provincial grants to municipalities and funds distributed under their agreement on the transfer of federal gas tax revenues.

Also administers a Small Communities Transit Fund as part of the federal Gas Tax Fund dedicated to communities with populations of 40,000 or less for public transit, Handi-Transit—a total of a million is available over four years; administers the new small communities act—transportation fund as part of the federal Gas Tax Fund. Also administers the payment of grants in lieu of taxes to municipalities of provincially owned properties located with provincial local boundaries, payments made over—or sorry, made on over 9,000 provincially owned properties.

Expected results, of course, that the Municipal Finance and Advisory Services are looking at municipalities which possess the necessary skills resources to operate efficiently and effectively in changing environment in short rather than a longer run. Municipalities will be financially sound, a relevant and effective legislative framework will be maintained, provincial grants will allow municipalities to deliver a broad range of services to residents at a reasonable cost while, at the same time, ensuring the provincial policy objectives are met. Municipalities will have a greater ability to undertake priority infrastructure projects, including roads, bridges, public transit, water—waste-water infrastructure.

So, Municipal Finance and Advisory Services branch or area is really truly important to municipalities, and many municipalities, of course, commend the kind of work that has taken place on

this particular area helping them to develop and maintain their legislative policy framework and to enhance the viability of Manitoba communities, and they certainly depend on the advice, and especially when you take a look at the last municipal election.

Approximately, 45 per cent of municipal officials have been changed, either re-elected or acclaimed, which was a great turnover. So a lot of education was necessary to really instill in those bodies a governance structure for new people coming on board to know what is their job, what's—what are their expectations and the kind of things that they're elected—or the people who elected them expect. Thank you.

Mr. Chairperson: Order.

* (15:10)

Report

Mr. Mohinder Saran (Chairperson of the section of the Committee of Supply meeting in room 254): Mr. Chairperson, in the section of the Committee of Supply meeting in room 254 considering the Estimates of the Department of Justice, the honourable member for Brandon West (Mr. Helwer) moved the following motion:

THAT line item 4.1.(a) the minister's salary be reduced to \$1.08.

Mr. Chairperson, this motion was defeated on a voice vote. Subsequently, two members requested that a counted vote be taken on this matter.

Mr. Chairperson: A recorded vote has been requested. Call in the members.

* (16:10)

All sections in Chamber for recorded vote.

Recorded Vote

Mr. Chairperson: Order. The one hour allowed for the ringing of the division bells has elapsed, so I am directing that the bells be turned off and we proceed to a vote.

In the section of the Committee of Supply, meeting in Room 254, considering the Estimates of the Department of Justice, the honourable member for Brandon West (Mr. Helwer) moved the following motion:

THAT line 4.1.(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 Brandon West.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 19, Nays 35.

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.

This section will resume with consideration of the Estimates of Local Government.

Will the minister's staff and staff for the opposition please enter the Chamber.

Order. The floor is now open for questions.

Mr. Pedersen: Mr. Chairman, the Municipal Finance and Advisory Services—that's where the municipal service officers are located and they're hired out of that particular location?

Mr. Lemieux: Yes.

Mr. Pedersen: How many MSOs, municipal service officers, are there in the province?

Mr. Lemieux: Currently, four.

Mr. Pedersen: Are the positions all filled?

Mr. Chairperson: The honourable member for Midland, to repeat his question.

Mr. Pedersen: Are the—

Mr. Chairperson: Order, please. Having a little difficulty hearing. The honourable member for Midland.

Mr. Pedersen: Are the—all four positions filled in the MSOs?

Mr. Lemieux: Two are filled and two are being recruited, as we speak.

Mr. Pedersen: So, in terms of amalgamation under your proposed Bill 33, is the—are the MSOs in to help the municipalities with amalgamation, or has there been anyone else hired to help with that?

Mr. Lemieux: Yes, there were two vacant positions and they're being recruited now.

Mr. Pedersen: Have there been any consultants hired to help with amalgamation?

Mr. Lemieux: Yes, we've hired a pool of consultants to help—the term we've used are field consultations to help with the amalgamation process, and actually they have been called upon quite often to assist with municipalities that are looking at amalgamation. We have approximately 87 that are below the 1,000 threshold then—that we're using, and the field consultants are people who have varied experience. Some are CAOs; others have other experience with municipalities that lend them to be very, very helpful in this process.

