

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

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**First Session—Thirty-Eighth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garry	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine	Riel	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Thursday, September 18, 2003**

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

**ROUTINE PROCEEDINGS**

**Introduction of Guests**

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have with us from Red River College, Language Training Centre, 18 students under the direction of Ms. Lorna Hiebert. This school is located in the constituency of the honourable Minister of Energy, Science and Technology (Mr. Sale).

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

**ORAL QUESTION PERIOD**

**Bovine Spongiform Encephalopathy  
Cash Advances for Producers**

**Mr. Stuart Murray (Leader of the Official Opposition):** The federal-provincial APF agreement that is to be signed tomorrow will not even come close to helping the more than 12 000 families struggling through the BSE crisis. Aside from the fact that the APF funding is for all farmers in need and not just those affected by the BSE, the amount of money that will actually get out to the more than 12 000 families will be minimal, Mr. Speaker, compared to what is actually required.

Mr. Speaker, a cash advance program is needed and it is needed now. Will the Premier show some compassion to those families in need and will he issue the cash advance program today?

**Hon. Gary Doer (Premier):** Mr. Speaker, we have a low-interest cash advance program now and we would advise members opposite that notwithstanding—

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

**Mr. Speaker:** Order.

**Mr. Doer:** Notwithstanding the fact that the critic, the Agriculture critic, has different positions on the framework agreement over the years, we were very careful in trying to get some changes to that framework agreement. We were also, Mr. Speaker, very, very much in touch with the rural municipalities, the urban municipalities, the KAP organization, the cattle producers. In fact, I think there were about 20 organizations in a meeting where the advice we had to the Minister of Agriculture (Ms. Wowchuk) was contrary to the advice that the Leader of the Opposition is giving us.

**Mr. Murray:** Well, Mr. Speaker, the member from Emerson clearly understands one thing. He has listened to producers and he understands they need a cash advance now. That is what he has been asking for. The APF agreement reportedly includes a clause that farmers will not have to pay the thousands of dollars in premiums that are usually required up front. Instead they will have that money due in the spring.

The Premier should understand that farmers who have not received a paycheque in months, who cannot pay their bills, who are struggling to feed and clothe their families, Mr. Speaker, they are not going to be in a position to pay the thousands of dollars in premiums a few months down the road. Delaying the pain, Mr. Speaker, will not ease the pain for those families. Can the Premier explain to the 12 000 farm families who cannot make ends meet and some who are in such desperate situations as we have heard they are considering suicide, can he explain to those people, where does he expect them to get the thousands of dollars to pay for the premiums a few months from now?

\* (13:35)

**Mr. Doer:** Mr. Speaker, I recall the presentation from KAP over the last number of months, their concerns about the program. I remember the head of KAP said to us in front of the cattle producers and I was at the meeting with the Minister of Agriculture (Ms. Wowchuk), said that you have made some changes that are

positive, you have to sign this agreement, you have no other choice, it will allow for some cash to flow to the people most directly affected and their income with cattle producers. Their advice to us was different than the Leader of the Opposition. So the obvious advice we took was from the various farm organizations on this program because we knew that it is obviously a challenge, and we accepted the advice we received from the farm organizations in this regard.

**Mr. Murray:** The little money that will be available out of the APF to directly assist cattle producers is not even close to the amount that is required, Mr. Speaker. The APF funding, it is like a mirage to our cattle producers. At first glance it may appear to be real but when it gets to substance there is nothing there. We have families who are in crisis that are begging the Province. They are begging this Premier for support and help to try to rebuild their families. A cash advance program is what they are asking for. Will this Premier please show some compassion to those families in need? Do the right thing and flow a cash advance today.

**Mr. Doer:** Mr. Speaker, there is a low-interest cash advance program and there is a framework agreement that, as I recall it, Mr. Briese and Mr. Newton both recommended we sign.

#### **Bovine Spongiform Encephalopathy APF Agreement**

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, the most unfortunate and difficult part about what this Government is doing in relationship to BSE is that probably only about 10 percent or slightly more of the money that they are talking about will actually flow in terms of cash assistance to producers. Producers' families, frankly, are beginning to despair. They are looking at their neighbours and they are looking at their families and they are saying that we cannot carry on this way much longer. Now, with the APF, will this minister indicate when and what nature of money she believes will flow from this APF agreement?

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** The APF is an agreement that we worked long and hard with our producers in this province. We have a safety net

committee that worked with us right along as we designed the program. As the Premier (Mr. Doer) has said, we got many changes into the agreement that were not there before we started this process, Mr. Speaker, and the federal minister has indicated to provinces that he will flow an interim payment to producers and he anticipates it will be about 50 percent of what they would be getting in their payment.

There is no doubt these are very serious challenges and that is why we have put \$100 million in place in loan authority for people to take advantage of it and get the cash flow that they need to bridge them to the next stage and other programs that we have put in place.

**Mr. Cummings:** Mr. Speaker, what the minister in that non-answer forgets to say is that there is about a 22% premium that is required in order to be eligible to receive money from this program. Now it is indicated that might not be due until spring but does she anticipate that that money will have to be brought forward in cash or are they willing to claw it back from possible assets that would come forward?

**Ms. Wowchuk:** Mr. Speaker, the affordability of the program was one of the biggest challenges that we faced and one of the challenges that producers raised with us, and we got a change in the program in that. Instead of paying all the money the first year, the payments can be made over three years and, in fact, there are discussions with the federal government as to whether that has to be cash, whether there can be a note of credit.

We are in discussion with the federal government. Everybody recognizes that it is a very serious situation that producers are facing, Mr. Speaker, and that is why over \$180 million is on the table. It is flowing to producers and we are working with those producers to get them through this difficult crisis.

The most important issue is to get the border open.

#### **Cash Advances for Producers**

**Mr. Glen Cummings (Ste. Rose):** It is within the purview of this Government to provide some

bridge assistance. Provincial governments can act more rapidly and then they can talk about all of the hard negotiation they did and actually try and flow some assets in a time of crisis such as this.

\* (13:40)

One rancher's wife said: I would be better off to leave this capital asset, go on welfare so I could have a life for my kids. Mr. Speaker, when will this minister recognize that cash flow is the problem? Cash advance is the only thing that can deal with this.

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** Again, Mr. Speaker, we recognize that the Opposition has changed their view. They sent out a letter saying that there should be a low-interest loan program or a cash advance. We put in a low-interest program and cash is flowing. Under that low-interest loan program cash is flowing to those people who have slaughtered their cattle, and we have put in place a drought assistance program to help people who have had to purchase or move hay or straw into their area.

We recognize how serious the situation is and we have put money on the table. Our money is flowing. There will be money flowing through the APF.

### **Hells Angels' Trial Witness Protection**

**Mr. Gerald Hawranik (Lac du Bonnet):** The Hells Angels associates are currently representing themselves in court because their lawyers are asking for more fees from Legal Aid. Last week, the Hells Angels associates presented a motion for disclosure of the evidence against them. The Crown prosecutor was forced to give them the statements of witnesses and the videotape of Manitobans entering and leaving a convenience store taken before it was fire-bombed.

Now the Hells Angels, a criminal organization, has information which will compromise the safety and security of Manitobans. Will the Minister of Justice take responsibility for the safety and security of those witnesses?

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** The member is well aware of the sub judge convention. There are matters of a criminal nature currently before the courts, but I would also urge the member to consider the facts. It is my understanding that his allegations are unfounded.

**Mr. Hawranik:** I am not asking the minister for details of what was related in court. I am only relating to those items that were reported in the newspapers. That is a feeble excuse. The minister has a responsibility to ensure the safety of Manitobans. He has let the Hells Angels get a stranglehold over the justice system in Manitoba.

Manitobans deserve answers. The safety of Manitobans who are witnesses in the Hells Angels trial—

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

**Mr. Speaker:** Order. I cannot even hear the question. *[interjection]* Not speak louder. I ask the full co-operation of all honourable members so we can all hear the questions and the answers.

**Mr. Hawranik:** The safety of Manitobans who are witnesses in the Hells Angel trial has been jeopardized by the Minister of Justice and by his failed policies with respect to the funding of complex Legal Aid criminal cases.

Is the minister prepared to take any measures, any measures at all to protect these witnesses and their families? If he is not, what would the minister suggest that these witnesses and their families do to protect themselves?

**Mr. Mackintosh:** I know the members opposite want this Government to open even wider the taxpayer pockets to fund Legal Aid. That was part of their advocacy. But there is also a responsibility in funding Legal Aid to make sure that it fulfils its original purpose, Mr. Speaker, which was only to help alleviate, to help reduce somewhat the burden on lawyers in providing free services for the indigent. We are going to act in the interests of taxpayers as well as justice.

I just remind the member opposite that, Mr. Speaker, he is today asking for a minister to politically interfere in an ongoing criminal trial

so at the next sitting he can stand up and demand a resignation.

\* (13:45)

**Mr. Hawranik:** Mr. Speaker, the Hells Angels have been making a mockery out of this justice system. The videotape given to the Hells Angels that was taken in a Winnipeg convenience store includes the images of Manitobans coming and going to and from that convenience store, and this was part of the disclosure to the Hells Angels associates. How would the minister feel if one of his children or his spouse was included in that videotape? Probably no different than any other Manitoban.

Manitobans are outraged that this tape of information was given to the Hells Angels. Why has this minister failed to protect the security and the safety of Manitobans?

**Mr. Mackintosh:** As I reminded the member in Estimates, Mr. Speaker, when evidence is provided in any case to counsel for an accused, that information would usually be shared with the accused in any event.

But, Mr. Speaker, the point that I have to make to the member is he should perhaps get his facts straight about the disclosure and the whole underpinning of his questions. I also conclude by reminding the members opposite and the critic, in particular, that this is a matter that is under the supervision of the courts of this country.

### **Child Pornography Trial Delay**

**Mr. Kelvin Goertzen (Steinbach):** Mr. Speaker, on Tuesday of this week, a Manitoba court adjourned for the thirty-second time a plea motion for a person accused of distributing 3600 child pornography images. Under the Minister of Justice's watch, this accused has been able to thumb his nose at our justice system. Why is the Minister of Justice making victims of children while accused criminals make a mockery out of our justice system?

**Hon. Gord Mackintosh (Minister of Justice and Attorney General):** Mr. Speaker, of course, the issues of delay in particular cases can be

examined in light of all the parties and the independent parties that are there when there are proceedings in the court. There is the role of the police, the role of defence counsel, the role of the accused, the role of the court, the role of Prosecutions.

I am very pleased that in Manitoba for the first time that I know of in this country, there is unfolding under the leadership of the Chief Judge, involving my department, involving the police and involving the defence bar, to make sure that cases in the Family Violence Court are dealt with on a timely basis. My understanding is that this is scheduled to unfold later this fall or early this winter. I am also pleased to announce that within the Prosecutions area, we will be announcing officially from October 1, a new child exploitation prosecutor.

**Mr. Goertzen:** Mr. Speaker, this Minister of Justice risks losing the confidence of Manitobans and risks losing this case because of undue delays. I ask the minister today: Will he instruct and dedicate the resources from his department to see that this case moves forward immediately to protect children?

**Mr. Mackintosh:** Mr. Speaker, as I said earlier, the reasons for delay vary from case to case. It may be and, I believe in this case there was an absconding for some period of time by the accused, but there are different factors that go into play.

What is important is that as of October 1 in this province we are trying, I think, for the first time ever in this country, a new project and that is to take the child pornography cases that were dealt with by all different Crown attorneys and have them dealt with in a specialized way by designated Crown attorneys, with a new position to oversee that. That is to complement the integrated Child Exploitation Unit with the Winnipeg Police and CyberTip.ca which shows that Manitoba is taking a leadership in specializing, targeting the challenges of child pornography.

**Mr. Goertzen:** Mr. Speaker, this case has dragged on for half a decade. Manitobans are living with a paper Justice Minister who sends out news releases instead of taking action. His

own prosecutors say he is soft, victims cannot get justice. Only the accused and criminals are happy with how this minister is doing his job. Why does the minister continue to allow cases to drag on through the courts through years? Does he lack the interest? Does he lack the will? Will he not dedicate the resources to protect children and Manitobans, Mr. Speaker?

**Mr. Mackintosh:** Mr. Speaker, excessive delay in dealing with cases particularly those where there are child victims or indeed where children as a class are victimized, is not acceptable. That is why I find it interesting coming from members opposite where child victim cases were taking, I believe Stats Canada and Dr. Jane Ursel found 18 months to two years.

\* (13:50)

**Mr. Speaker:** Order. Once again I would like to ask the co-operation of all honourable members. It is very, very difficult to hear. If members wish to have a conversation, we have the loges. Feel free to use them. To try and have conversations back and forth, it creates disruption and is very difficult to hear the questions and the answers.

I would like to ask the co-operation of all honourable members, please.

**Mr. Mackintosh:** Mr. Speaker, under the watch of the former administration, I remind them that indeed if the Prosecutions unit for its role can indeed make a difference, I remind them that the delays were taking 18 months to two years for child victim cases.

Mr. Speaker, there are now dates available for child abuse cases in Manitoba, I am pleased to announce, within four months.

#### **Sunrise School Division Labour Dispute**

**Mrs. Heather Stefanson (Tuxedo):** Mr. Speaker, today in Estimates the Minister of Education finally admitted that Mr. Lloyd Schreyer, secretary to the Compensation Committee of Treasury Board, represented the Government in a strike dispute in Sunrise School Division in April of this year.

My question for the Minister of Education: Who directed Mr. Schreyer to interfere in the Sunrise School Division labour dispute? Was it the Minister of Education or was it the Minister of Finance (Mr. Selinger)?

**Hon. Ron Lemieux (Minister of Education and Youth):** Mr. Speaker, it has always been the Government's role to act in the public interest in a labour dispute especially when there is a possibility of strike action. In this particular case with Sunrise, children would be affected by a strike. We have been very supportive of the public education system and will continue to do so.

**Mrs. Stefanson:** Mr. Speaker, my question is for the Minister of Finance (Mr. Selinger). Why was a Treasury Board official involved in a labour dispute in the Sunrise School Division?

**Hon. Gary Doer (Premier):** Mr. Speaker, I believe there was a mediator appointed to deal with the challenges at the school division. There is a mediator appointed to deal with the Crown attorneys. I believe it was actually the same mediator between the school division in question and the Crown attorneys at the same time.

**Mrs. Stefanson:** Mr. Speaker, on April 19, the Minister of Education announced that he set money aside to help end a strike dispute in Sunrise School Division. Yet today he admitted that he did not receive Treasury Board approval for the expenditure until June 18.

Mr. Speaker, how could the Minister of Education commit to providing almost half a million dollars of taxpayers' money to Sunrise School Division without Treasury Board approval?

**Mr. Doer:** Mr. Speaker—[interjection]

**Mr. Speaker:** Order.

**Mr. Doer:** Mr. Speaker, as I said, there was a mediator appointed, a similar mediator to the Crown attorneys. In fact, there was arbitration in place. There are many collective bargaining agreements throughout the public service that we are responsible for. The issues are contained within a Budget to deal with these matters.

The situation that we inherited with absolutely not one dollar from the MMA agreement, the CUPE support staff agreement and the other settlements in 1999, when we came into office, the Deloitte Touche audit said there was over \$70 million of unfunded settlements made by members opposite, Mr. Speaker.

### **Sunrise School Division Labour Dispute**

**Mr. Leonard Derkach (Russell):** Mr. Speaker, it is a well-known fact that the school division did not either formally or informally request any financial assistance in settling this dispute. Can the Minister of Finance (Mr. Selinger) tell this House on what basis he had one of his staff, Mr. Lloyd Schreyer, involve himself in the labour dispute between Sunrise School Division and CUPE when the division did not formally or informally request any financial assistance?

**Hon. Gary Doer (Premier):** Members opposite know that individuals that are dealing with the responsibility of the public and the public good and public services and collective bargaining, the Government does have responsibility.

\* (13:55)

A year ago we were dealing with a huge dispute dealing with a settlement that was arrived at to give more pay out of a settlement to support staff in rural Manitoba. That was a settlement reached between the urban hospitals and the rural hospitals. There was a dispute then because the rural hospitals accepted the settlement and the city hospitals did not. We have to manage these things.

**Mr. Derkach:** On the eve of an election, the Minister of Finance (Mr. Selinger) interfered in the settlement of a labour dispute between CUPE and the Sunrise School Division by directing his official, Mr. Lloyd Schreyer, to involve himself directly in the dispute.

Can the Minister of Finance (Mr. Selinger) tell this House and all Manitobans why a financial decision of almost half a million dollars was made without any criteria, any Treasury Board analysis or any Treasury Board approval?

**Mr. Speaker:** Order. The honourable Member for Russell just asked a supplementary question. I think it is incumbent on all members for the honourable member to receive the answer. When everyone is shouting back and forth, I am sure the honourable member would not be able to even hear the answer.

**Hon. Tim Sale (Minister of Energy, Science and Technology):** As a matter of fact, I did not hear the question because of all the noise, so perhaps the member opposite could repeat it for me.

**Mr. Derkach:** I will repeat the question, because I think this is a very important one, Mr. Speaker. I said: On the eve of an election, the Minister of Finance interfered in the settlement of a labour dispute between CUPE and Sunrise School Division by directing his official, Mr. Lloyd Schreyer, to involve himself directly in the dispute.

Can the Minister of Finance tell the House and all Manitobans why a financial decision of almost a half a million dollars was made without any criteria, any Treasury Board analysis and without any Treasury Board approval?

**Mr. Sale:** I think that members opposite would perhaps recall, certainly the member who asked the question has sat in Cabinet and in Treasury Board, I believe, at least once or twice, that there are many, many bargaining issues in the public sector that involve difficult questions.

The Government has a responsibility to all taxpayers and to all of those in the public sector that provide services, whether they are nurses, whether they are doctors, whether they are teachers, whether they are lab techs, whether they are Hydro employees. It does not matter who it is, we have an interest because we have to protect the interests of all Manitobans, of students, of teachers, of children, of all those who provide services, of union members and so forth.

So it is not at all unusual for us to be concerned about and to have an ear on disputes that are causing distress in the province and to support those who are trying to understand how those disputes might be resolved.



\* (14:00)

**Mr. Speaker:** Order. I want the attention of all honourable members. I have just been put into a situation where because of the decorum in the House, the honourable member could not hear the question. When he repeated it, that was his second supplementary question.

**An Honourable Member:** No.

**Mr. Speaker:** Oh, yes, because I recognized the honourable member for a question and the honourable First Minister (Mr. Doer) answered it. That is why I keep asking for assistance of all honourable members so this thing does not occur. That way we can hear the questions. We can hear the answers and we can deal with them in the proper fashion.

The first question was raised by the honourable Member for Russell (Mr. Derkach), was answered by the First Minister. The honourable Member for Russell got up on his supplementary question. Because of the noise in the Chamber, the honourable member did not hear the question and so he asked to be repeated. Then he got up again. On the second supplementary question, he repeated the same question. I am going to ask the full co-operation from now on from all honourable members why it is important that we have decorum in the House.

I am going to allow the honourable member to have his second supplementary question, but in the future I ask all honourable members to cooperate in Question Period because we need to hear the questions and the answers. I think this is a very good example of why we need to be able to hear questions and answers.

The honourable member almost lost his second supplementary because of what is happening in the House. In the future, I would ask the co-operation of all honourable members, please.

The honourable Member for Russell, with his second supplementary question.

**Mr. Derkach:** Mr. Speaker, I thank you for that ruling. It is a well-known fact and it has been quoted in the paper that the school division did

not formally or informally request financial assistance from the Government in the labour dispute between CUPE and Sunrise School Division.

I want to ask the Minister of Finance (Mr. Selinger) if he can tell the House and all Manitobans whether, in fact, it was at the direction of the Premier that this minister allowed Mr. Lloyd Schreyer to become involved in the dispute between Sunrise School Division and CUPE.

**Mr. Sale:** No, Mr. Speaker.

#### **Sunrise School Division Labour Dispute**

**Mr. Kevin Lamoureux (Inkster):** Mr. Speaker, my question too is for the Premier in regard to the Sunrise School Division issue. I think what we need to make very clear is the fact that the Government goes through a process in which a budget is brought forward and then it is brought to Cabinet. It is passed through Cabinet. When a government or a minister wants to be able to commit an additional half million dollars of public tax dollars, there is the expectation that it goes through Treasury Board. Because there is a labour crisis, because there is an election possibly looming, the Government made a commitment to spend a half million more taxpayer dollars. It did not go through Treasury Board until after the election.

My question to the Premier is: Is it the policy of this Government that ministers can make and commit a half million dollars plus without Treasury Board approval?

**Hon. Gary Doer (Premier):** Mr. Speaker, the minister is within budget this fiscal year and last year the only variation from the Budget was a tax reduction.

**Mr. Lamoureux:** Mr. Speaker, I am wondering if the Premier can be very clear. Does he feel that the Minister of Education (Mr. Lemieux) followed due process by going out and making this agreement even though the financial assistance was not even requested? Was the Minister of Education in proper place by, without having Treasury Board approval, authorizing public tax dollars to the tune of over \$420,000 without consulting with the Treasury Board?

**Mr. Doer:** Mr. Speaker, there was a mediator appointed. In fact, I think it was the same mediator, I will check the record, that was appointed to deal with the Crown attorneys issue, which eventually could have gone to arbitration.

**Mr. Lamoureux:** Mr. Speaker, I am wondering if the Premier has any sense or any idea on how many other ministers, prior to the election, might have gone out there and made thousands of dollars or millions of dollars of other commitments. You have to respect the process. You cannot allow ministers to go out there and make promises.

There is the possibility that they could have lost the last election, then what would have happened? We would have ultimately had better government. No doubt, yes, that is a given, but having said that, a minister cannot go out and make policy and make financial commitments to the degree in which this Minister of Education has.

My question to the Premier is: Will he not acknowledge that the Minister of Education slipped on this and did not follow good process to ensure that the public tax dollars are properly being spent and committed?

**Mr. Doer:** Mr. Speaker, the school divisions, tomorrow, could settle at something in a delegated authority under arbitration. Eighty percent of the costs in education are covered by arbitration. Then we will have to deal ultimately with the costs of that. About 20 percent are in the area of support staff. Many of the support staff agreements have been settled. The members opposite will be the first ones—

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

**Mr. Speaker:** Order. Once again I would like to ask the co-operation of all honourable members. When you are shouting back and forth it is very difficult to hear the question and if there is a breach of the rules or unparliamentary language, I have to make a ruling. I cannot make a ruling if I cannot hear that occurrence taking place. I ask the co-operation of all honourable members, please.

**Mr. Speaker:** The honourable First Minister, to conclude his answer.

**Mr. Doer:** Thank you, Mr. Speaker. I am assuming the member opposite is not asking this Legislature to, for example, eliminate the arbitration process that determines 80 percent of the costs in school divisions.

I think the real issue here is: Does the existing school division, where there is a dispute on transportation costs, want to have a mediator? Certainly if they were to ask the Government to help them get a settlement on behalf of the kids and the parents, I think I would encourage that to be looked at to get a solution to this dispute because the kids and the parents are the most important element of this, whether it was in the Sunrise School Division or in the existing school division that has a strike.

#### **Selkirk Mental Health Centre Redevelopment**

**Mr. Gregory Dewar (Selkirk):** Mr. Speaker, my question is for the Minister of Health. Can the Minister of Health update the House on the redevelopment of the Selkirk Mental Health Centre?

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, as members opposite might know, there are three major long-standing projects with respect to redevelopment of facilities in Manitoba.

First, is the largest in history, the redevelopment of the Health Sciences Centre, the CSRP. Second was the long-promised, but never done until we came into government, Brandon redevelopment. The third is the Selkirk redevelopment, which will see the redevelopment of the psychogeriatric and the component for brain damage. The planning is well on its way and I hope to be in a position in the next several months to announce that formally.

#### **Sunrise School Division Labour Dispute**

**Mrs. Bonnie Mitchelson (River East):** Mr. Speaker, my question is for the Premier. Can the Premier indicate to the House whether Lloyd Schreyer was in direct contact with the media during the Sunrise School Division mediation process?

**Hon. Gary Doer (Premier):** Mr. Speaker, I will take the question as notice.

\* (14:10)

### **School Divisions Contract Harmonization**

**Mrs. Bonnie Mitchelson (River East):** Mr. Speaker, my question for the Premier is: Could he indicate to the House, or maybe the Minister of Education could answer the question, are there any other school divisions within the province of Manitoba that have requested the services of Mr. Schreyer to help negotiate or settle their agreements with amalgamated school divisions that might be experiencing harmonization issues?

**Hon. Ron Lemieux (Minister of Education and Youth):** Thank you, Mr. Speaker, for the question and I thank the member for the question as well. I just want to comment with regard to Prairie Rose School Division.

Prairie Rose School Division had a conciliation officer put in place. There has been a strike since the beginning of the week. They are looking at possible mediation, and I would encourage if they are at loggerheads to look at mediation. I would be even in favor of asking the Minister of Labour (Mr. Ashton) to work with them and to appoint someone that would be able to help to resolve this dispute.

**Mrs. Mitchelson:** Mr. Speaker, my question is for the Minister of Education. Has any other school division, or is any other school division presently working with Mr. Schreyer, or asked for the services of Mr. Schreyer, to deal with the issues in negotiations around harmonization of contracts? Has any other school division asked or is any other school division in the process of working with Mr. Schreyer?

**Mr. Lemieux:** Thank you very much, Mr. Speaker, for the question. There are a couple of divisions that were looking at labour disputes. Louis Riel School Division is one where you have an example with the 730,000-odd dollars that we gave, that \$50 per head per student, to assist each division with amalgamation challenges. The Louis Riel School Division was able

to solve their labour differences and were able to do this without having a strike.

### **Sunrise School Division Labour Dispute**

**Mr. Leonard Derkach (Russell):** Understanding that Sunrise School Division, through their board, did not ask for any financial assistance, I would like to ask the Minister of Education: Who asked for financial assistance in the settlement of the labour dispute between Sunrise School Division and CUPE?

**Hon. Ron Lemieux (Minister of Education and Youth):** Mr. Speaker, in Estimates we talked and the member opposite raised a letter sent by the school division chair as well as the superintendent, Mr. Bell, stating that we would like to enter into discussions relating to the disparity in wages. The disparity was 15 percent to 60 percent, the hugest gap anywhere in the province. We have a letter right from the chair as well as the superintendent wanting to discuss this disparity and the effects it would have on their division.

**Mr. Speaker:** Time for Oral Questions has expired.

### **MEMBERS' STATEMENTS**

#### **Salvador Allende**

**Mr. Jim Maloway (Elmwood):** Mr. Speaker, last week on September 11, the world marked the 30th anniversary of the death of Chilean President Salvador Allende. On that date in 1973, President Allende died during the military coup. For the people of Chile, September 11 is a very dark day in history, not only because of President Allende's death, but also because of the severe blow dealt to Chilean democracy.

In remembering the events of 30 years ago, we pay tribute to a man who earned his place in history as the first democratically elected Marxist leader of any nation. September 11 is a day to reflect on his efforts to reform the Chilean economy and make a better life for its citizens. It is also a day to remember the conflict and suffering the Chilean people experienced at the hands of the new regime. For 16 years, thousands of Chileans faced persecution, torture and violence from the Pinochet military dictatorship.

Thirty years later, Chileans are still grappling with the issues arising out of the coup that saw family members killed and the total loss of their future in their home country. For those who came to Canada, there were the trials of adjusting to a new life in a new country, a new language, new communities and new often lesser occupations. They bravely recognize that the past cannot be changed and that the past cannot be recovered. They rose to meet the challenges of their new home. Their significant contributions to the cultural and economic sectors and the democratic process have greatly benefited the province of Manitoba and its people.

I offer my best wishes and my thanks to the members of Manitoba's Chilean community. On behalf of the people and the Government of Manitoba, I extend acknowledgements to the Chilean community as they observe this solemn occasion.

#### **Turtle Island Festival**

**Mr. Larry Maguire (Arthur-Virden):** Mr. Speaker, I am pleased to bring to the attention of this House about the first ever Turtle Island Festival that was held in Boissevain in early August. This new festival was a hit. It attracted visitors from across the United States and Canada. Given the success of the event, it is sure to be around for many years to come.

The Turtle Island Festival included a number of exciting events for people of all ages, including re-enactments of Manitoba's history and musical talent featuring a tribute concert to Patsy Cline and the Fantasy Fiddlers, a teenaged fiddling group. Saturday's events included the Boissevain Lions parade, a car rally, GPS challenges and a lively social. The fitness competition and craft displays were also highlights of the weekend festival.

In addition, the Turtle Island Festival played host to the Relay for Life, a fundraiser with proceeds going toward the Canadian Cancer Society's research projects. It was my privilege to attend the opening ceremonies and thank the 21 teams who participated in the relay for their contributions of time and financial support and for raising awareness of cancer in the community. Countless people are affected by cancer

in various ways, so it was encouraging to have Manitobans of all ages come together for this important charitable event.

The Turtle Island Festival was not only a weekend of local folks together in celebration of their history but it was also an opportunity to give visitors a taste of Manitoba hospitality. With such a large turnout, the festival was clearly a hit. Having attended the first Turtle Island Festival, I look forward to attending this annual celebration on many more occasions.

Mr. Speaker, I would like to thank the many organizers, volunteers and participants for their contribution to the Turtle Island Festival. Not only was this weekend a time of fun and celebration but compassionate folks raised thousands of dollars for the Cancer Society as well. It is weekend celebrations like the Turtle Island Festival that rejuvenate community spirit and, most importantly, demonstrate the open and generous hearts of Manitobans.

#### **Westminster Children's Care Centre**

**Mr. Rob Altemeyer (Wolseley):** Mr. Speaker, it is with great pleasure today that I bring attention to the recent announcement made by the Minister of Family Services (Mr. Caldwell) at the Westminster Children's Care Centre in Wolseley. Just last week the minister announced the creation of 788 new child care spaces across Manitoba and I am pleased to note that the Westminster Children's Care Centre is one of the 38 centres that will benefit from this important announcement.

As one recipient of this funding, the Westminster Children's Care Centre will receive \$3,900 in additional funding for four additional school-age and two additional preschool spaces, bringing the centre's total number to 56 spaces.

I would especially like to thank the Westminster Children's Care Centre executive director Greg Blanco and his staff for providing a place to host the announcement and for offering such an essential service for the Wolseley community. At this time I would also like to extend my deep thanks to all child care providers in the Wolseley constituency.

It is difficult to overstate the importance of a child's early years to their long-term development, and early childhood educators play a pivotal role in this crucial process. Their time and patience on a daily, weekly and monthly basis nurtures our children, supports our parents and strengthens communities in Wolseley and across Manitoba.

The exciting developments of last week are of course only a part of this Government's overall commitment to families and child care. In 2002, the minister announced a five-year plan for day care and the creation of 5000 new spaces. Further, thanks to the minister and staff of Family Services, Manitoba has successfully negotiated a pivotal partnership with the federal government that will see a total of 33 million new dollars invested in child care over the next five years.

Mr. Speaker, it was an honour to welcome the Minister of Family Services and his announcement of increased support to Wolseley. I am certain my colleagues in this House will join me in encouraging our Government to continue its many efforts to make positive differences in the lives of children and their families across Manitoba.

#### **Dr. Allan Ronald**

**Mr. David Faurshou (Portage la Prairie):** I am pleased to rise today to recognize Dr. Allan Ronald, a favourite son of Portage la Prairie, who recently received a prestigious award from the Canadian Medical Association. In August, Dr. Allan Ronald was named recipient of the Frederic Newton Gisborne Starr Award, one of Canada's highest medical honours, for his contribution to the understanding and eradication of HIV-AIDS.

Through his career, Doctor Ronald has served the medical community in many ways, including his extensive research and teaching in microbiology at the University of Manitoba. Doctor Ronald has also made a significant contribution to the health care profession through his mentoring of medical students. Key medical professionals in Toronto, responding to the SARS outbreak, studied under Doctor Ronald, as

did Dr. Frank Plummer, head of Health Canada's national microbiology laboratory located here in Winnipeg.

\* (14:20)

Upon his retirement as Associate Dean of Research from the University of Manitoba in 1999, Doctor Ronald received the distinguished title of Professor Emeritus. However his career did not end there. In the year 2000, Doctor Ronald was named Fellow of the Royal Society of Canada, and in 2002 he joined the Academic Alliance for Aids Care and Prevention in Africa, an organization of Ugandan and North American HIV experts. As a partner in this initiative, Doctor Ronald was given the task of developing, training, caring, researching and prevention programs for Uganda. These are but a few examples of the outstanding contribution to the medical advancement Dr. Allan Ronald has made in the Canadian and international medical community.

Doctor Ronald has devoted decades to the study of internal medicine and infectious diseases enhancing the world's understanding and advancing the treatment of many medical conditions.

Mr. Speaker, it is my honour today to recognize the contributions of Dr. Allan Ronald and to articulate our deepest appreciation for his most outstanding efforts. On behalf of this Assembly and on behalf of all residents of Portage la Prairie, it is my privilege to extend our sincere congratulations to Dr. Allan Ronald for the receipt of the Frederic Newton Gisborne Starr Award. Thank you, Mr. Speaker.

#### **Order of Manitoba**

**Ms. Kerri Irvin-Ross (Fort Garry):** Mr. Speaker, it is with great honour and pride that I stand before the House today to tell the members about two of my constituents who recently received the Order of Manitoba. The Order of Manitoba is the province's highest honour. It was established to recognize Manitobans who demonstrated excellence and achievement, have benefited the social, cultural and economic well-being of the province and residents.

Earlier this year, on July 15, Mr. Charles E. Curtis and Dr. Wesley Lorimer both received the awards for their long-standing commitment to Manitoba. I would like to share with the House a little bit about both of my constituents and their distinguishable achievements.

Mr. Charles Curtis got his chartered accountant's degree in 1955. Later in 1967 he joined the Finance Department of the Manitoba government, eventually becoming deputy minister in 1976, a position he held for 20 years until his retirement in 1996. As a civil servant he served numerous provincial premiers, finance ministers and by 1989 he had been involved in preparing 23 provincial budgets, but his work extended to outside work hours. He served on many boards such as the Manitoba Hydro Electric, Centra Gas, Crocus Investment Fund, legal data resource corporation, the Winnipeg Commodity Exchange, to name a few.

Mr. Speaker, Mr. Charles Curtis's work has been recognized before. In 1989 he received the Vanier Medal from the Lieutenant-Governor for outstanding service in public administration.

My other constituent who received the Order of Manitoba is Dr. Wesley Lorimer. Doctor Lorimer is a tireless advocate for improvement in education. He established the Manitoba Association of School Superintendents in 1956 and served as its first president. He was appointed as Deputy Minister of Education in 1967 and served until 1978. He provided leadership to Winnipeg's largest public school system when increased urbanization, industrialization and advances in technology challenged its competency to provide students with an appropriate instructional program.

As well he provided leadership in the creation of special programs for students with special needs. In 1965, Manitoba's—

**Mr. Speaker:** Order.

**Some Honourable Members:** Leave.

**Ms. Irvin-Ross:** In 1965, Manitoba's first nursery classroom was established under his leadership. Both Mr. Charles Curtis and Doctor Lorimer have been members of the Rotary Club of Winnipeg.

Mr. Speaker, it is a great honour to have these two men in my constituency. Their hard-working commitment will always be appreciated and remembered. Thank you.

\*(14:20)

### House Business

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I would like to advise the House that the Standing Committee on Crown Corporations will meet on Wednesday, September 24, at 6:30 p.m. to consider the March 31, 2002, annual report of the Manitoba Hydro-Electric Board.