Mr. Pedersen: I—sorry, I may have missed that, but how many field consultants have been hired?

Mr. Lemieux: There's between 14 and 16, and the reason I say between 14 and 16 is because they're not all full-time and it's on a need basis and when they're called upon.

Mr. Pedersen: So how many of those are full-time?

Mr. Lemieux: None are full-time. It's when they're called upon and that's when they're put to use.

* (16:20)

Mr. Pedersen: I think the minister knew this was coming. Can I have the names of the field consultants that have been hired to date?

Mr. Lemieux: Yes, I don't have the names at my fingertips, but I'll endeavour to get them for the member.

Mr. Pedersen: So the MSOs, they're hired under the Municipal Finance and Advisory Services. And the budget in 2012-2013 was \$1.637 million in—that's what was spent in 2012-13. Budgeted in '13-14 is 1.409. So there's a fair decrease in there. Why is there a decrease when you have more people hired?

Mr. Lemieux: I'm sorry. Could I beg the critic's indulgence? I'm not sure what he means by more people hired. I didn't think there—sorry.

Mr. Pedersen: Well, these consultant—field consultants have been hired. You have four MSO positions, two of which are empty right now, which you're endeavouring to fill. Are the field consultants hired under Municipal Finance and Advisory Services?

Mr. Lemieux: Well, thank you for that. Yes, thank you for the clarification.

Yes, they're hired—they're not hired under the specific kind of branch. They're hired under the collective, under the whole department.

Mr. Pedersen: So why is there \$228,000 less in the budget?

Mr. Lemieux: It has a lot to do with salaries, staffing positions, people who have retired and they are at the higher end of the salary scale. And then when you hire—well, I will say younger, not necessarily younger, but new people, with maybe less experience in that particular position or because they're starting anew, that their positions are less. So that's the reason why, at least in part.

Mr. Pedersen: How many outstanding audited financial statements are there to date in—for the fiscal year 2009?

Mr. Lemieux: There are six.

Mr. Pedersen: And the names of those? *[interjection]*

Mr. Chairperson: The honourable Minister of Local Government.

Mr. Lemieux: Yes, thank you, Mr. Chairperson. I'm sorry.

There is Gretna, Pinawa, Stanley, Stonewall, Whitehead and Gillam. Yes, those are the six.

Mr. Pedersen: And how many outstanding audited financial statements for fiscal year 2010, as of today?

An Honourable Member: There are—

Mr. Chairperson: The honourable Minister of Local Government.

Mr. Lemieux: Sorry, Mr. Chairperson. I asked the previous chairperson that we had, that wait for my signal—to give him a signal. And here I am just speaking right off the top of my head without acknowledging that I'm ready to answer the question. My apologies for that.

There are 13 in 2010, and they are Altona, Bifrost, Elkhorn, Ellice, Gillam, Gretna, Melita, Notre Dame, Pinawa, Stanley, Stonewall, West St. Paul and Whitehead. And if you'll notice, there are about six of them that are from the previous list, I believe, that are on this list, from '09 to 2010. So they are not only outstanding from 2009, but they are outstanding in 2010 as well.

If I could, just to give—we've got information with regard to what sections of the act deal with the

provisions with the financial audited statements, and it's section 190(1) and (2) and also section 193(1). So, section 190(1) and (2) sub—or section 193(1).

Mr. Pedersen: And how many outstanding audited financial statements for the fiscal year 2011?

Mr. Lemieux: Obviously, I've had—haven't had enough Pepsi today because—thank you, Mr. Chairperson.

There are 47—too anxious to give the answers—and there are 47 outstanding audited financial statements for 2011: Altona, Beausejour, Bifrost, Birtle—the RM of Birtle, the Town of Birtle—Cartier, Caldwell, Crystal City, Dufferin, Elkhorn, Ellice, Gillam, Gretna, Hamiota—the town and the RM—Hillsburg, Kelsey, Lac du Bonnet, Lansdowne, Leaf Rapids, Lorne, Louise, Manitou, Melita, Notre Dame, Pinawa, Plum Coulee, Powerview-Pine Falls, Reynolds, Rhineland, Riverside, Riverton, Rosburn, Shoal Lake, Siglunes, Silver Creek, Souris, St. Claude, St-Lazare, St-Pierre-Jolys, Stanley, Stonewall, Strathcona, Wallace, West St. Paul, Whitehead and Whitemouth.

And I believe a couple of those communities are in my critic's backyard.

Mr. Pedersen: So, when the federal government pays the Province for the gas—Manitoba's share of the gas tax revenue—does that money sit in general revenues when it comes to the Province until it's paid out to the municipalities?

Mr. Lemieux: I understand that the amount—that the dollars—sitting in a trust account.

Mr. Pedersen: Municipal Rural Infrastructure Fund—in 2011 and '12, there was \$5.7 million spent. In 2012-2013, there was \$2.4 million budgeted. How much of that was spent in 2012-13?

Mr. Lemieux: Just a point of clarification, on the—I know he's referring to the MRIF program now, but I'm just wondering if this is a larger question related to the Building Canada Fund or it's part and parcel of the Building Canada Fund, the Manitoba—the MRIF program, but just wanted to clarify,

Mr. Pedersen: Well, MRIF is the provincial portion of the Building Canada Fund, correct?

Mr. Lemieux: It's not. No, it's not. It's an older program that we had that some projects are still being cash-flowed, actually, from that. But it's not part of the Building Canada Fund.

Mr. Pedersen: Well, all right, let's just finish up with 2012-2013. There was \$2.4 million budgeted. How much what—of that budget was spent?

* (16:30)

Mr. Lemieux: Can I ask my critic what page he's referring to, I'm—just to help. We're trying to be as accurate as we can on our answers, and we're trying to just—*[interjection]* Oh. Well, what we're trying to do is, we're trying to look in the books we have before us and we're trying to find what page that is.

There's a number of different programs; that's why we don't want to get the different programs mixed up. And they have all these different names for them and titles for them. So, do—we just want to make sure we're comparing apples to apples; that's all. Thank you.

Mr. Pedersen: I'll come back to that one later when I find it in the book here, too. I was going through last year's book, and it was in there. You probably don't have that here right now, and I will come back.

So, and, likewise, the same with the Canada Strategic Infrastructure Fund. Is that the same—is that program no longer running now or is it still there?

Mr. Lemieux: It is a Canada-Manitoba agreement and it is an older program, which—there is very little, but there's still some cash flow happening there with that program.

Mr. Pedersen: So, for both these, both the MRIF and the CSIF, they don't show up in this 2013-14 departmental Estimates book?

Mr. Lemieux: We can—we'll endeavour to check and see where exactly it is, but it's—I don't think it's actually broken out, but we'll check and see.

Mr. Pedersen: While they're checking to see on that, then, Urban Development Initiative is on page 46 of this. What portion of the department puts money in—or what is the amount of money that goes into the Urban Green Team?

Mr. Lemieux: I've been advised that it's \$1.85 million. Thank you.

Mr. Pedersen: So is there specific projects, then, that have been identified in—under that \$1.85 million?

Mr. Lemieux: Yes, as was mentioned before, when I was prefacing the comments on a couple of the departments in my department, we will often fund programs. This is an application-based program

which is really screened and run through children and opportunities department, Minister Chief's department, and even though the funding comes—

Mr. Chairperson: Order. The members of the Legislature are to be referred to by their constituencies and ministers by their titles. I ask the honourable 'mem'—or minister to bear that in mind in his comments.

Mr. Lemieux: Yes, it's the Minister for Children and Youth Opportunities' department that is responsible for that particular program, even though it's funded through UD from my department.

Mr. Pedersen: So do you have any say in the—I'm wondering what the process is here. You have 1.85 million for the Urban Green Team. Is that a lump sum, then, that you turn that over to child and youth opportunities and you don't have any say in? Do you get any report back of how that money is dispersed?

Mr. Lemieux: Well, the answer is no. I certainly don't have a say in that particular program, but it's spent by the minister in question's department and then it's recovered from Local Government from UD funding.