Mr. Speaker, would you please canvass the House to see if there is agreement to change the Estimates sequence so that, in the Chamber section, the Estimates of the Seniors Directorate will be considered prior to the Estimates for Advanced Education and Youth; in 254, the Estimates for Healthy Child Manitoba are to follow the Estimates of the Department of Family Services and Housing; and in 254 the Estimates of Civil Service Commission, Employee Pensions and Other Costs, Enabling Appropriations, the Supplementary Appropriations and Other Appropriations are to follow Capital Investments. Finally, the Estimates for the Department of Conservation are to follow the Estimates of Intergovernmental Affairs in 255.

**Mr. Speaker:** It has been advised that the Standing Committee on Crown Corporations will meet on Wednesday, September 24, 2003, at 6:30 p.m. to consider the March 31, 2002, Annual Report of the Manitoba Hydro-Electric Board.

Also, may I ask is there agreement to change the Estimates sequence so that in the Chamber section, the Estimates of the Seniors Directorate will be considered prior to the Estimates for Advanced Education and Youth; in Room 254 the Estimates for Healthy Child Manitoba are to follow the Estimates of the Department of Family Services and Housing; also in Room 254, the Estimates of the Civil Service Commission, Employee Pensions and Other Costs, Enabling Appropriations, the Supplementary Appropriations and Other Appropriations are to follow Capital Investments. Finally, the Estimates for the Department of Conservation are to follow the

Estimates of Intergovernmental Affairs in Room 255. Is there agreement? *[Agreed]*

\* \* \*

**Mr. Speaker:** Now we will resume debate in the Committee of Supply.

## ORDERS OF THE DAY

### GOVERNMENT BUSINESS

#### COMMITTEE OF SUPPLY (Concurrent Sections)

#### EDUCATION AND YOUTH

\* (14:50)

**Mr. Chairperson (Harry Schellenberg):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply, meeting in Room 254, will now resume consideration of the Estimates for the Department of Education and Youth. As had been previously agreed, questioning for this department will follow in a global manner.

The floor is now open for questions.

**Mrs. Heather Stefanson (Tuxedo):** I just have a couple of quick questions for the minister. First of all, who asked the Government for financial assistance to help end the dispute in Sunrise School Division?

**Hon. Ron Lemieux (Minister of Education and Youth):** We received comments from the Manitoba Association of School Trustees as well as CUPE and others about discrepancies in wages and also about harmonization throughout the province.

**Mrs. Stefanson:** So is the minister saying that both MAST and CUPE, one and/or the other, or who specifically asked for the money to help end the dispute in the Sunrise School Division?

**Mr. Lemieux:** Thank you for the question. We have a letter, March 24, asking that we would like to enter into a discussion relating to the disparity in wages between two former parts of the division, that being the mechanics and bus drivers, I believe, as well as the teacher's aides and administrative secretaries, I believe.

When you take a look at the difference of between 15 to 60 percent, that is a huge gap compared to anywhere else. You do not have that gap in very many other divisions in the province of Manitoba.

The department has worked hard to ensure that all of those kinds of numbers are looked at.

**Mrs. Stefanson:** I will ask again because I know the minister referred to a letter of March 24 and that being the letter he says had the request for financial assistance of the Government. I see nowhere in here where it has specific numbers or anything in terms of financial assistance. As a matter of fact, this letter says they have a request for a meeting with the minister. It is a second request for a meeting with the minister and yet the minister had not met.

We know from Estimates, I believe yesterday or a couple of days ago, that the minister did not in fact meet with the Sunrise School Division until July and never met over this issue at all. So, my question again for the minister is: Who requested financial assistance to help end the dispute in the Sunrise School Division?

**Mr. Lemieux:** Well, when you take a look at the letter, Mr. Chairperson, the request is really asking will we enter into discussions relating to the disparity in wages? That, to me, is a clear, clear picture.

We get a lot of letters often from different parties to government asking us to participate in addressing their challenges. We do not certainly act on all of them. Some are more pressing than others. In this particular case with that kind of a gap of 15 to 60 percent it is a huge gap and it shows that the division really would have been hard pressed, and hard pressed to also, when they are into collective bargaining, it would be really difficult for them to possibly address this.

Of course, it ended up going to mediation. Sunrise School Division representatives identified the wage disparity issue and the amount required. Mediation commenced, and then, of course, the parties concluded their tentative agreement.

**Mr. Ron Schuler (Springfield):** I would like to ask the minister one more time: Is he prepared to confirm, as he has done consistently, that CUPE

asked for the \$428,000 at that meeting that he had with them?

**Mr. Lemieux:** No, CUPE did not.

**Mrs. Stefanson:** Okay, well, if the school division did not ask specifically for a funding request to help settle this dispute, if the school division did not ask for it, MAST, who then asked for it? Who asked for the financial assistance?

**Mr. Lemieux:** I will repeat myself again. As I stated this morning in Estimates, there were two representatives of the Sunrise School Division; there was the superintendent of the school division and also there was an official from MAST who asked the person who was responsible for Labour Relations about the amount and they are the ones who stated the amount. The employers stated the amount to the representative of the Government.

**Mrs. Stefanson:** So am I to understand that the Government was in direct negotiations with this negotiating group then?

**Mr. Lemieux:** No.

**Mr. Schuler:** Did the negotiator for CUPE ask the Government for funds to help settle the dispute?

**Mr. Lemieux:** No.

**Mr. Schuler:** Did CUPE, negotiating for the employees of Sunrise, ask the Government or an agent of the Government for money to help settle the dispute at Sunrise?

**Mr. Lemieux:** No.

**Mr. Schuler:** Well, then, the minister is very clear on who did not ask. Then the question is very straightforward: Who did ask the Government to help settle the dispute in Sunrise School Division by contributing extra money to the school division?

**Mr. Lemieux:** I will repeat myself again. I stated that the superintendent, Mr. Wallis from MAST, Mr. Bell and two people that were on the negotiating committee, and that was a negotiating committee itself, arrived at the dollar figure and felt that that would be the amount necessary.

**Mrs. Bonnie Mitchelson (River East):** I think we are getting a little closer to the answer. The minister has just indicated that Mr. Bell was one of the persons that requested the money and he said there were two others. Could he indicate who those people were?

**Mr. Lemieux:** No. They were representatives of the employer. It was the employer's representative. Also, Mr. Wallis, I believe, was representing MAST—he is a representative of MAST. I just want to reiterate to members that here you have a difference where you have Sunrise School Division with a huge disparity and you have the Louis Riel School Division that was able to settle their disagreements in—I would not say a short period of time—an amicable period of time without, at least from what I have been advised, any request of assistance from government. The amount that we gave them at \$50 per student amounted to about three-quarters of a million dollars. So I am presuming that amount, because their gap was not as great within the Louis Riel School Division, that they were able to settle that.

I have just been told that the superintendent is Ken Bell, not Ron Bell.

Nevertheless, I just wanted to expand on the fact that you have a division like Prairie Rose School Division which is currently in a labour dispute. The strike is on; they have not asked for mediation. They are into their fourth day, I believe, of a strike. We were strongly encouraging them, as I mentioned in the House today during Question Period, and I would certainly recommend to the Minister of Labour (Mr. Ashton) that he provide someone to be a mediator to get involved with the parties and, hopefully, they will be able to settle their disagreements and be able to arrive at an amicable agreement and a collective agreement. At least I hope anyway, that you have a settlement take place between these parties. It is in the best interests of the children, as well as the parents and so on in that division. We certainly want that to take place.

As I mentioned, the complexity in Manitoba is that you have a division like Sunrise, a huge gap in salaries, then you have Louis Riel that settles on their own, and now you have Prairie Rose that is in a strike situation. They have not asked for assistance, nor had they followed all



the steps yet necessary. As I stated before, the Minister of Labour would be or could be in a position to have a mediator appointed to deal with the two parties. We would hope that they would take advantage of that if they are unable to agree or if the roadblocks appear to be too great for them in order to be able to do that. Once again, just to repeat what I stated this morning is that that is something that I would hope that the officials at the Prairie Rose School Division level would take advantage of.

**Mrs. Mitchelson:** I think we got a little closer with that last answer. The minister indicated, then, that Mr. Ken Bell and Mr. Wallis were two of the people that requested financial resources from the department for Sunrise School Division. I think he indicated there was a third person. Who was the third person?

\* (15:00)

**Mr. Lemieux:** I am not aware. I have not been advised. I am aware that Mr. Bell, the superintendent, and Mr. Wallis, from MAST were in conversation with the Government's representative. They are the ones who, from an employer's position, stated that they were able to inform the Government, tell the Government what the wage gap was. The Government did not participate in any negotiations. The Government participated by having a representative representing the Government. Mr. Bell and Mr. Wallis from MAST are the ones who raised the dollar amount, thereby letting government know what the gap was and what the challenge was for that division.

Now, when you take a look at the whole issue of amalgamation, we certainly and within the department, I have checked with the department, when they were taking a look at amalgamation and taking a look at benefits of amalgamation, taking a look at the challenges that amalgamation had, the department looked at wages. They looked at geography. They looked at declining enrolment, depopulation. There were many, many areas that they looked at that would have contributed to amalgamation, as I mentioned repeatedly about the advantages of amalgamation.

We feel and I think the public of Manitoba now feel that it has worked out in a very, very

positive way. We have seen from many divisions who are sharing resources and sharing expertise like River East Transcona, where I understand that Transcona was not as far down the line with regard to technology as River East was. Now those kind of advantages have been able to flow between borders. You have a situation where the Province of Manitoba has always stated all along that we are going to be very supportive of amalgamated divisions, and we have done so, not only that, to be supportive of all divisions.

We commented this morning about the Norrie report. I believe we talked about quickly the Norrie report, what the Norrie report looked at and the massive changes that the Norrie report was going to bring in with regard to boundaries. Compared to what we have done, what this Government has done with regard to amalgamation, we are certainly far different than what the Norrie report would have been. If that had been implemented by the previous government, it would have created huge change.

There were specific areas for savings and efficiencies that were pointed out that would have created a huge hardship. Our Government believes that you have to have a balance when you are having amalgamation. There has to be a balance on how much and how many divisions you amalgamate together. I mentioned to members opposite that down the road, whether it be in the next 5 to 10 years, there in all likelihood will be amalgamations, but they will be on a voluntary basis because of the benefits that will accrue as a result of amalgamation, whether it is bulk purchasing, whether it is all the synergies that are involved in the technology area and sharing of services and so on.

Also, we have pointed out this morning that when you close three division offices, you get to only one division office. You have three superintendents down to one superintendent. All those kinds of advantages play into amalgamation. We see amalgamation not something happening overnight where we are going to be able to see all the efficiencies that are going to result, but over a long period of time. You are going to see those efficiencies take place. We are convinced, as well as many of the school divisions that I have talked to, that those efficiencies are going to happen.

Just to conclude, my point is that the Opposition took a look at amalgamation, they were going to do it. For whatever reason, they left the Norrie report sitting on the shelf and did not implement it. That was their choice. We as a government took a look at amalgamation as being very positive and we proceeded with it. We are starting to see some of the benefits.

**Mrs. Mitchelson:** My question for the minister is: Did the Government or this minister direct Lloyd Schreyer to speak to the school division, to MAST and to the union to ask how much money they needed, or was he there meeting with the school division and MAST and the union at their request? Did they request Mr. Schreyer's involvement or did the Government direct Mr. Schreyer's involvement?

**Mr. Lemieux:** We have been in conversations with MAST for a long period of time with regard to amalgamation. I believe the previous minister was. I have been. I mean, MAST has certainly raised harmonization as one issue with regard to all the challenges that they have. The long and the short of it is that we as a government have said that we are going to be very supportive of amalgamated divisions, not certainly to the detriment of any department or budget or government balancing the budget, but we as a government feel very strongly that when these changes were made and amalgamation took place, we were not going to allow the divisions to try to address all these challenges on their own.

What we have done is that we have essentially had a good working relationship, I believe, with MAST, the parent organization, all the organizations and stakeholders in the school system. The reason for that is because in order to make this work, there has to be a partnership. This partnership, as far as we are concerned, means sitting down and listening and talking to people and having open discussion and dialogue as to what their challenges are. We are not able to address all of them, obviously, overnight. Some of the discussions are going to have to take longer than just one or two meetings certainly, but we know that pension and many other issues are important to the divisions as well as to MAST and to the employees.

With regard to the amalgamations and the process that took place when we proceeded with

amalgamation, we invited and received comments from the divisions themselves. They met with the previous minister, and had many discussions with regard to where they thought their challenges were. I am certainly not privy to those discussions. I was not the minister then, but there were discussions around harmonization, around employee representatives and many, many other areas about funding and possible challenges there.

I know that many of our identified goals, that we were looking at amalgamation and what we were hoping to accomplish as a result of the amalgamation, were dealing with a lot of different themes.

Some of them were dealing with modernization of many of the divisions, also financial viability and low enrolment and a balanced, moderate approach to amalgamation, which I mentioned before. So I just want to remind members that those identified goals for amalgamation, that we set out before getting into amalgamation, are starting to result in very, very positive feedback to us as a government. Now that is not to say we are perfect. We are not. We are certainly not going to rest on our laurels with regard to where we have come so far.

We did not believe that amalgamation and all the positive results would be coming overnight—would not happen overnight. We have repeatedly said that. We believe amalgamation is more of a long-term process, and there is no end date to amalgamation and what is going to happen as a result.

So I know that I can just comment quickly about the last time there was an amalgamation. I believe it was 1958 or 1960, late fifties or early sixties. I am referring to before Norwood took place. It would have been in the sixties. These do not take place very often and there is a reason for that. The member from Russell was going to school then and he probably was in Grade 5 or so by then. I was, I think, and so I just want to say that these do not happen very often. Amalgamations are taken and they are done in a very serious way, because we know that there are a number of challenges as a result of amalgamation.

We have identified many of the goals and I certainly do not want to repeat myself too much,

but I think it is important to put on the record that when you are looking at amalgamation and what that will do to modernize Manitoba's education system, you can see that if that happened during the Campbell era or the Duff Roblin times, it shows you that it does not happen very often. You have to take a look at it in a very serious and methodical way and a balanced way.

We did so. We looked at all the issues. I know I clarified with staff that they looked at salary discrepancies. I made mention yesterday in the newspaper, incorrectly I might add, that I was not sure whether or not they looked at those issues; but they did. They looked at salary; they looked at the different areas. I, personally, when I received that letter inviting us to participate in discussions with Sunrise over their challenges—it certainly hit home when I saw it was between 15% and 60% difference in salaries from one employee to another. This was an issue that was never raised by the previous government, in the difference in salary from one to another, from one division to another. This is something that they certainly never tackled in the 11 years that they were government, and so, as a government, I am very proud of the fact that we are able to try to tackle this whole issue of amalgamation and the importance it is to the education system.

**Mr. Leonard Derkach (Russell):** Well we have seen the minister slip and slide all over the place this afternoon, and we are not getting answers to the questions that we are asking. But the minister has moved closer to admitting that, in fact, there was no request for money from the school division nor from CUPE. That has been established, because, Mr. Chairperson, now he is saying that Mr. Bell, who is the superintendent of the school, made the request for money. Now in checking with the records, the spokesperson for the school division—who is the chairperson, who is the employer of Mr. Bell—has said that there was no request made by the school division for funding.

**An Honourable Member:** She is not in touch with her negotiating committee.

**Mr. Derkach:** Oops. Now the minister is saying that the chair is not in touch with the negotiating committee.

**An Honourable Member:** Well, what other reason—

\* (15:10)

**Mr. Derkach:** Well, Mr. Chairperson, the chair of the board has stated emphatically there was no formal nor was there an informal request for money. Those are not my words. That is the statement made by the official trustee, the chair of the board. Now, Mr. Ken Bell is an agent of the board, and now the minister is saying that it was Mr. Bell who made the request for money along with Mr. Wallis of the MAST organization. I do not think I am putting words in the minister's mouth. This is what he said.

On that basis, the department then would have had to have done some analysis of how much money would be reasonable to flow in a situation like this. I am going to ask the minister whether he can table any departmental analysis, and who the announcement was done by, to indicate that this was the amount of money that should be flowed—and that there was justification for it.

What criteria were used to establish the amount of money that was flowed? Because this is important, Mr. Chair.

We have a situation now with Prairie Rose School Division. Are there criteria in place that will determine when and how much money a division like that would get to help resolve its salary dispute? I am asking the minister to identify what analysis was done and what criteria were used to establish the amount of money that was going to Sunrise School Division.

**Mr. Lemieux:** Certainly, the Government's representative or the person representing government who had a meeting with Mr. Wallis from MAST, Mr. Bell and two representatives of the negotiating committee—their employer negotiating team, as I have been advised—are the ones who spoke to the representative of the provincial government, and informed the Government that they were at loggerheads.

They wanted to go to mediation and they wanted to get this settled. Both parties wanted to go to mediation. Because of this salary or wage gap that this employer negotiating team raised with the Government, and informed the Govern-

ment of how much money—where there was a gap. The Sunrise School Division was prepared to, in their words, accommodate two-thirds of what they were looking at approximately. Approximately one-third they were asking the Province of Manitoba for, because they asked us for assistance.

The chair wrote a letter. I am not sure under what circumstances. I have no reason to doubt the chair or what the chair of the board is saying. But I am telling members opposite that the employer negotiating team were the ones who identified a sum of money in stating what the school division was needing.

With regard to Prairie Rose School Division, Prairie Rose School Division is somewhat different. When my critic for education from Tuxedo said that there is a precedent set, no, there is not a precedent set. The circumstances are far different from Prairie Rose compared to Sunrise. Sunrise School Division has a 15% to 60% wage discrepancy—far different than Prairie Rose. Prairie Rose, I believe, is around anywhere from 8 to 20, I think, so here you have a huge difference in circumstances, a big difference with regard to the gap in salary that you are looking at.

So the circumstances are different, far different than Louis Riel, which I repeated and I continue to repeat, where a division was able to settle their own—they sat down, the employer and the employee, and negotiated and they were able to come up with their own agreement, so that leaves government looking at—here you have amalgamated divisions who have a big degree of difference in salary range within their employees.

I did not say, and no one has ever said, that this would not be a challenge. Everyone knows this. I have met—the Manitoba Association of School Trustees on a number of occasions, formally and informally, in the past year have certainly raised this. The department looked at some of the differences in salaries, I understand, or so I have been advised, when amalgamation or prior to amalgamation happening. So yes, we are aware that these differences take place. Contracts do expire. They will continue to expire on a rolling, ongoing basis and we hope strikes will not happen as is happening in Prairie Rose.

Again I just want to ask the people in Prairie Rose, or make a suggestion if I might, that I am prepared to speak to the Minister of Labour and have the Minister of Labour suggest a mediator or someone to get involved with mediation. Prairie Rose has not done that. I believe there was a conciliation officer assigned to them, and talks broke down. But I believe it is important for the parties to get back to the table and end the strike in Prairie Rose.

*Ms. Marilyn Brick, Acting Chairperson, in the Chair*

As I said, talks have broken off. Mediation is available to those parties, so you have a far—there is a great deal of difference from many of the school divisions around the province of Manitoba. It is something where collective bargaining in the province of Manitoba has been very successful, in a sense that you do have the opportunity for people to sit down together, bargain in good faith and to come up with agreements. So we should rest assured that the Department of Labour, labour relations, who has a mandate to monitor labour issues throughout the province and act in the public's best interest, has many things available to them which can assist employer and employees in trying to rectify their differences.

Once again, in the case of Sunrise School Division, the chair wrote to me expressing concerns in the disparity of wages between the two divisions. The old Agassiz part of the division and the Springfield portion of the Transcona-Springfield part where you had employees—I understand that the employees on the Springfield side had what you would call city wages—City of Winnipeg wages—compared to Agassiz. The employees in Agassiz are more like the employees throughout rural Manitoba, and so that created a huge gap.

As a government wanting to be supportive of children to ensure that a strike would not last a long time with regard to hampering their education in any way, and the same applies to Prairie Rose, we want to ensure that those children are not out of school. We will do everything we can. We have had no formal or informal requests, I understand, at all from Prairie Rose. What I am doing is I am encouraging, I am asking Prairie Rose that if they

need some assistance, the Department of Labour (Mr. Ashton) will do it. I am, certainly, prepared to ask the Minister of Labour to do everything he can to bring the parties back together to have discussions over where the roadblocks are and see if they can get through them.

So, Madam Chairperson, I thank the member for the question, and I would, certainly, be pleased to address any other questions that they have.

\* (15:20)

**Mr. Derkach:** It is obvious that the minister has gotten himself into some hot water, and he is ragging the puck in this portion of the Estimates, repeating himself time and time and time again. If he has nothing else to say, I suggest that he try to answer the question and leave it at that. We are going to be calling both the board and Mr. Wallis to confirm that they in fact asked the minister for this assistance, because that is what the minister said. It was Mr. Wallis and Mr. Bell on behalf of the board who asked for the \$428,000. I find it incredible that even as late as today the board has indicated they did not make any formal request or informal request for money, and Mr. Bell is an agent of the board.

Secondly, the minister talks about the fact that Prairie Rose has not come forward to ask for any assistance. Well, neither did Sunrise. They made no request for money. They made a request for a meeting. There is quite a difference between asking for money and asking for a meeting. The minister has no criteria established to determine when and at what point a school division should receive assistance. He is saying that, because the wage gap that he created through amalgamation was where it is, that Sunrise should get assistance but those who have a lesser gap should not get assistance. Where is the point at which time a school division is eligible to receive assistance from the Province?

The minister also talks about an agent of government, and I think he admitted before lunch today in Estimates that that agent of government was Mr. Lloyd Schreyer, who is from Treasury Board. Now we have a situation where the Government is using an agent of Treasury Board to negotiate salaries and to negotiate salary disputes between school divisions and between CUPE. Now, this is being

done on behalf of the Department of Education or is it being done on behalf of the Department of Finance or where are we at with this? This is the most unusual and bizarre approach to settling salary disputes that I think anybody has ever seen in the history of this province.

Now, there is a point in time when government becomes involved through appropriate channels in salary disputes. Whether it is MCI or whether it is other salary issues that have to be resolved, there is a process, but in this case, there is no process. We had an election, a pending election. The Premier (Mr. Doer) knew when he was calling the election. We have a Treasury Board official, an agent of Treasury Board, being involved in a salary dispute between a school division and CUPE. Now, it is different if it is a member from the Department of Labour who is involved, but in this case we have confirmed that this is an agent of Treasury Board who was involved in the dispute. Now the minister is shaking his head and saying no. I ask the minister to check his own records. It is clear, and we confirmed that this afternoon, that indeed this individual is an employee of Treasury Board. He is not an employee of the Department of Labour. He is an employee of Treasury Board.

You have to look at who is involved in Treasury Board. We have Mr. Eugene Kostyra involved here. We have Mr. Lloyd Schreyer involved here. We have the Minister of Finance (Mr. Selinger) involved here directly. And they are directing that, on the eve of the election, we are going to flow, as a government, some \$428,000 as a commitment to a school division to settle the strike before the election is called. Now, this is political interference. This is a matter of interfering in a collective bargaining process on the eve of an election in a political way where a government sends its political agent from Treasury Board to settle a dispute. Clearly, this is done to give the Government and its nominated candidates an advantage in the election.

I think anyone in this province would look at this situation and understand very clearly how government tried to manipulate a labour dispute in this province to its advantage by providing money so as to have their own nominated candidate have an advantage. Now, the minister is

saying no, but on the 10th of April, this minister said there was no need to involve himself in the process, that negotiations were going on. He had that letter in his hand from the school division on March 24. That letter did not come to him after April 10. He had that letter in his hand on, shortly after March 24. That letter was written on March 24.

So he knew the situation in the school division. On April 10, he stood in front of the media and said there was no need to involve any of his staff or his money in settling this dispute. One week later, one week later this minister's mind was changed. An agent of the Treasury Board got involved in the negotiations, and we had \$428,000 flow to this division without the request from the division, because, I have to believe, the chair who is an elected member and an elected head of the board, who said there was no formal or informal request made of the Government. Without any request being made of government, this money was flowed.

Now, Madam Chairperson, I want to ask the minister why it is that we have a situation in Prairie Rose, who are in a strike mode right now, not requesting money yet, but the minister not moving on this issue at this point of time, yet in Sunrise, the minister moved very quickly prior to an election, within a week, to ensure that that strike was out of the way before the election was called.

**Mr. Lemieux:** Madam Chairperson, I thank the member for the question. In both circumstances, Sunrise, I am referring to, and to Prairie Rose, there are two different circumstances. Sunrise was involved in mediation. They had a process where parties agreed to go to mediation. Right now, I am asking, I have not asked yet, but I am, certainly, looking at asking the Minister of Labour (Mr. Ashton) to look at talking to the parties and appointing a mediator that would work with these parties.

The circumstances are different. You have in Sunrise, where you had such a huge salary gap. Now, I do not know whether or not the board feels that they can accommodate their collective bargaining through the dollars they have. Possibly they do. Louis Riel did. The monies we gave Louis Riel, they were able to conduct their negotiations and they settled it.

I am not sure whether or not Prairie Rose is able to do that, but I can tell you, Madam Chair, that we as a government and I as the minister are committed to working with Prairie Rose or any other school division that feels they have a difficulty, whether it is financial or otherwise. There are no guarantees, but we will sit down and talk to them. I have already, with a number of school divisions, had discussions on many global issues.

But the point I am trying to make is that in the case of Sunrise you have a letter that is sent to the minister wanting to have urgent talks about their discrepancy in wages. They just said, we would like to enter into discussions relating to the disparity in wages between the two former partners.

They lay out exactly what some of those dollar differences are, and they talk about the unions that they are involved with, the salary differential from the like jobs that show the variance of 15 to 60 percent, depending on the workforce. They say: This will place an extraordinary pressure on our budgets over the next number of years.

So Sunrise is in a far different position than Prairie Rose. What I am saying, though, is that Prairie Rose, we are there as a government. We have always stated, continually, that if they want our assistance, if they need the Department of Labour's assistance for a mediator, if they are wanting to discuss the challenges that they see, I am open to that and the Government is open to that, to sit down and talk to them.

Now, there are other amalgamated divisions and other divisions for that matter that have collective agreements expiring, and this is going to create a real challenge for those divisions. We understand that, and, also, we are certainly open to having dialogue with those divisions that have not approached us yet or I have not met with yet to hear directly from them.

So, Madam Chair, I just want to say and I want to reiterate that our Government was there to enable, to assist the Sunrise School Division, that in the chair's words, they had extraordinary pressures on them. They had a huge salary differential. Also, by the way, they did go to mediation and they had mediation services. So the circumstances are far different in Sunrise compared to Prairie Rose.

So, again, what I can do is encourage Prairie Rose to look at mediation if they cannot solve or get past the barriers that they see as a challenge to getting a collective agreement.

**Mr. Derkach:** Madam Chair, I would like to ask the minister whether there was analysis done by his department to establish whether or not this was the amount of money that was required and how this was going to be accommodated.

\* (15:30)

**Mr. Lemieux:** Well, when it came to my attention, I asked the department to look at the different options that we had within our budget, and, you know, the formalized approval was completed before any expenditure was made.

When we were looking at our options, Madam Chair, we were looking at support to schools in an area where school grants and operating grants lie, approximately \$684 million in that area.

I mentioned yesterday, and the Member for Russell (Mr. Derkach), who was the Minister of Education, knows that there are overages and underages, I believe that is the proper word, with regard to this particular area. The \$112,000 has certainly been able to, as I pointed out before to members, that \$112,000 was able to be looked at.

In grants, there is a grants take-up. Sometimes the take-up is more or less. Sometimes you have a bigger take-up than what you expect. Other times you have less take-up. Not only were the dollars looked at, when we looked at our Budget and at our funds. We know the dollars were there. We designated those dollars and the formalized approval was completed before any expenditure was made on those dollars.

Unlike a \$70-million unfunded commitment that when we came into government there was a commitment made of \$70 million of unfunded commitment that was made by the previous government. When we came into the Manitoba Medical Association, the MMA, I am trying to think of the others that had commitments made to them. Fine, it was up to that government to make those. That was within their purview to make those decisions. They did, but they were unfunded.

In this particular case, I make the argument those dollars, we designated or found the dollars from where the \$112,000 could be found. I know the Member for Russell, I believe he mentioned it before, or maybe it was one of his colleagues, that, yes, governments make commitments before the formalized approval process is completed on occasion. We understand that.

Before any cheques were distributed or any expenditure made, a formalized approval was completed. I repeat that to put that on the record to make sure it is absolutely clear that not only did we follow the process to do that but the dollars were there to do it, unlike some other unfunded commitments that were made when we came into government. We found out that those unfunded commitments to the Manitoba Medical Association, surprise, you have a bill. There was nowhere that those dollars were designated.

I am trying to be fair to the Member for Russell, but on this particular occasion we have been forthright in saying where the dollars are, how much the dollars are and the formalized approval process was completed before any expenditures were made.

I know sometimes members opposite, the Opposition, I have not had the pleasure of being in opposition, but in eight years the government may change. We do not think so. The people of Manitoba will decide.

Having said that, any question they wish to ask is fine, but they might get irritated and agitated because they do not like the answer. The fact of the matter is that the answer is the answer, and the answer is honest and forthright, telling the members of Opposition exactly what has transpired. Again, if they wish to ask any questions related to amalgamation or whether or not they want to ask any questions about a new school we are building in Winkler, Manitoba, or a new school we are building in Mitchell, Manitoba, if they want to ask any questions related to any area of education, I will certainly do my best and attempt to answer the question.

**Mr. Derkach:** The minister talks about commitments that were unfunded that were made in 1999. I can tell this minister that his Premier

(Mr. Doer) made almost a half a billion dollars of announcements prior to the election being called. As a matter of fact, it was in the last two weeks prior to the election being called. I understand those things.

Madam Chair, the issue here is that this was a commitment that was made to settle a salary dispute. Whether or not the Treasury Board paper flowed immediately afterward, this was a commitment that was made to settle a dispute. It was made by somebody from Treasury Board.

The minister can say what he likes but, Madam Chair, never in the history of this province have I ever seen an official agent of Treasury Board involving himself directly in a mediation and a negotiation process between a school board and CUPE. This is the first.

The minister says, well, there was a request made. There was no request made. We have established that. There was no request made. The chair of the board has said there was no request made of this. Yes, there is a large salary gap, but no request was made. So the Government moved on its own. There was no request made by anybody.

Madam Chair, the minister talks about being fair and honest in this process. I am not going to reflect on the minister's character in terms of his integrity or his honesty. I believe the minister is a good person who tries to answer in a forthright way. Unfortunately, his hands have been tied by the directives that have been given him by his Premier and by Treasury Board. In this instant, we have a situation where the minister is simply a pawn of the Premier and the political process here.

I want to know whether or not there have been any criteria established in the department or in Treasury Board so as to deal with the wage discrepancies that are out there in other school divisions, instead of having a one-off like we did with the Sunrise School Division simply because there was an election looming.

\* (15:40)

**Mr. Lemieux:** The representative of the Government is a highly respected individual that is the primary staffperson responsible for com-

pensation issues in the province. He deals with issues related to labour contracts related to the public sector. This person is highly respected within the business community and also highly respected in what he does. Mr. Schreyer has worked in many different areas. I stand to be corrected on this but I know that if you have issues with health professionals or technical workers or whatever public sector area, there are labour issues or labour-related issues in the public sector, and Mr. Schreyer is someone who is highly respected by all parties and is open to all parties. People know that he is a person that can be called upon for assistance.

I would comment that I know the member from Russell knows that there is a difference. I believe he knows now that there is a difference between Prairie Rose and Sunrise. I know he is asking me is your government going to be there. Are you going to be there to assist Prairie Rose? I am telling him, yes, we are. We are not going to be there without having discussions and the process taking place. Prairie Rose has not gone to mediation. If Prairie Rose goes to mediation, and if there is another avenue, there is another way to help them solve their dilemma. Sunrise School Division went to mediation. They were able to work hard to arrive at a collective agreement. I just want to make that point.

**Mr. Derkach:** Madam Chair, I asked the minister, and he has not responded, what criteria have been established to determine how amalgamated school divisions that have wage differentials are going to be addressed in the future. Are there criteria that have been established at what point government will involve itself with dollars?

**Mr. Lemieux:** I thank the member for the question. I want to reiterate, if nothing else, that there are many areas of government where government funding is provided within the Department of Education of which he was the minister.

I just certainly want to touch a little bit, if I might, and beg your indulgence to touch on issues not only related to amalgamation, which are important, but a couple of issues that were raised I believe it was this morning with regard to the Public Schools Finance Board. Looking at the Public Schools Finance Board, I believe it was the member from Inkster who raised the



issue about the Public Schools Finance Board and the Sisler School. I just want to say that this is an area where there are only so many dollars available. There is a fund that is available to the Public Schools Finance Board. They have to determine how those dollars are used.

I know the member from Ste. Rose is here today. There is a school in his area, in Laurier school, that is important to his constituents. I know the Public Schools Finance Board is meeting with those parents or meeting with individuals there. It is something that they are hard-pressed for money and cash and they are trying to do the best they can. There is a school that was designated there for the Francophone school division and now options are certainly being looked at about what you do about that particular school. I just wanted to take a moment to comment on that while he was here.

With regard to Prairie Rose School Division as well as to Sunrise School Division, I believe that what has been made clear is that there is a clear difference between those two divisions and a difference between also Louis Riel. What we are finding is that when people were compiling the stats before amalgamation took place we realized that those numbers varied from division to division but what you do not know for sure is whether or not those school divisions are able to accommodate whatever financial challenges they have and whatever challenges they have with regard to trying to settle the collective agreements. Before people came forward and asked for assistance in wanting to meet on the wage discrepancy and also put dollars and dollar numbers forward through the representative of the Province, their negotiating team for Sunrise, who was to really know what the gap was?

In the case of Louis Riel, many people would not have predicted that Louis Riel was able to settle without any assistance. They were able to do it on their own. Who knows, Prairie Rose might be able to do the same thing. They may be able to settle their own contractual dilemma on their own, but Sunrise could not, and they certainly passed that message on to government and passed it on to the Government's representative and in fact told the Government's representative they are willing to go to mediation.

They did and they were able to settle their differences with the assistance of the Province. They were able to be very clear about that. Otherwise, they were saying that in their opinion this was a huge roadblock for them.

The member mentions finances and mentions where dollars come from and what we are looking at with regard to finances. We have made it quite clear that the first year's allocation of \$112,000 occurred after our Budget and the commitments had been found within our existing Budget. He knows that governments on occasion make commitments before the formalized approval process. Sunrise knew this. Informal approval is secured in a variety of ways, but the formalized approval was completed before any expenditure was made. It is quite clear and it is very straightforward what took place.

I know members opposite do not begrudge Sunrise School Division ending their strike, at least I do not believe that is what I am hearing. I think that the member from Russell or others made that clear. This was a huge challenge for them. They say that there was no way that they could get past that challenge and there was no way that they could resolve their differences. It is important to note that.

I thank the member for the question and I will be pleased to try to answer any other question he has.

**Mr. Derkach:** Madam Chair, I hate to tell the minister he is not being truthful, but the fact of the matter is that we have a situation here where the minister is interpreting a letter that he has received from a school board in a much different way than what the school board itself is interpreting the letter.

Let him talk to the chair of the board in the school board, and you will find that in fact that is not what they wrote him a letter about at all. They wanted to sit down with the minister and discuss the issue, because they understood that the minister was sitting down with CUPE to discuss the issue.

Now, the minister did not sit down with this board until July. He made a decision before sitting down with the board, even though he had

sat down with CUPE. So we have a situation here which is quite bizarre in how the minister is dealing with a fairly significant and sensitive matter.

I have asked the minister if he could lay out the criteria that will be used for other school divisions that have amalgamated in terms of their harmonization of salaries. The minister has not laid those criteria down. His Premier today in front of the media said that government and the departments have a contingency fund for this process. So, obviously, there has to be money set aside somewhere in the minister's Estimates that would be identified as a contingency fund for the purpose of settling disputes between school divisions and their CUPE membership, their non-teaching staff, if you like, for labour disputes that occur as a result of harmonization.