Mr. Pedersen: So just going down the list here, on page 46, then, City of Winnipeg—Enhanced Inner City Recreation Programs, the amount of money that's earmarked for that?

Mr. Lemieux: Yes, my deputy minister and others at the table are looking for the specific dollars for that particular program. But the Province of Manitoba has been really pleased to invest over the years more than 50 per cent of the highways budget and roads budget for the city of Winnipeg.

And this is something that we've been in partnership on a number of different programs with the City of Winnipeg, and we're certainly pleased to do that. It's certainly beneficial for the city of Winnipeg, but it's also beneficial, I think, for a capital city and all Manitobans. It has two thirds of the population residing here—and we were looking to get the specific numbers, and I hope that I'll have them shortly.

Again, this recreation fund, it's \$550,000, again, administered by children and youth department, and they work closely with the City of Winnipeg on recreation programs and then they determine which programs will receive funding. And, again, it's a very, very important program run by children and

youth, provincial government working with the City of Winnipeg.

Mr. Pedersen: So this \$550,000, is that part of the global amount that's transferred to municipalities?

Mr. Lemieux: No, this is a specific pot of money that's designated for recreation, but just to the City of Winnipeg from the urban development initiative dollars and, again, this is just for the City of Winnipeg dealing with recreation in partnership with the City of Winnipeg.

Mr. Pedersen: And the amount of money in the economic development Winnipeg fund?

Mr. Lemieux: And it's \$638,000 and, again, the dollars we referred to previously, the \$550,000, that's over and above what the City of Winnipeg would get.

Mr. Pedersen: So this 638, that's just a transfer to the City of Winnipeg, and they administer the economic development portion of those funds?

* (16:40)

Mr. Lemieux: Yes, this is administered by Entrepreneurship, Training and Trade. But this is something that we contribute to the City of Winnipeg and their particular—their development agency and we're pleased to do so.

Mr. Pedersen: As General Council of Winnipeg Community Centres, can you—the amount of money that's given—how and what description of what the General Council of Winnipeg Community Centres is?

Mr. Lemieux: Funds provided to Culture, Heritage and Tourism is the department that is responsible and administers this particular pot of money, which is \$200,000. And the council administers that dollars—administers those dollars from their perspective but they're the ones that receive application and receive requests for that pot of money from the community centres and—but they're the ones who administer it.

Mr. Pedersen: So how many community centres are there in this general council?

Mr. Lemieux: Going back to when I was minister of Culture, Heritage, Tourism and Sport, this agency, or this umbrella group, which is the parent organization for all recreation centres in the city of Winnipeg; I don't know what the number would be now, but we can certainly find out.

But this organization is the parent organization, if I can use that term, for all the recreation organizations in the city of Winnipeg. There would be a substantial number and—but they do a tremendous job, volunteers and spending a great deal of time and effort, quite frankly, administering programs for youth and—which we all know how important that is.

Mr. Pedersen: The Manitoba Arts Council, the amount of money and who administers that.

Mr. Lemieux: Again, it's the Department of Culture, Heritage, sorry, and Tourism, which is administering this fund and it's \$875,000.

Mr. Pedersen: Urban art centres, how much and—shall I guess Culture, Heritage and Tourism?

Mr. Lemieux: Again, yes, my critic is correct, it's Culture, Heritage and Tourism, and it's \$80,000. And \$80,000 may not seem like a lot of money, but to these organizations that tap into that fund, it's a tremendous amount of—and investment, humbly, in my opinion, in the right direction.

It's amazing what they can do with that limited amount of money, no different than many other organizations that sometimes we always—we're always talking in the hundreds of millions or billions of dollars, and yet we know that sometimes it doesn't take hundreds of billions of dollars, or millions of dollars in fact to address a number of different initiatives from the community. And this \$80,000 is money well spent.

Mr. Pedersen: I can appreciate how it would help those organizations.

The Winnipeg Convention Centre corporation, there must—you must be putting money into it. And then do you have anyone from your department sitting on the board there?