I would like to ask the minister if he could identify how much money or where that money is located for settling these kinds of labour disputes throughout the province for the divisions that have been amalgamated, because his Premier today indicated that there is a contingency fund within the department for this purpose.

\*(15:50)

**Mr. Lemieux:** Madam Chairperson, I certainly cannot comment on what the Premier said or refute or dispute what he said or did not say. I understand that just took place. I cannot comment on that one way or another. I am not sure what he said.

I just want to say that, as a government, I can tell you what I am saying is that we said that we would be there to assist amalgamated divisions. That includes Prairie Rose, that includes Park West, that includes many other school divisions that will need our assistance.

We are not saying we are making any guarantees with regard to finances. No, we are not. In the case of Sunrise, they went to mediation. Prairie Rose have not gone to mediation. They are following a process. Right now they are at loggerheads. We are just recommending—I would like to see them. I am prepared to recommend to the Minister of Labour (Mr. Ashton) to

address that and get the people back at the table and get them talking again. Far different than Sunrise, where they went to mediation and they were able to come up to an agreement with the assistance of the Province. We, certainly, have not denied and never have denied that the Province assisted Sunrise School Division.

We said we would assist any amalgamated division that had any difficulties. In fact, we have provided many dollars for school divisions throughout the province of Manitoba. We have gone through what the dollars are per student in all these divisions at \$50 per student and what that adds up to: Border Land School Division, \$116,000; Frontier, \$168,000; Louis Riel, \$742,000.

The reason why I am mentioning this is because that \$50 per student, some divisions, it appears that because of enrolment or even decline in enrolment, this may affect their bottom line in the sense that the dollars they are having to address their labour differences may not be sufficient. You might have declining enrolment in certain school divisions.

When we are looking at the dollar figures we have to monitor it very closely. If the students are leaving and enrolment is dropping they are not going to get these dollars. These dollars are based on a per student. When you have almost three quarters of a million dollars, in fact more, with Louis Riel, that helped them a lot to get through their labour differences.

I know that Prairie Rose School Division is receiving \$40,000 this year, \$40,000 next year, \$40,000 the year after, amounting to \$120,000. That amount might not be enough. It may not be sufficient to get them over the hurdle, but we have not heard back from them. We have not heard formally or informally back from them or heard from them at all, I should say, to the best of my knowledge. Unlike a letter we received from Sunrise School Division or a couple of letters we received from Sunrise School Division.

Yes, as a province, we are going to be there. We will be there to sit down and talk to amalgamated divisions and try to help them through some difficult times. I know the Premier (Mr.

Doer) has said that, that we as a province have made a commitment to amalgamated divisions as well as other divisions and we will continue to work with them to ensure the process continues where somewhere down the line, it is an ongoing process, where you are going to see the benefits, not only in the short term or the medium but in the long term, the benefits of amalgamation.

I thank the member for the question. I know he may have others or his colleagues may have other questions but I would be prepared to try to answer them.

**Mr. Derkach:** The minister is simply stonewalling. I have asked him to set down the criteria that are established to help school divisions. That is not an unrealistic request. We are simply asking at what point does a school division start to qualify for assistance from the department? That is very straightforward, sensible, and it is the only way to approach a situation where a school division has to know whether or not they are even close to qualifying for provincial assistance to harmonize their salaries or whether they are not.

The Premier talked about a contingency fund within the department to deal with these issues. The Government said they would save something like \$10 million through the amalgamation process. We are finding now that the harmonization process in itself, that is just one item, is going to cost approximately the same amount as what the previous minister had identified in savings.

There seems to be not only a wash when it comes to whether we are saving money or spending more money as a result of amalgamation, we have now a minister who has decided because of circumstances leading up to an election to involve himself by giving money to a school division, setting a precedent and an expectation by other school divisions that there is going to be government assistance.

We have the Minister of Finance (Mr. Selinger) involving himself by ensuring that one of his officials out of his department, out of Treasury Board, is involved directly in the negotiation process.

Madam Chair, I am asking the minister once again if he would lay down the criteria that are going to be used to establish whether or not amalgamated school divisions, and at what point they will be able to qualify for assistance from the contingency fund that has been set aside for this purpose.

\* (16:00)

**Mr. Lemieux:** Just wanting to touch base a little bit on the \$23.8 million that we gave school divisions, that is about a 22.8 percent increase across the board. I want to put this on the record because it is important to note the kind of dollars that the amalgamated divisions are getting. They will have their challenges, but within that it is important to note that the difference—I know I am repeating myself. I apologize to the Member for Russell for having patience. Sunrise went through conciliation, then they went through mediation. Prairie Rose have not done that.

When the member is asking about what kind of steps are involved or what is involved, the collective bargaining process is important that the school divisions have to follow.

Yesterday I used this analogy. Maybe it is not the best one. We say that to build a new school, Major Pratt School in Russell, Manitoba, we have put aside \$6 million to build Major Pratt. We put out tenders for that. What is going to happen, I know he knows this, that it is going to come back at the amount you lay out there. I do not know if the member is asking me this, whether or not each amalgamated division should have an allocated amount of money to each division.

I mean, the union or the employees see that. They see that money, and they immediately know that this is what we are going to be jumping at. So that is why I use the analogy of building a new school at Major Pratt in Russell, and you put \$5 million or \$6 million on the side. Guess what the quotes are going to come back at? So it creates a great deal of difficulty. He recognizes that. I am sure he does.

But, when you take a look, for example, at Border Land School Division, we gave them \$10 million approximately, and I am just rounding it off. That is an amalgamated division. We have Frontier at around \$27 million. You have Louis Riel School Division at \$60 million. You have

Mountain View School Division at approximately \$15 million. You have Park West School Division at around \$9 million. You have Pembina Trails School Division at \$47 million, and you have Prairie Rose School Division at \$10 million and Prairie Spirit School Division at \$13 million and Red River School Division at \$10 million, River East School Division at \$73 million.

The reason I am mentioning this is that the support that the Province of Manitoba has given is unprecedented, unprecedented, in the amount of money that these school divisions have received from this Government. Over the last four years, our Government has put in more money than the previous government has in the last ten. The reason I mention that is to show and point out that our Government is supportive not only of education in the broadest terms, but we are also supporting capital and we are also supporting the funding of education overall.

**An Honourable Member:** That was not the question. The question was about criteria.

**Mr. Lemieux:** Well, it is important that it be put on the record that our Government is very supportive of the school divisions, of amalgamated divisions. It is very difficult to determine from one division to another. I thank the member from Russell for the question, but it is very difficult to determine from one division to the next, when you have Sunrise School Division having their challenges and then Louis Riel settling without even talking to the Government or approaching the Government.

**Mrs. Stefanson:** My question for the minister, he had mentioned earlier today, this morning in Estimates, that Mr. Schreyer, who is an official with Treasury Board, was involved in this process.

I am wondering if the minister can let me know or let this committee know at what point Mr. Schreyer got involved in the process.

**Mr. Lemieux:** Just a clarification, Mr. Schreyer deals with compensation issues within the public sector.

**Mrs. Stefanson:** At what point did Mr. Schreyer get involved in the strike dispute with Sunrise School Division?

**Mr. Lemieux:** I know it is repetitive, but it is important to note that the Government did receive a letter from Sunrise School Division. In the letter they discussed the importance of their wage gap, their 15% to 60% differential in salaries, that letter by the board chair and, I might mention, Mr. Bell who was part of that negotiating team along with a gentleman from MAST and a couple of other representatives who were the people who informed the representative for the Government of the amount that this 60 percent would cause the Sunrise School Division.

So you have a situation where a strike happened and you have a government official representing government who works on compensation issues. It was determined that both parties wanted to go to and agreed to go to mediation, but there was a shortfall of money. Cash was the problem and my understanding is that two-thirds of the money they were able to cover, two-thirds of the harmonization, but the one-third they were not, in approximate terms.

So I just wanted to let all members know that this is, again, a division that was hard-pressed. They were saying that they were hard-pressed financially with such a large variance in salaries depending on the workforce position that they felt that there was no other way for them to conclude what they were doing without assistance from the Government. We as a government said that we would be working with amalgamated divisions in any way we could.

**Mrs. Stefanson:** The minister mentioned that Mr. Schreyer deals with compensation issues. Is Mr. Schreyer not an employee of the Treasury Board?

**Mr. Lemieux:** I understand that Mr. Schreyer works with compensation issues and deals with compensation issues related to the public sector. I mentioned before, he is someone who is a primary staffperson, really responsible for those compensation issues. He is highly respected, I believe, not only within the health profession, for example, or other areas, but he is someone that has the respect of many organizations, including MAST.

**Mrs. Stefanson:** What government department does Mr. Schreyer work for?

**Mr. Lemieux:** The Government of Manitoba employs many employees, as the member knows, including all of us, I guess, at the table. This is something that, in mentioning Mr. Schreyer, Mr. Schreyer is someone that is known not only, as I mentioned, as highly respected, but he is an individual that has dealt with difficult issues, I am sure, because he has dealt with health care professionals, he has dealt with other areas in the public sector of Manitoba, and he is well known to MAST and he is well known to many individuals in the public sector. I include schools or education in that area.

**Mrs. Stefanson:** Because of Mr. Schreyer's involvement with a number of issues that have arisen in the Department of Education, is the minister saying that Mr. Schreyer is an employee of the Department of Education?

**Mr. Lemieux:** It would be nice to have Mr. Schreyer as an employee of the Department of Education because of all his skills and his abilities to work with the public sector. Many of the school divisions throughout Manitoba, I am sure, would enjoy working with such a gentleman, because he is not only very knowledgeable about the public sector, but also has a very good reputation within many, many different sectors and has a very good idea about what happens with regard to salaries and comparables, and so on.

He is very, very familiar with the collective bargaining process in the Province and is also well known to many school divisions, as I have pointed out before. Mr. Schreyer, having had expertise in the public sector and knowing the issues dealing with amalgamated divisions, would be very helpful, because, as it was pointed out by the member from Russell, down the road there could be and there may be different disputes, labour differences or collective bargaining differences in the Province and not just related to amalgamated divisions, but possibly amalgamated divisions. So, with his expertise, it would be very, very important to have such a person to be able to call upon.

As I mentioned, Prairie Rose School Division has, to the best of my knowledge, they may have sent an e-mail or a letter today or even yesterday. Certainly we have not received anything. But I would want to ensure that Prairie

Rose look at mediation, look at another avenue that would be able to be helpful through the Department of Labour.

As I mentioned, I am prepared to ask the Minister of Labour (Mr. Ashton) to have a mediator put in place to try to get to the bottom of their differences and try to resolve their collective bargaining differences. Now, time will tell.

I hope that the strike in Prairie Rose ends very shortly. If they see that they are unable to do so, I would hope that they would look at mediation immediately. I am not sure whether or not the Opposition, whether or not my critic from Tuxedo would see that as a real advantage or not, to have a mediator put in place.

I guess I take the opportunity right now to ask her whether or not she feels that a mediator would be a good idea.

**Mrs. Stefanson:** Well, the minister has stated that Mr. Schreyer is not an employee of the Department of Education. Yet the minister has stated previously that this individual was the government representative in charge of being involved in the Sunrise School Division labour dispute.

I am just wondering if the minister could confirm which government department Mr. Schreyer is an employee of.

\* (16:10)

**Mr. Lemieux:** I thank the member for the question. I think it probably is very difficult for Mr. Schreyer to have his name bandied about because he has such a very good reputation and all the parties are very well aware of his reputation and the hard work that he does on behalf of the Province of Manitoba.

As well, I must say and take this opportunity to say that there were some comments attributed to me in the paper about how the Department of Education, how those officials, if they did not look at certain numbers that they should have done so. I certainly want to clarify that, because the Department of Education's employees, as well as Mr. Schreyer, are very dedicated employees of the Province of Manitoba.

I hope that people within the Department of Education did not take any disrespect from the comments I made. I was making a comment that that is something that we as a government looked at prior to, and the previous minister. I was not there, but the previous minister looked at it, prior to amalgamation. We also looked at decreasing enrolment. We looked at geography. We looked at the ability for a division to tax. There are a lot of other areas where we looked at.

I want to make sure I put on public record and put it on the record that the people within the department—and I know the members of the Opposition know this as well as I do, how hard the people within the Department of Education work—and I want to make sure that anybody, any people, any individuals within the Department of Education that were related in any way to Finance understand, who are responsible actually for looking through the different discrepancies prior to amalgamation, and I hope they will take this as an apology from me, if an apology is necessary, because they work extremely hard. They worked very hard and did what we asked of them to assist us in putting together statistics related to amalgamation and helped us in our plan.

So I want to offer that. My deputy minister is with me here today, and other staff. I hope they will understand that the comment was not made in a spiteful way, the comment was made as, of course people should have looked at those numbers, and not as, yes, they should have done that, meaning that they did not do it, so I hope people understand that and accept that.

I would like to comment a little further with regard to Sunrise School Division, and as I have mentioned previously, that we have had people that have asked. I would like to go through a little bit of a chronology the questions that were asked.

**An Honourable Member:** This is where you get into trouble, Ron; this is where you get into trouble. Be careful.

**Mr. Lemieux:** No. Number one, one of the members asked that, be careful where you go on

this. Well, I would like to go through a couple of things. The member of the Opposition stated, well, how much money was involved? Right? So we informed them. They repeatedly asked, where is this money, how much money is involved? We told people through this Estimates process, through the committee, \$112,000 for the first year, \$158,000 the second year, \$158,000 for the third year. They asked, who asked you for help or who asked you or told you the amount of money that the shortfall was there? We told the Opposition. I have told the Opposition who that is. You have got the superintendent, the couple of members that were on the negotiating team, as well as one of the top people from MAST, from Provencher Avenue, from their head office. So, even though the questions they asked, they are not getting the answers they would like to the questions. Well, maybe because it is not the answer that they want to hear.

So I just want to say that, when you take a look at this process, at least with regard to Sunrise, we have taken a look that there was an invitation to take a look at and discussing the related disparity in the 15% to 60% salary differential. You have had people working very hard to do it. You have had this division who went to mediation, and they believe that going through mediation was a way of solving their problems, as I am asking that the school division from Prairie Rose do and, certainly, look at that option if they are unable to get over the hurdles that they see. So a lot of hard work was done in good faith to assist Sunrise School Division. Certainly, the board and the employees were satisfied with it. They may not have been overjoyed, but that is what collective agreements are all about.

I just want to repeat that the Government of Manitoba has said, with regard to amalgamated divisions, we will assist you in any way we can. There are no guarantees until you go through a process of collective bargaining and get into mediation and/or at least look at those options to try to solve your own disputes at the local level. To the best of my knowledge, and I look at my staff, we have not received an e-mail or letter anything like Sunrise School Division, explaining why they want to meet with us and the disparity in the amounts and so on. So I would

just like to also tell you that our Government through the previous minister who worked extremely hard with the school divisions, was able to give increases of 2.8 percent, I believe one year it was 3 percent, another year it was about 1.5 percent and then last year it was 2.8 percent increases, every year in a row at the rate of economic growth, was far superior than what the previous government did.

Now, I understand they prioritized where they were going to put their money and where they felt the money was most needed, and we have heard often from them that tax breaks are the way to go. That is the only way to go. Of course, we know that if that is the approach you want to take, you had better be prepared to also look at cuts some place, and this applies directly to their election promise when they were looking at removing taxation off of land. There is a debate going on now in Manitoba with regard to that. And so, you know, the whole debate around that is an important one. But what I can say is that when you take a look at the challenges that lie ahead with regard to that, and the committee that is coming forward to the Province of Manitoba—which is a member of the Association of Manitoba Municipalities—is going to be coming forward and with a committee, a working group, with a recommendation on looking at what can be done.

\* (16:20)

Do you want to raise provincial sales tax? Do you want to close schools? How do you address removing, let us say even in rough figures, \$400 million from the education system because of removing taxation?

During the election, the Government could not do it. The Government tried to explain it but when it came down to cutting art, music and phys ed, Manitobans rejected their argument with regard to the way to fund education. What we did in Manitoba was we looked at taking a look at what exactly does the Manitoba Government do.

It is important to note, and I know this may be the only opportunity I get a chance to put it on the record of how our Government supports amalgamated school divisions. When you take a

look at 1993-94 school year, there was a 2 percent decrease. A 2 percent decrease with regard to the school year. In 1994-95, there was a 2.6 percent decrease in the school year. 1995-96 school year, there was a zero amount of funding to public school divisions. In 1996, I know that members opposite—*[interjection]*

**The Acting Chairperson (Ms. Marilyn Brick):** Order.

I would like to take a moment and remind all honourable members to please provide the courtesy of your attention to the member who has the floor. It is acceptable to carry on conversations at the Committee table as long as they do not disrupt the proceedings.

I believe all honourable members wish to keep the discussion and questioning flowing along constructively, and I respectfully ask for your co-operation in this matter.

#### Point of Order

**Mr. Kelvin Goertzen (Steinbach):** I appreciate your comments. But, for the record, I think it is important to state that the Member for Tuxedo (Mrs. Stefanson) asked a very important and significant question, a direct question. This minister has now gone on for 10 or 15 minutes, and he is really doing a disservice to the serious question that the Member for Tuxedo asked.

If the Minister of Education (Mr. Lemieux) wants to go on and drag the puck on this issue, he can do that. But I can tell you that when members of the public read this transcript, they are going to be very disappointed that the minister simply refuses to answer the question.

**The Acting Chairperson (Ms. Marilyn Brick):** I thank the member for the advice on the point of order raised. The honourable member does not have a point of order.

A point of order should be used to draw the Chair's attention to any departure from the rules or practices of the House, or to raise concerns about unparliamentary language.

\* \* \*

**Mr. Lemieux:** Thank you, Madam Chairperson. I know that for those people that will want to read Hansard and read the transcript will essentially take a look and see exactly what our Government has done in the last four years, compared to the previous government. They will know the reason why they re-elected this Government in the previous election.

I would just like to wrap up quickly by saying, Madam Chairperson, that dealing with Estimates and dealing with finances is an important part of this. It is important to get the message and get the numbers on the record with regard to what we have done as a government. Just to conclude, in 2000-2001, a 3.8 percent increase, 2001-2002, a 2.8 percent increase, 2002-2003, a 2.2 percent increase and for this year, it is the '03-04 year, 2.8 percent increase.

Thank you very much, Madam Chairperson.

**Mr. Goertzen:** Madam Acting Chairperson, it is disappointing that the minister chose to answer the question in the way that he did, or perhaps, I should say, the way he chose not to answer the question in the way that he did.

Being a former hockey player, the minister certainly understands what dragging the puck is, and I think he did an admirable job of it. I feel sometimes like I am in a bit of an episode of *Groundhog Day*. I remember sitting, I think, in this very committee room when the minister was in trouble before in a different ministry room, and we went through this for hours and hours and hours. He did a pretty good job of dragging the puck then. Here we are again.

We are living this, maybe it is the minister—we are reliving the minister's nightmare once again. I think, though, that the minister needs to answer the question very directly and in a distinct way. I would like to address the minister specifically and ask him—and I want to tell him though, of course, that he is a neighbouring member to my own constituency. I have a degree of sympathy for the minister.

I think that the Premier has hung him out to dry on this one. Once again, I think that the Premier has made a political decision in terms of flowing money. He has left his minister hanging

in the lurch. The minister probably deserves better than that, but I guess that is the heavy responsibility of government that he has to face now.

Perhaps he should go to his Premier and say that he deserves better than this. I think that the minister actually does deserve better than this. We will try again with this minister and ask him whether or not there was consultation between his department and the Sunrise School Division on the labour dispute before the flowing of the money. Was there consultation between your department and the school division?

**Mr. Lemieux:** I thank the member for the question. I am very proud of the fact that we have the best Premier in all of Canada. I am proud to be able to stand beside him and with him with regard to many issues. I would just want to comment that there are a number of ongoing challenges that we have in amalgamation. Many of the school divisions that have spoken to have raised not only harmonization, but there are a couple of other areas that they have raised that they feel that need to be addressed.

One area, for example, just to take a look at the Sunrise School Division, is an area that is of great concern to us. Take a look at French language services, for example; by that, I mean immersion, French immersion. French immersion in that particular division is an issue that has been raised with us. That school division, rightfully so, has an agreement until 2005 which can be renewed.

What we are trying to do is we are trying to work through a number of challenging issues. One, when you take a look at the immersion program that Sunrise has right now they are experiencing the same difficulty that many other school divisions have. Other school divisions have not only a retention problem but also a recruitment problem with regard to French language.

I know that is one issue Sunrise has raised. I know we are working with Sunrise trying to and attempting to assist them in any way we can. We really want to ensure that if the division of Sunrise, again it is not just monetary, if they feel



they want to call upon the department to assist them in looking at recruitment or retention, it is important that we continue having that dialogue. I know there are other issues too that Sunrise has raised and other amalgamated divisions have raised. What we are trying to do is continually work with them.

I know the Member for Steinbach (Mr. Goertzen) knows that, as a government, we have looked at immigration, for example. There is a huge concern with a new school being built in Mitchell. I know those individuals who are going to be attending that school are really looking forward to it opening. Also in Winkler, another school we are building, a brand new school.

I must add that these divisions do not have a presiding New Democrat or NDP MLA. We are trying to make a commitment to all of the province of Manitoba. Even Sunrise School Division for that matter does not have a presiding NDP MLA. We want to make sure we are going to work very, very hard with all the divisions, amalgamated or not, to ensure we address all the challenges that lay before us.

**Mr. Goertzen:** I mean, again, disappointing that the minister simply refuses to answer a very straightforward question. I think the minister's little jaunt through history on education is entertaining, but it is not particularly helpful to this particular issue.

I am a new member and I do not want to give too many suggestions to this minister who is certainly more senior than I am, but I think if he wants to get himself out of these Estimates, wants to get himself away from this difficult line of questions, he should simply be straightforward, answer the questions. I think then we would be prepared to move on, but until he does that we are going to be here for a very long time.

Perhaps he wants to bring in the Premier (Mr. Doer) to answer the questions. I notice in the House today that the Premier was interested in answering some of these questions. Maybe it is pangs of guilt that have come over him for putting out his minister in this particular situation.

I will ask the minister again in the spirit of trying to give him one more chance: Can he indicate to this committee, to Manitobans what consultation occurred between the Department of Education and the Sunrise School Division regarding the labour dispute?

**Mr. Lemieux:** Again, I guess I have to repeat myself that you had, I do not recall the gentleman's name now, but he is from MAST, from their head office. You have Mr. Bell who is their superintendent and you have two people making up their negotiating committee, who spoke to a representative of the Government and informed the representative of the Government what kind of a shortfall they had, a financial shortfall with regard to what they thought was concluding their collective bargaining. They felt that, yes, they would go to mediation. They thought mediation was a good thing, but the dilemma they faced was because of this huge discrepancy again that they faced, that that would be a really huge hurdle for them.

You have the four individuals who met with the representative from government and informed the representative of government what the amount was. We mentioned this on numerous occasions. I guess I tried to clarify it for the Member for Steinbach, but I have stated that earlier. I believe I stated that this morning and I may have even stated that yesterday.

**Mr. Goertzen:** Can the minister indicate what the date of that meeting was?

\*(16:30)

**Mr. Lemieux:** I am certainly aware that mediation commenced I think around the 10th of April. I believe the parties agreed to it. I understand they concluded their tentative agreement around the middle of April.

With regard to specifics, there may have been more than one meeting. I just know you have the superintendent, who is Mr. Bell. You have Mr. Wallis, I understand. I stand to be corrected, but I believe Mr. Wallis represented MAST from Provencher. You have two other individuals making up their negotiating committee, representing management, representing Sunrise School Division.

We have heard the Opposition make reference to CUPE a number of times, somehow that there were some secret meetings. Absolutely not. There were no meetings at all with CUPE coming to meet with the minister from Sunrise. We repeated that over and over again, and we are also telling you, trying to be forthright with members opposite. That a representative of government was involved because you had a letter that came forward. There was some urgency to it, about 15% to 60% discrepancy in salaries, far different than Prairie Rose. Prairie Rose is a little bit different situation. That is a challenge that I want to repeat. Take a look at Prairie Rose School Division. I understand they have an average of 15% discrepancy in salaries. It is a real, real dilemma. You have Louis Riel that solved their collective bargaining in a way that essentially, to the best of my understanding, did not understand or certainly did not ask the Province for any assistance at all. I have to tell you that governments make commitments before formalized approval processes are completed on occasion. Informal approval is secured in a variety of ways. We certainly made a commitment to that school division that we were there to assist them and the formalized approval was completed before any expenditure was made. I know that members opposite know this. They certainly, on more than one occasion within their own government, made commitments. In fact, we mentioned about the unfunded commitments they made of \$70 million-plus to the Manitoba Medical Association when we came in in 1999. There was not a darn penny anywhere in the bank.

We are saying that we know where the dollars are, where the \$112,000 are. We have allocated that, and we have said repeatedly that they are in the school grants, operating grants area that has approximately \$683 million there, and we talked about overages and we talked about the uptake. The uptake may not be as great in this area. Sometimes it is more; sometimes it is less. Certainly we are able to not only designate and show where it is coming from, but we have repeatedly said that the money is there. I know the members opposite, the member from Steinbach, does not begrudge, I hope.

I do not know if we are getting mixed messages from the Opposition. I think they are

quite happy that Sunrise received the money and that the strike is over. At least I hope they are. I also trust that if they have any suggestions that they want to make to Prairie Rose—I would ask them: Do they think that it is a good idea that Prairie Rose enter into mediation like Sunrise did?

**Mr. Goertzen:** Well, I think the minister ventures into a pretty dangerous area when he starts to talk about whether or not one group or opposition approves of the money going here or there. This is an issue of process. When you get elected as the Government, you are elected to represent people, but you are also elected to take care of the public purse. You do not just simply make decisions because it is expedient, you have the time, because there is an election coming, because you just in your gut feel that it is the right thing to do. There is a reason why there are systems set up in government, there is a reason why there are treasury boards, there is a reason why you go through different appropriations. It seems like the minister is indicating that maybe we should just run government by the seat of our pants. No doubt there would be a lot more money flowing if every year were an election year for this government. I simply do not think that is what the people of Manitoba expect their government representatives to do with their tax dollars.

I asked the Minister of Education whether or not there were meetings between his department and the Sunrise School Division. He indicated that there was one. He did not know when and that maybe there were more. Can the minister—he can consult with his staff—tell us when meetings occurred between his department or representatives of his department and the Sunrise School Division?

**Mr. Lemieux:** Well, there are a couple of points that the member from Steinbach raises which I would like to address. One is dealing with funding. I can tell the member, and I know the member is new, and I will make it brief, that we have balanced the Budget every single year we have as government. We intend to do so into the future. We did not have to call upon the sale of MTS to do it. We were able to balance the Budget of Manitoba, and we are proud to do so.

We are very, very prudent with regard to our spending and how dollars are spent. I mentioned to the member where exactly those funds are coming from and I will again just reiterate that within Support to Schools you have an area that is called Support Grants and Operating Grants. We have identified dollars from that area. We know that we have it. The formalized approval was completed before any expenditure was made.

Also, just to touch on the issue of the member talking about balancing budgets and spending money and with regard to the meeting, I just want to be clear so that the member from Steinbach also knows that the meeting was with the representative of the Province and with the negotiating management, negotiating side of Sunrise School Division. They are the ones who came, who told the representative from the Province that there was a shortfall because of this huge gap. We knew there was a gap. Sunrise certainly felt that with that huge gap they wanted to enter into discussions relating to that, to that huge disparity. They felt that this needed to be addressed. I mentioned already that Mr. Wallis, Mr. Bell and the two representatives also from Sunrise, I believe, were the management representatives. They were the negotiating team, representing and responsible for Sunrise, the management side of Sunrise, the people who were going to pay the bills, the people who were responsible for finding the money. I just want to, again, reiterate that, as a province, we are very, very supportive of the amalgamated divisions.

Prairie Rose School Division is a different circumstance, as was Louis Riel. So we are working and want to work with Prairie Rose and are wanting to work with any other amalgamated division.

\* (16:40)

**Mr. Goertzen:** It was only a few days ago in this very same committee room that I talked with the minister about a separate issue regarding negotiations in my local school division. At that time the minister stated that consultation was the hallmark of his department and that is the hallmark and the standard that he wanted to leave.

Yet now, when I ask the minister about consultation, when the consultations took place with his department and representatives of the Sunrise School Division, he does not seem to know. Apparently, the hallmark works for some areas but when he does not want to talk about it, it is not quite such an important issue and he does not remember when the meeting was, or maybe there was one, maybe there were two, maybe there were 10.

I will ask the minister again, if he wants to stake his reputation on consultation: When were the meetings held? How many were there? Can he answer the question?

**Mr. Lemieux:** I thank the member for the question. I think within the four years, I will not take this personally, of being in government, four years of being government, the feedback I have received with regard to the ministries I have had and the consultation we have had is very, very important. People have said we had open government, whether they are from Winkler or Steinbach, or whether they are from Thompson or Churchill. It has always been that way.

It is very, very important to note that, yes, having met with the Sunrise School Division, they expressed their views with regard to a lot of different areas. I mention immersion as one. They also talked about salaries. They talked about pensions, I believe. I cannot recall all the issues, but we do have a very open and consultative government. We are trying to set that as the goal. I believe it is certainly achievable and has been achievable in the past four years, I would state wanting to meet with people as often as humanly possible. I think the stakeholders in education understand that. I believe they do. We have been told that. They understand there are many of them out there and we try to meet with them on a regular basis.

I mentioned to members of the Opposition that discussions surrounded the amount of money that they felt was a shortfall. It was the management, the people who pay the bills. When you have a high-ranking official of the Manitoba Association of School Trustees, you have the superintendent and you have a couple of other individuals from the school division, it is very, very important to note that when you go

back to the parties and you ask, are they going to go back to mediation, yes, they would like to go back to mediation, as well as CUPE, that there were no untoward meetings with CUPE behind closed doors, as was first suggested.

It was somewhat insulting to hear that initially because somehow members of the Opposition were trying to come up with some scenario that certainly was not as it has turned out to be and has been proven by us, that we showed where the money is coming from. We have been forthright in showing exactly the legal process, the formalized process that was approved and completed before any expenditures were made.

I just want to again state we are attempting to answer the Opposition's questions. They ask whatever question they want to ask. The point is when they are not getting the answer they want we start to hear a lot of rumbling going on that, oh, that cannot be right. There is something wrong here. No, that is not correct.

We laid it out and have told you exactly what has taken place. We know where the money is coming from. The money has been allocated in such a way to address the situation. There is certainly nothing untoward.

I am not sure what the members opposite are looking for. I would be pleased to answer any other questions they are wanting to ask. If they want to go through line by line we can do that, or if they wish to stay global, that is okay as well.

**Mr. Goertzen:** I would like to ask the minister, we have talked about the March 24th letter that came from the Sunrise School Division to the Honourable Minister of Education. Can he indicate: Has there been any other correspondence regarding this issue from the Sunrise School Division to the minister?

**Mr. Lemieux:** To the best of my recollection, I think they sent a letter wanting to know where is the money? By that I mean they were I think very appreciative of the co-operation that they received from government assisting them in any way we could. Of course we look forward to meeting with them again. I know there are many issues we have to meet with them again on.

**Mr. Goertzen:** I ask the minister if he could endeavour to table all correspondence that has come from the Sunrise School Division to the Department of Education regarding this issue.

**Mr. Lemieux:** Well, I think it is highly inappropriate to be tabling a lot of letters and to be providing correspondence between organizations and the Department of Education. I am certainly not prepared to do that.

**Mr. Goertzen:** Well, I guess on the issue of transparency in government and the fact that we are kind of hung up on a very significant issue regarding taxpayers' money, I find it disconcerting that this member would not do everything that he could to clear the air because there is a saying in politics, I think, that something just does not pass the smell test. Clearly this is an issue that I think when it becomes more in a public light just simply does not pass the smell test.

So I will ask the minister, I will give him one more chance after he has had maybe time to gather his thoughts and recognize what his duty is to the people and the taxpayers of Manitoba. I will give him another chance to endeavour to table the information, either within this committee or to provide it in a very timely fashion to us by another means between his department and the Sunrise School Division, whether it is the department writing the division or whether it is the division writing the department.

**Mr. Lemieux:** Madam Chairperson, just to answer the question, I am sure all members around this table realize that there are letters that go back and forth between government departments, go back and forth between stakeholders. I am sure they would feel it was very, very inappropriate to be sharing files and files of correspondence that has gone back and forth.

Certainly I know that members were asking—it was interesting because they were asking that this particular letter on the 24th—who invited government? I think it has been clarified now that government has been invited to speak to Sunrise School Division as a result of this letter, and I know that the correspondence that—in fact, let me say that the school division and the chair

of the school board, and I am sure they feel the same way today, they were, one is hesitant to talk about dollars because they were really hesitant to be talking about how much the Province was contributing, considering they are contributing about two-thirds, I understand, of the amount that was necessary to close the gap.

When approached, it was: Speak to the minister, we cannot talk about it, and so on. In respect to the Sunrise School Division, I would certainly not want to open up files and reams and reams of letters that go back and forth between many school divisions and the Department of Education, and so I would just respectfully decline the member's request.

**Mr. Goertzen:** Madam Chairperson, and I guess the minister is indicating that there is actually quite a bit of correspondence that seems to have gone back between the department and the division on this issue because he seems reluctant to put his photocopier to work. I am not sure if he thinks this is going to be an excessive charge on government, but certainly when we are dealing with an issue of \$428,000, I think it would serve the minister well.

I say this: I think, sincerely, because I think the minister is in a difficult situation. I have said it before and I repeat it. I really believe that the Premier (Mr. Doer) has left him out to dry on this one. It is very disappointing because I think that the minister has endeavoured to try to do the best that he can under the circumstances. But he gets left out on this one, and the Premier is going to let him sink here, and I am not sure that that is what we are looking for. What we are looking for is honesty and transparency. I think that the minister would do himself, not just the people of Manitoba a service, and he will certainly do that, by putting forward this information, but he would do himself a great service if he puts forward this information.

**Mr. Lemieux:** Once again, with all due respect to the member from Steinbach, when I am talking about reams and reams of paper and letters, I am talking about the letters the department received from throughout Manitoba and all amalgamated divisions and divisions that are not, and it would be highly inappropriate for any minister

to be tabling reams of letters. So I just want to clarify that I believe it is inappropriate to do so.

I believe that this does not take away from the openness of government and the openness and the approach that the Department of Education has and the approach that its minister has, because people know that my door is always open, and they understand that not only is my door open to the public and to the school divisions and the members of the public, but I can tell you when the member from Steinbach makes reference to the Premier (Mr. Doer), I am proud to be standing side by side with a Premier that is fighting for all the cattle operators and the people in the agricultural communities. He has fought hard in all the northern states trying to get that border open and anywhere he could to attempt to work hard on behalf of all of Manitobans and so disparaging remarks towards the Premier is—*[interjection]*

Well, you know, the member from Steinbach, I understand what he is saying. I am part of a team and I am part of this Government, and many decisions are made by this Cabinet and are made by the Government, and I stand side by side by the Premier and with other members in my Government. We have been able to do a lot of good things in education in Manitoba. So let us talk about the Premier who has put 3 percent increase into public schools, 2.8 percent increase in public schools, 1 percent in public schools and around 2.4 percent I believe in public schools.

So he is the guy, the Premier is the guy. Let us talk about this person who works hard on behalf of cattle producers, works hard on behalf of people that are looking at the health care system, at the education system. This is the person that has the highest rating of any Premier in Canada, so yes, I am proud to have him as the Premier of Manitoba and I believe the public of Manitoba say the same.