Mr. Lemieux: The dollars for the Convention Centre are—did we say 703—\$703,000, and government does have a representative on the Convention Centre board, not from the—this department. So the—in partnership with the City of Winnipeg, the City of Winnipeg's asset in Convention Centre is something that we're really pleased, in the budget, to include \$11.4 million towards the Province's contribution towards renovating and expanding the Winnipeg Convention Centre.

And today I might note that the Royal Bank—Canada RBC has successfully bid and claimed

the naming rights for the new expansion. And the RBC is a truly an important corporate citizen that has their heart in this community. And many of their leaders in RBC are community-oriented, and they are very, very active in the community in their own right aside from their professional side.

And I'm really pleased to see RBC lend its corporate name—a great corporate name—to the expansion of the Convention Centre. I believe that bodes well for the Convention Centre itself, but also for the city of Winnipeg and all the conventions, actually, that we've missed over the years because of lack of size to our Convention Centre in Winnipeg.

And this will really make a difference to the city and the kind of conventions we can get coming into the city of Winnipeg. And so time, of course, will tell, and I know the members opposite must be very supportive of the expansion of the Convention Centre.

And just like the MTS Centre now, it's just absolutely just exploded with the kind of events and concerts that we're getting to the city of Winnipeg that were never there before. Aside from being the home of the Moose and now the Jets, the Convention Centre is going year round and they deserve a lot of credit for that.

But also the City of Winnipeg deserves credit, as well as the federal government, in investing in the Convention Centre. It's something that was truly needed. We've missed out on so many conventions that would go elsewhere, but now we'll be in the big leagues again with regard to conventions. Thank you.

Mr. Pedersen: The minister mentioned \$11.4 million in capital. Is that Local Government's portion of the—of capital fund—or that's not the whole amount that the Province is putting in?

Mr. Lemieux: Yes, this is—our investment is \$51 million towards the expansion. This is just this year's amount of money that's budgeted in 2013, and then over the next few years we'll meet the \$51-million contribution.

And I believe that this is also part and parcel of the Building Canada Fund, which—that's the contribution from the feds and the Province and, of course, the City, as well, with all partners trying to match that investment. It's a sizable investment, but it's one that's been really long overdue, in my humble opinion.

Mr. Pedersen: So, again, this \$11.4 million—does that come out of—that doesn't all come out of Local Government. What is—is it—the—that \$11.4 million, is it divided amongst a number of departments? Is it general revenue or where—how does Local Government fit in on this \$11.4 million?

Mr. Lemieux: Yes, this amount of money is in our department, but it's part and parcel of the Canada-Manitoba agreement and it comes from the government, but it's within the Department of Local Government.

Mr. Pedersen: And the Merchants Hotel Redevelopment—what is Local Government's involvement in that and the amount of money?

* (16:50)

Mr. Lemieux: Yes. We're looking for the specifics and—on this, but let me just say, you know, many people that, even if you don't live in Winnipeg, there are certain hotels like the Merchants and others that people know the name of that hotel or others, and, regrettably, they, you know, are not known just as popular watering holes, but, quite frankly, they have been not only an eyesore on the landscape of Winnipeg. But they've really lent themselves to the worst possible scenarios you can imagine to a city.

And so, you know, when you take a look at doing something about these hotels or investing in either purchasing them or looking at funding the development of a plan, and that's part and parcel of where I'm going. It's almost a hundred and twenty thousand dollars that we are funding the development plan related to the Merchants, and that's our role in it.

And I know there are many different organizations in the city of Winnipeg, in the core of Winnipeg that want to contribute and—private dollars and maybe other dollars as well looking at developing this hotel and changing what it looks like, whether it's possible retail space or residential. But to really take this eyesore out of the city and really, like an Aboriginal term, the phoenix, it'll change to something totally different and positive for this city.

And the hundred and—almost \$120,000 that we're investing, a hundred and eighteen seven, will contribute to the development plan and what to do with the Merchants and how they proceed in the future.

Mr. Pedersen: A hundred and eighteen point seven thousand, is that the total cost of the development plan being drawn up, or is that just a portion of it?

Mr. Lemieux: Yes, Mr. Chairperson, that I'll have to take as notice. I—we try to give the answers as much as we can, but this one—well, I mean this particular question we'll have to look to see what part and parcel a hundred and eighteen seven is of maybe a larger sum. But I know just from the numbers we have it's funding the development plan, but we'll have to get back to my critic on that particular question.