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

\* (16:50)

**The Acting Chairperson (Ms. Marilyn Brick):** Order. I would like to take a moment and remind all honourable members to please provide the

courtesy of your attention to the member who has the floor.

**Mr. Lemieux:** Well I would just like to conclude, and I am sorry. I do not mean to be disrespectful to anyone asking questions, but I just wanted to state: When people start making comments about other individuals, I do not mind, please place the questions to me. I will do whatever I can to answer the questions and certainly with regard to the Premier, he has his own job to do and, as the Minister of Education I am prepared, since it is my Estimates, to try to answer any question I can.

**Mrs. Stefanson:** I wonder if I could ask the minister what the date was that Mr. Schreyer got involved in the process of the labour dispute in Sunrise School Division.

**Mr. Lemieux:** I thank the member for the question. I mentioned the March 24 letter. There was a previous letter, as well, I believe it was February 10 or the middle of February, where they were requesting assistance or requesting us to be able to discuss the related issues with regard to the disparity.

It is an area that is an extremely difficult area because amalgamated school divisions have and we believe that in the long run amalgamated school divisions are going to show a real, I think, benefit to the province of Manitoba. If the member from Tuxedo bears with me, I will try to—I will get there. I will try to answer this question. I do not want her to get frustrated. That is not my goal and I should say she is doing a fine job as the Opposition critic for Education.

So I will continue by saying that with regard to all the issues around not only Sunrise but around the other divisions in amalgamation, when we start discussing issues around amalgamation, I, for one, do not want it left on the record that there is a lot of difficulty in amalgamation. There are some challenges there. There is no question about it. Whether it is French language, harmonization of salaries, there are other challenges.

I do not want to leave the impression with the public or anyone who is listening or will read the transcripts that amalgamation is not positive.

Amalgamation has been positive. There are many, many positive results of amalgamation which I have touched on. I know that when we are dealing with issues like finance, sometimes you get bogged down and you do not discuss the real effects, the true-to-life effects that take place with regard to amalgamation. I just want to say that when you are looking at children in the school division, whether or not they are in Transcona or other divisions, you start to find out from parents when you hear anecdotally from them that their children now—and I can tell you Southwest Horizon is another one. When we went to Souris and met with the school division, they talked about the real difference that amalgamation made for their children. As the Minister of Education, we do not always get an opportunity to talk about this, and we do not get an opportunity to tell people and put it on the record as to the real advantages that they have found.

Southwest Horizon, they have talked about what an advantage it is for an area where their children are, because of depopulation or schools becoming smaller and smaller, the programming that they were never able to get, they are able to get now as a result. This does not necessarily surpass or outdo the challenges they have in other areas, but I just want to make sure that there is a balanced approach here, that we do not just get bogged down in finances and talking about collective agreements and strikes and not give the other side of it, not be able to tell people the other side, the advantages that are coming as a result of amalgamation.

We talked about how, within amalgamated divisions, they have not only received large sums of money as a result of the province of—

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

**The Acting Chairperson (Ms. Marilyn Brick):** Order. I am having a hard time hearing the honourable minister.

\* (17:00)

**Mr. Lemieux:** Well, I thank you and I do not want to take time away from the member, the critic from Tuxedo, the member from Tuxedo, the critic for Education.

I will try to wrap this up as quickly and succinctly as I can by saying that what we have done in education, I think we have really turned the corner for a lot of reasons.

Amalgamation has its challenges. We realize that, but the positive side of amalgamation has to be noted, and the reason I say that is because when you start talking about strikes all the time, when you talk about other divisions that might be having a strike, it is very difficult to focus, I think, on the bigger issue. The bigger picture being this Government not only did a thorough job of finding out whether or not amalgamation was a good way to go, but this Government had the fortitude to go ahead and do it. The previous government had the Norrie report which sat on a shelf some place and really nothing happened with it.

They were taking a look, in the Norrie report, at the massive changes in boundaries. I stand to be corrected, but around 20 school divisions. They took a look at this, and they wanted to attempt to do the right thing with regard to school divisions and to take a look at how can you streamline education and provide a big benefit to the children and the system. When the previous government took a look at it, I do not know whether they realized that taking such a big bite and taking a look at this is not a real balanced approach because it would really force the school divisions into some hard decisions.

The specific areas they addressed for savings and efficiencies are ones actually that are identified in the Norrie report that have come to fruition now. We see some of those benefits. We invited and received, through the whole process of amalgamation, comments from divisions asking them to put forward their views with regard to how is this going to work. We identified the goals for amalgamation, which I ran through before about modernization, low enrolment, balanced moderate approach to amalgamation and so on.

This is something that I feel has to be put on the record because what we are talking about here in Estimates of Education. We are not just talking about the financial lines any longer. We are starting to talk about the heart of amalgamation itself and whether or not amalgamation is a

good thing. We have been putting forward that it was the right thing to do and all the benefits from it. The benefits will result over a long period of time. I just wanted to ensure that was on the record because sometimes we get bogged down talking about strictly numbers with regard to labour disputes and strikes, and it is important to note that there is a positive side on the financial side as well as many others from amalgamation.

**Mrs. Stefanson:** Madam Chairperson, the minister received a request from the Sunrise School Division on February 10 for a meeting. The minister also received a second request for a meeting on March 24 from the school division. We know that the minister did not meet with the school division until July and that no member of his staff met with the school division until July. I would ask: Why would the Minister of Education, when asked to meet with the Sunrise School Division, if he could not make the meeting himself, send an official in the Department of Finance, who works for Treasury Board, to meet with the Sunrise School Division?

**Mr. Lemieux:** Again, this official who was sent representing the Province of Manitoba, who was asked to participate in the discussions, is a highly respected individual that works with the public sector. Not that there are not talented people within the Department of Education, but their labour relations area is not necessarily within the Department of Education. We have very talented people with a lot of expertise but certainly not the expertise that Mr. Schreyer would have and the expertise he comes with, working with health professionals and technical workers or working with the public sector, whether it be Hydro, dealing with all the other issues. He is a person who has a great deal of experience, and he is a person that is very knowledgeable with regard to collective bargaining and negotiations.

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

**The Acting Chairperson (Ms. Marilyn Brick):** If members would like to carry on conversations, they can excuse themselves to the gallery.

**Mrs. Stefanson:** Thank you very much, Madam Chairperson. I would ask the minister, he keeps

referring to this letter of March 24, how long after the minister received the letter dated March 24 did the government representative, Mr. Schreyer, meet with the school division?

**Mr. Lemieux:** Madam Chairperson, I thank the member for the question. I do make reference to the March 24th letter because it is important. It is an important milestone in the sense that the division is saying that they would like to enter into discussions relating to disparity. They were hard pressed with regard to that 15% to 60% gap. I should say too that we have had discussions with the Manitoba Association of School Trustees, who, their parent body, their president, I believe it was Ms. Archer who was the president at the time and also their executive director and many other officials that have come and have met with us and have discussed all kinds of issues on numerous occasions. So you have quite a few meetings that have taken place with regard to the Manitoba Association of School Trustees and the department and also a number of meetings that have taken place with me directly.

What I am saying is that the discussion around harmonization and the discussion around the specific gaps I do not believe were discussed when I met with MAST directly with the parent organization, but I know that in global terms or general terms we certainly discussed all the challenges that they felt from a school trustee's perspective, what it would be like for them in years to come.

Those meetings were really valuable, because what it has done is it has assisted us in trying to determine whether or not that gap we are talking about that existed in Sunrise is the norm throughout the province. We have since determined that it is not, that Sunrise School Division is such a huge gap that it is just unbelievable. The circumstances behind Sunrise were so unusual that the school division would be hard pressed, as they put in their letter. This will place an extraordinary pressure. It is something that to the best of my recollection, I stand to be corrected, but I do not believe there is any correspondence that I have received from any division that has amalgamated that has said that the differences for them were so huge and the impacts on them would create such a dilemma for them.

I can point to Prairie Rose. Prairie Rose, again, may have sent a letter today or an e-mail, but I, certainly, have not received anything. They should be looking at what Sunrise did. Sunrise looked at mediation, both parties went to mediation, and they were able to conclude a tentative agreement, which they should be congratulated for, but also they made it quite clear to our Government that they felt that the Government's role and responsibility was to assist them in tackling their difficulties with regard to harmonization. We have heard from a number of other school divisions anecdotally talking about, what about them, and what I am saying is what about them is that the Province of Manitoba will stand beside you and will work with you to ensure that whatever challenges I had with regard to amalgamation we will attempt to work with you to solve them.

In the case of Prairie Rose, they are into a strike already, but they also have mediation that they can go to to help break this deadlock. I know that the member from Springfield is not begrudging. I do not think I heard him say that he does not want the money or did not return the money or he wants the strike to continue or he wanted it to continue. I think he has made that clear that the parents and other people he has talked to there that they were very relieved that the strike for them did not go much longer or that the chair of the school board did not have to clean toilets any longer in the school.

I would just say that the Prairie Rose School Division, they do have some options. I just asked the member from Springfield: Does he think it is a good option to ask Prairie Rose to go to mediation and get it settled?

**Mrs. Stefanson:** The minister refers to the March 24 letter basically as the reason the Government got involved in this labour dispute. I would like to ask the minister then, if this was dated March 24, he must have acted on getting this government official to meet with the school division fairly quickly after March 24. I am just wondering how long it took for this government official to get in contact with the Sunrise School Division and meet with them. Was it sort of a couple of days? Was it a week? When did this government official meet with or have discussions with this very serious issue? This minister



is using this letter as a reason why they got involved in the dispute. They must have seen this as a very serious issue. Presumably they would jump on this right away and have the government official contact the Sunrise School Division. So I would ask the minister: How long did it take after receiving this letter that the government official met with or entered into discussions with the Sunrise School Division?

\* (17:10)

**Mr. Lemieux:** I thank the member for the question. It is a very good question. I know Mr. Schreyer monitors public sector issues, whether they be strikes or issues around strikes in Manitoba. That is part of his job and he is very good at what he does and he keeps a close eye in monitoring what is happening in the province. It is important, of course, in education to make sure one is looking to see what is going on and what will be on the horizon.

I understand that the school board on the 24th when I received the letter—I will check on this. I cannot say for sure. But they were in conciliation at that time. The two parties were actually in conciliation, and then the conciliation broke down. I do not mind sharing dates and so on, but I understand that after that, after the letter—I received a letter—that they were involved in a conciliation process that eventually broke down and then they had to go to mediation. That portion is very, very important because they were involved in conciliation. The two parties were talking to each other and were going through the issues. I just want to say that is also an important part in this as well.

I just want to, and I do not know whether I was clear or not, but with regard to the Manitoba Association of School Trustees, I would not say they are in contact with my department, with the Department of Education on a daily basis, but there are certainly discussions going on between staff on a lot of different issues. It happens on an ongoing basis. I know the meetings I have had with the Manitoba Association of School Trustees—whether I was attending their convention where I sat down and had an opportunity to speak to a number of different trustees—that also raised issues around the challenges on

amalgamation. The point I am trying to make is that it is just not one person or one letter or one issue. There is a multitude of different examples of people and individuals wanting the Province of Manitoba to look at what is available for divisions that are experiencing some challenges.

I just want to tell the member that, around the period of the 24th, there were discussions, I believe. Well, they were happening at the time between the union and the employer because they were involved in conciliation. There was a conciliation officer actually appointed, and they were trying to work out a deal and trying to get all the issues on the table. That broke down, and so, I believe, right after that a strike happened. Then, of course, they agreed to mediation. It is just important to put on the record that Mr. Schreyer, who is a representative of the provincial government, was monitoring and does monitor, whether it is the health care system—he monitors on an ongoing basis what is happening in the labour market and what is going on.

**Mrs. Stefanson:** I appreciate the minister agreeing to endeavour to get back to me on what the dates were that the representative of the Government, Mr. Schreyer, was in contact with the school division, shortly after this letter of March 24. I appreciate that very much.

My question, I guess I would like to ask the minister: Who in the Education Department did Mr. Schreyer report to in order to determine that the \$428,000 was available to settle the Sunrise School Division dispute? Was that the minister or, if it was not, if it was a member of his staff, if he could inform the committee as to who the staff member was that he was in touch with?

**Mr. Lemieux:** I just want to clarify something with regard to the dates. I mentioned March 24, and then there was conciliation. I am not sure when that conciliation broke down. With regard to the chronological order of events, I will, certainly, have to look at that. Mr. Schreyer, who looks at the public sector and looks at ongoing issues, including, I guess, Prairie Rose, I am sure he is probably looking at that as well.

When I mentioned to the member from Tuxedo and the Opposition that what I would like to do is, certainly, talk to the Minister of

Labour, certainly, I am prepared to have him speak, try to look at a mediation process and maybe at the point of time get somebody to talk to Prairie Rose because they right now are at a stalemate. The problem being is that you have workers out of work, you have children who are being affected as a result of the strike. They are at loggerheads. They appear to be going nowhere.

I understand the collective bargaining process has to take place, and it is. We have a very good process in Manitoba. The dilemma, of course, is that they have broken off talks, and they do not appear to be wanting to talk. What I want to do is ensure that Prairie Rose School Division knows that they do have some alternatives. They probably know already because, if they are working with Mr. Wallis again from MAST, from their head office, they probably are aware. Mr. Wallis has probably informed them that they have mediation as an option to go to because Mr. Wallis is probably working with the superintendent of that school division as well and working with their negotiating team or some high-level person at MAST is probably working with them.

They are very much aware. This is nothing new to them. What I am doing is I am saying that they should certainly look at this and be prepared to talk to the Minister of Labour and Immigration, or the Minister of Labour and Immigration (Mr. Ashton), and put this proposal to them and say: Look it, for a lot of reasons that mediation is an option for you, and it is something that you should be looking at.

\* (17:20)

I know that the Minister of Labour would be very sensitive to this. Labour unrest or strikes happen, thank goodness, very infrequently in Manitoba. I think we have had seven in the past year I understand—I stand to be corrected—but what we are looking at is very few compared to the previous, let us say, four or five years, prior to 1999. I just want to state that Mr. Schreyer, who is a representative of the Province, has an expertise that by Mr. Schreyer working with the public sector, whether it be health care or other areas, has been able to gain an expertise that has an understanding of not only negotiations and contracts but has an understanding of an employer's and employee's viewpoint with regard to

how to address and how to get over the hurdles that are necessary to complete an agreement.

Certainly, after Mr. Schreyer was involved, the parties wanted to go back to mediation and commence mediation, which they did. The parties concluded a tentative agreement. The strike ended and parties returned to work. We are all pleased that that happened. The children I am sure are, the parents are, and we are looking at wanting to make sure that those parents and children in Prairie Rose are not experiencing what happened in Sunrise. We do not want to inconvenience children. We want to make sure the children are getting to school in a proper fashion. I am sure parents are having to drive their children right now. Hopefully, they are car pooling or attempting to do that. I am sure they are.

I know that my critic, the Member for Tuxedo (Mrs. Stefanson), is concerned about that as well. Again, I pose this question to the Opposition. Do they feel that mediation is where Prairie Rose should be going? Do they feel that the Minister of Labour should be asking the school division and the union to go to mediation, resolve your concerns with mediation? At least give it an attempt, give it a try, and hopefully, by doing that, they will be able to resolve their differences. If they cannot seem to go through conciliation and being able to get an agreement, maybe there is a different way to go. I would ask that they do so.

I would certainly like to hear from the members that are here today and the Opposition how they feel about that, whether or not they feel mediation is a good thing to do.

**Mrs. Stefanson:** When was a mediator appointed to end the strike dispute in Sunrise School Division? What was the date of that?

**Mr. Lemieux:** I am going by memory, but I believe it was around the 9th or 10th of April. I will endeavor to try to find that information out. I believe that is readily available when a mediator is appointed. I think that is available through the Department of Labour. I will certainly attempt to get to find out those dates and when that happened.

Just to make a further point, those parties who came together with mediation as an assist-

ance to try to reach a tentative agreement I think has been a good example. I think that Mr. Wallis being involved, he has seen the benefits of that mediation process. I am sure because he is a high official at the Manitoba Association of School Trustees that he would be working with the employer, the Prairie Rose School Division, and the trustees and the negotiation team. He would be able to inform them of how this process worked in Sunrise. I encourage Mr. Wallis and the board to look at this as an option.

I said that I would, repeatedly, ask the Minister of Labour whether or not this is a good way to go. I am sure the members opposite are certainly inviting commentary and action. I ask them whether or not they think mediation is the way to go. If they are at a stalemate, and they cannot get past whatever issues are in the road, mediation is one way. They can have a mediator involved and appointed, my understanding, by the Province. They can resolve their issues without having to prolong the strike in Prairie Rose.

The children that are affected by this, I do not have the numbers certainly at my fingertips, the amount of children that are being affected by the strike that is currently present. I know that you have approximately 2400 or thereabouts students that are transported within the division. It is a fairly large division, and approximately 1400 students or so are affected. You know, of the 1400 children that are affected, there may be, of course, more than one child in a household, but that to me, I think, is a serious issue because, even though it is not one of the larger school divisions in Manitoba, 1400 children, or approximately 1400 children, are a lot of children to be transporting and moving to school.

So I would just certainly ask Prairie Rose and ask the union that is involved to get back together, the Prairie Rose School Division, ask them to get back together. If need be, I will ask the Minister of Labour to look at appointing a mediator to get back to talk, get back to the table and start talking and, you know, I look forward to that. I hope in the time remaining today maybe the members opposite want to go line by line and—

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

**Mr. Lemieux:** So I just want to conclude my remarks, at least on that particular point. I look forward to any question that the members want to pose, either in the remaining time or tomorrow or informally if they want to talk and chat about Sunrise or Prairie Rose.

**Mrs. Stefanson:** Who appointed the mediator in the dispute?

**Mr. Lemieux:** It is late in the day, and I thank all the staff for their patience, and I thank your patience as well, Madam Chairperson, and my critic and her colleagues because it is a long day, and I will try to be brief, if I can. I would just like I have been for the rest of the day.