Mr. Pedersen: And that's fine, you get back, but you—when you're getting back, then, you'll also be able to tell me that who is doing the development plan. The company, obviously, has been hired, or who is in—the company named to do this development plan? Someone's got to contract for that, and the total amount of the contract and the name of the company doing it.

And, while I still have the floor, then, Mr. Chair, The Forks River Trail, your department's putting money into that?

Mr. Lemieux: It's \$40,000 contribution.

Mr. Pedersen: So that's an ongoing—I assume that's an ongoing \$40,000 a year and that—The Forks development corporation, or whatever, that's given over to them. It's just a—is that just like a grant to them to maintain The Forks River Trail, your Local Government's contribution towards that?

Mr. Lemieux: Yes. It really depends on what kind of funding they have in place. It's an ask from them. It's a request from them for funding, and depending on what the situation may be in a given year, this year it's \$40,000.

Mr. Pedersen: So does the police helicopter funding fall under Urban Development Initiative?

Mr. Lemieux: It's not under the Urban Development Initiative funds. It's under municipal assistance funding that goes to the City of Winnipeg.

Mr. Pedersen: So what is the budgeted amount for 2013-2014?

Mr. Lemieux: It's—our contribution is 50 per cent of the operating, and we've budgeted, I believe, it's 1.3 this year—1.3 million this year for the operation

Mr. Pedersen: And where do I find that in the Estimates book?

Mr. Lemieux: I stand corrected; it was—1.3 was last year, 1.6 million is this year, under operating. And it's not broken out specifically. It's under the financial assistance to municipalities and that's where you would find that particular amount, but it's part and parcel of a larger amount.

Mr. Pedersen: And where is that in the Estimates book, in terms of the Winnipeg assistance?

Mr. Lemieux: Mr. Chair, 13.4.(b), I'm told, 13.4.(b) and it's under Operating Assistance. I believe that's the title. That's the title is—yes, 13.4.(b) on page 83. Sorry.

Mr. Pedersen: My book—

An Honourable Member: Sixty-three. Sixty-three. Sorry.

Mr. Pedersen: That's a little better. My book only went to 80, so I wasn't quite sure where you were getting 83 from, so.

An Honourable Member: The minister doesn't have his glasses on.

Mr. Pedersen: That's okay, I can lend him my glasses, if it needs—if he holds the page up over there, then I can see it, so.

Okay, it's under section (b) Operating Assistance, 60 million?

Mr. Lemieux: Yes, and I'm sorry; I didn't hear the question, if there was a question posed.

Mr. Pedersen: Well, just clarifying this, Mr. Chairperson, on page 63 and appropriations, 4.(b) Operating Assistance, \$60.629 million, it—that—is that to Winnipeg alone then, that number?

Mr. Lemieux: Yes, I've been advised that it is primarily Winnipeg, but it's for other municipalities as well.

Mr. Pedersen: While we're on that page then, page 63 of the Estimates book, and—grants to municipality in lieu of taxes is \$211,000. If the minister would just give me a brief explanation of that, what that line item is.

Mr. Lemieux: Okay, it's the equivalent to property taxes.

Mr. Chairperson: Honourable member of Local Government.

Mr. Pedersen: I think I'm the local—member of Midland.

But—the—so this is particular municipalities have been flooded. Is that what it is, and they've lost assessment, so this is picking up the assessment that was lost due to flooding?

Mr. Lemieux: Yes, this is on, sorry, on provincially owned buildings and land. It's paid every year.

Mr. Pedersen: Okay, so that's Crown lands and Crown-owned buildings, taxes that are due to that—to the various municipalities.

An Honourable Member: Yes.

Mr. Pedersen: Okay. I got that.

Now, where do I find, in terms of land that was flooded, and I'm thinking of St. Laurent municipality which suffered a huge drop in assessment, is there anywhere in the book where that shows up as support for loss of assessment?

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

Call in the Speaker.

IN SESSION

Mr. Speaker: The hour being 5 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow afternoon.

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, July 2, 2013

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