I just want to say that you have, overall in the Department of Education, a \$1-billion budget approximately. You have 190 000 children that are affected. You have 12 900 teachers that are affected and work with the department in many, many different aspects. The Department of Education does a tremendous job. The employees, I know the members of the Opposition know this, are dedicated, and once again I just want to reiterate that any comments attributed to me, I hope that I have clarified the whole issue with regard to making comments. I know they worked extremely hard to ensure that we had all the stats necessary for amalgamation and we are working extremely hard to make sure that amalgamation works and we are there in many different roles to help, not only school divisions like Sunrise but Prairie Rose and—

**The Acting Chairperson (Ms. Marilyn Brick):** Order, please. The time being 5:30, I am interrupting the proceedings. The Committee of Supply will resume sitting tomorrow at 10 a.m. (Friday).

## TRANSPORTATION AND GOVERNMENT SERVICES

\* (14:40)

**Madam Chairperson (Bonnie Korzeniowski):** Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply, meeting in Room 255, will continue with consideration of the Estimates of the Department of Transportation and Government Services.

Previous agreement had been reached to have a global discussion in this department. The floor is now open for questions.

**Hon. Scott Smith (Minister of Transportation and Government Services):** I do remember the member from Arthur-Virden had asked a question regarding winter roads and dollars allocated. Basically, the answer to the member's question is that the dollars are allocated on the front end; the dollars are received back from the federal government on the other end, so it is just a payout on the front.

Our expenses have gone up by \$1.3 million. The member is quite correct, but the revenue is on the other side and has gone up by \$1.3 million, as well.

**Mr. Larry Maguire (Arthur-Virden):** Can the minister just indicate whether that was just a budgetary decision, or where the revenue came from?

**Mr. Smith:** Yes. Basically, it is an accounting decision and a budgetary decision on the federal government flowing the money to us after front ending the money. It saves a lot of complications instead of flowing the money to different sources. It is just: Dollars are allocated; work is completed and full amount is reimbursed.

**Mr. Maguire:** The minister is very well aware, I think, of the 2020 Vision, a series of meetings that they held, and the package that was put out. In there, there were some numbers in regards to costs of pavement and maintenance. I wonder if the minister could give me some indication of what those costs per kilometre would be on a stretch of highway that you would want to repave, as opposed to laying new pavement.

**Mr. Smith:** Yes, the number can vary greatly. The number can vary whether it is a gravel road surface, or if you are just doing a straight paving on a surface, or if, in fact, you have to do the sub-grade shoulder widening base coarse, and so on. The width of surface, certainly, is a factor. If you are doing a two-lane highway, for example, on a new two-lane surface, two-lane highway, new surface, somewhere in the area between \$700,000 and \$1 million, depending on terrain and a lot of other factors that might be involved.

**Mr. Maguire:** Madam Chairperson, I appreciate that the minister has defined it very well for me, I believe. Two lanes, new pavement, the sub-grading all being done on a similar highway. Just to finish the question that I asked earlier, about repaving one that is there that you are looking at repairing, I know that will depend on the intensity of the amount of repair that is required. But, if you were taking up the pavement that is there and repaving, what would the cost of that be if you had no shoulder widening and nothing to do to the subgrades?

**Mr. Smith:** That can vary as well. It depends on the thickness of paving and what you want to achieve, but somewhere in the area of \$200 000 to \$250 000. Somewhere within that area.

**Mr. Maguire:** Just to point out to the minister, and I know that he is well aware, but he was indicating this morning that if you were to take a road like No. 8, as an example, and we have other roads, as we pointed out, that are in worse shape, we think, than that in Manitoba. But circumstances there, I just want to point out that, as he alluded to the winter roads program, a million dollars on the winter roads program, the funds that are in there, and I know he has indicated that half of those funds come from the federal government, virtually. The increase in that area is welcome but, certainly, would not go very far towards fixing the situation on a road like No. 8. I just draw that to the minister's attention.

The question I have, in regard to winter roads that I am going to leave this area with, has nothing to do with the roads per se, themselves, in that area. I guess I am wondering. Also, when you combine the two areas of transportation and government services, can the minister outline to me or to our caucus through this committee: What other means are you looking at, in regard to getting supplies into some of those remote areas, other than the winter road programs?

**Mr. Smith:** Thank you very much. Certainly, most remote communities, communities that we have in northern Manitoba, obviously, if there is not a road system, rail is available to a number of communities in the North. We have a ferry system that we use in the North that is highly used. It is a really good system. At times the

ferry system or smaller commercial boat has been utilized and certainly, air flight has been utilized at times when no other means is available.

The Hovercraft that has been used at Island Lake—a small Hovercraft is another form, but it is extremely expensive. Hovercrafts are quite an expensive form of transportation, but the need requests the means at times and the department has been very good at getting in. There is a new project that, I know, the member from Portage and myself have been quite interested in. It is not a new science, by any means, and that is the Sportin [*phonetic*]. Certainly, Dr. Barry Prentice has brought forth some pretty interesting information on remote access by balloon. I guess you call them airships.

As one member mentioned, yes, some of the rural and northern economies that we have that are ballooning, request or certainly need interesting, new ways to get to them, but it has a lot of potential. It is something that, certainly, I have found interesting. We have not obviously utilized it. There has not been a company come forward yet to suggest that they could carry any cargo-ready loads into some of the communities, especially in the conditions that we have in the winter.

I know the mayor from Churchill, Mike Spence, has been very instrumental with working with Doctor Prentice and the aviation industry in consideration of what the potential is. It is quite fascinating, the amount of heavy loads that can be carried and the technology now that they use for the ships. We do not use that. It is just a point of information that I know the member from Portage and myself both found quite interesting in a world-wide conference that was held in Winnipeg last year on the subject. But what I have indicated with the ferries, the boat, hovercraft, at times, train, and both ice road and land road are what is normally used in remote communities.

**Mr. Maguire:** I appreciate that. I was hoping that some of the minister's opening comments would have some of these visionary items in them that perhaps you were looking at. I appreciate the comments you did make but, and I realize that you were restricted in the amount of time that you had there, the kinds of alternatives

that you have outlined here, rail, ferries, and even air are somewhat restricted to the timing of the year. Of course, air is not as much; some items can be flown, but in some of that extremely cold weather, to get into some of that area, given severe storm conditions, you cannot get in there either. I am wondering what other alternatives, obviously, to winter roads, and that would require stockpiling, even if you are using ferries, they can only run so fast in the summer when the lakes are open, so you would have to run more of that sort of thing. I wonder if the minister is looking at anything like that.

\* (14:50)

**Mr. Smith:** The challenges of the remote communities are many. I think the consideration of developing winter roads onto more of a land-based system is something that the department is very interested in. The member mentions the conditions of the North and, certainly, the remoteness provides a challenge for both our department and the communities that live in the North, but the supply of the communities, certainly, is something that the communities know well. It is something they have lived with for a number of years. You can take this year as an example. With some of the drought and dry conditions that we have had this year, it has made challenges on the dropping of water levels in many, many areas in Manitoba, in the North, and, certainly, as member here would know in the south.

The ferry system is a good one. It is one that is utilized extensively by a number of communities. The best example of improving conditions up north, certainly, is to get as many roads as we can on the land-based road system in any way that we can. The cost of air transport and flight into communities is extremely expensive and usually is a last resort and, winter or summer, can be utilized in most of the communities. The dollar expenditure that we have put onto northern airports in the last number of years has improved that. The conditions to get into some of the airports and some of the conditions of the airports, certainly, was lacking in working with the 22 northern airports that we have. We have expended considerable dollars, over a 100 percent increase in funding over the last few years for work on the airports.

There is more work needed. Some of the beacon light systems that have been put in have been very helpful. We have had good feedback from communities and the folks up north. Some of the facilities alone for people that do fly a lot, that do take a lot of air transport, have been improved. Some of the facilities for people up north had no washrooms within the waiting rooms for years and years and years. There have been a couple of examples of building new buildings for people that are comfortable, or a place where they can get to from their community if they have to wait for flights that are delayed, often, at times, on northern flights, and a place that they can be with their children that is comfortable.

So those are some of the things that we have looked at. We have worked with some of the communities on the potential, done some engineering and analysis surveys on the extension of some of the runways, got estimates on the cost. They are incredibly expensive.

Certainly, since devolution of federal government money committed to the airports and facilities—well, right across Canada—certainly, it has fallen on provincial responsibility in a lot of ways. It is costly. It is something we are trying to do. Bite-size pieces, a little bit at a time and, certainly, as I mentioned, the tower and the pappys [*phonetic*] are on the beacon of lighting, a good improvement for planes in adverse weather conditions.

**Mr. Maguire:** I was referring mainly to the increased movement of the bulk goods that are required, as opposed to passengers in and out of those facilities on the winter roads, and utilization of them for getting in more things like the food supplies that are needed as well as the fuel and a number of other items. But before I go on in this line of questioning, I wanted to just let my honourable colleague from the Lac du Bonnet area here, it is an area that seems to be very popular these days. I would like to have him ask some questions, I think he has some questions in regard to the transportation system in his constituency.

**Mr. Gerald Hawranik (Lac du Bonnet):** I have a few questions with respect to constituents' concerns in the Lac du Bonnet constituency. The

first being Highway 304. I have spoken to the minister a few times about Highway 304. I know that recently there was a Phase 2 engineering study done on Highway 304. I think it is critically important for our constituency to have that road reconstructed.

Just to give the minister a little bit of background, that road connects Provincial Trunk Highway No. 11 with Highway 59 to the south, and seven or eight years ago it was rebuilt, about half of it was rebuilt going in a northward direction from Provincial Trunk Highway 59. The balance was left untouched. That untouched portion winds through granite outcroppings and swamps. It is a very dangerous road because it does not have any shoulders in many place and the pavement is in very poor condition. Many vehicles travel that road every day. The communities of Pine Falls, Powerview and St. George depend on that route as the shortest route to Selkirk and to Winnipeg. So it is quite well travelled by constituents and, as well, it is the most direct route bringing in chips to the Tembec Pulp and Paper Mill.

So many large trucks travel that road, as well. There have been a number of deaths on that road over the last number of years. Besides that, there has been a lot of property damage because of the accidents that have occurred. A lot of people sustained personal injury. So it is extremely important, I think, that that road gets rebuilt first within our constituency.

I know that the minister has asked for a Phase 2 engineering study. I was at the public hearing in Pine Falls just in June, the end of June, to get some feedback from some of the transportation department employees. I am wondering if the minister can give me an update as to the results of that study and when the formal written results of that study will be reported to my constituency?

**Mr. Smith:** I know the member and I have talked amongst ourselves and, certainly, with some of his constituents regarding that stretch of highway, 59 and 304. The public open house was extremely well attended. I know there were over 100 people there. There is a lot of concern from the area. Certainly, a lot of people came out and expressed opinions.

The functional design study was done. There were, I believe, four options placed in front of the people at the consultation at Pine Falls School. There is a preferred alignment alternative that will be recommended to the technical advisory committee based on the public input from the open house. So, based on the criteria that was presented, the feedback that we are getting from the people at that June 12 meeting, that is being compiled.

**An Honourable Member:** Do you have any idea when that might come?

**Mr. Smith:** The consultant is working on it. I can get some at a later date. We can, certainly, ask the consultant if they have any idea when that report will be brought to me. It has not been forwarded to me yet. They are compiling the information. There will be a preferred alignment recommended based on the public input that they did have from that, and on the evaluation criteria that was brought forth. I know, on that reconstruction we had talked about possible dollars. It is very expensive, a realignment project. Certainly, that is being reviewed as well, but it will depend on what information is brought back to me on the alignment that was chosen.

**Mr. Hawranik:** The second concern I have in the constituency is with respect to a bridge in the Rural Municipality of Whitemouth, which crosses the Whitemouth River on Provincial Road 408. It connects the communities of Whitemouth and River Hills and Seven Sisters. I noticed, in fact, this summer, I think it was June or July of this year, a vehicle went across the bridge and actually partially fell through the bridge, it was in such poor condition. Now, I see, it is reduced to a single lane on that bridge and there is a five-tonne limit. We have a number of farmers and there is a Hutterite colony, of course, that uses this bridge as well, but a large number of farmers use the bridge to get to their fields.

I am wondering, since it is a provincial road and it is on Provincial Road 408, what are the plans of the minister to upgrade that bridge? How far will he go, in terms of upgrading, in terms of load limit, or are they considering rebuilding it entirely?

**Mr. Smith:** Thanks very much. I know that bridge was identified by a number of people up in the area. I am glad to note that the person did

not fall through the bridge. Some of the bridges that we have got in Manitoba built in the thirties and forties, staff does an excellent job of getting out and assessing the bridges. That is a perfect example of one that was caught by someone that did not get injured. There was not a problem. That bridge is being replaced. It is going to be replaced with Acrow panel bridge construction. It is to the tune of around a half a million dollars. The present load on that bridge right now is 15 tonnes, or has been. It is going to go up to 35 tonnes, so it is going to be an advantage of the weights of vehicles that can travel over that bridge. It is in the process of being done, should be done this fall, hopefully, the end of October but, certainly, this fall.

**Mr. Hawranik:** I would like to ask the minister with respect to Provincial Road No. 520, that is the road that connects Provincial Road 313 with the access into the Local Government District of Pinawa. My concern about that road is that it is an access road for ambulances and fire trucks in the event that there is a fire in Pinawa, or people from the Bird River area need access to medical services in the Pinawa hospital.

I understand that there has been a recent decision by NEHA to, in fact, either renovate that hospital in Pinawa or to replace it in Pinawa. That is the report of the consultant. My concern is that it is a regional hospital and, currently, there is really only one access to that hospital. Provincial Road 520 provides an additional access to the LGD at Pinawa and to the hospital there. I had several comments from people from Pinawa talking to me about it, saying that they cannot go more than 60 or 70 kilometres an hour along Provincial Road 520. It is a gravel-surfaced road. It was rebuilt five or six years ago. It is gravel-surfaced and it looks like it is probably ready for paving. I am wondering whether the minister would consider repaving or paving, or at least seal-coating that road to provide a hard surface to ensure that traffic going into Pinawa, particularly ambulances and fire trucks, do not have a problem accessing those services.

\* (15:00)

**Mr. Smith:** As I have mentioned before, the member may or may not have been here. The entire system in the province certainly has demands on it. I know there are priority needs

that are certainly a concern that have been raised by people that are obviously concerned in the hospital's emergency service, or people that need to get down that road in a faster way than most travel.

It is a gravel road—the member says repaved, I do not believe any section of that is paved now. With the full dust control that is on there, it is a pretty good stable base, good road. I know at times, as with most gravel roads, and most of us that live in rural communities—at times after a rain, it can get worse than in the best conditions. Certainly, it will continue to be maintained, looked after. The No. 11 certainly is a little bit longer run if you have to come up and around to Pinawa.

There are no immediate plans for paving that surface or that stretch of road. It will continue to be maintained as far as gravel roads construction systems in the province. It is not a high priority. It is not a bad road at all. I can certainly take the point from the member that if it was paved and it was a high quality road, it would be a faster run for emergency vehicles. In many parts of our province, we certainly have the same conditions on highways.

**Mr. Hawranik:** I have another concern about a highway in my constituency, and that is Highway 307 and 309. That is the road that progresses around the Whiteshell Provincial Park. It is traveled by many tourists that frequent the area. There are a large number at this point of permanent residents, as well, who had previous cottages in the Whiteshell and converted them into their homes—into their retirement homes.

I note that there has been some improvement from the Seven Sisters on that road to about Dorothy Lake. I am wondering whether the minister has any plans to improve the rest of that road.

**Mr. Smith:** Madam Chair, again the member mentions that stretch of road. Certainly in the summer, I know that road is travelled quite frequently. The actual travelling count on that road is not a high travel rate. Certainly, staff has identified and brought the attention that those roads—if someone had to pick roads in Manitoba that were worse than others, those roads certainly have seen some deterioration.

The funds that are available for four highways obviously on placement, on traffic count, on economic development, on want and need and safety, certainly throughout the province, do not put that stretch of highway on a priority basis. It is certainly something that we do recognize. I appreciate the member's comments. It is something that if the funding is available on stretches of the road, it would be something that we could do.

It has not hit a high priority compared to all the other infrastructure needs that we have in the province at this time. It is recognized and I will take the member's comments that that road could use some work.

**Mr. Hawranik:** I have had occasion to be Member for Lac du Bonnet for two springs. I have noticed the restrictions north of Beausejour have become more and more stringent to farmers on Provincial Trunk Highway 12, as it progresses from 44 to Highway 317. A large number of farmers live along that road, and they use that road in the spring, and it appears as though the department is continuing to press to increase the load restriction on that road. I am wondering whether or not the minister has any plans to improve that stretch of road and, in particular, from No. 44 to 317.

**Mr. Smith:** Madam Chair, the member from Beausejour is quite right that this is a route that a number of producers do use. The department had considered backing that off to a No. 2 level and 65 percent of the weight. We have gone back to 90 percent, back to a No.1 rated road. Certainly, that has been very helpful for most producers in that area. It is one that we have not been able to get to again with funding, but certainly back up to level 1 has been well received by most of the producers in through that area. It is one of the ones that if we had the additional fundings to bring it up to standard, it could be put into the mix but, certainly, does not rate into the mix with all the other wants and needs that we have on the bridges and infrastructure in Manitoba. It was well received to take back up to level 1.

**Mr. Hawranik:** Yes, you are quite right, it went up to level 1, 90% restriction, but that was only after a couple of weeks into a 65% restriction where we had farmers who were overloaded when they were empty. I received many calls



this past spring as a result of that. I was told by the engineer in Steinbach, yes, it did meet the 90% restriction level, but it barely met it. So that is why they increased to 90 percent.

Will the minister make any commitment to leave it at 90% restriction or to improve it to ensure that it stays at a 90% restriction in the spring?

**Mr. Smith:** I cannot make that commitment. Certainly, we do it on year-to-year change and it depends on a lot of factors. We base it on science and the deflection of information we get. Certainly, a heavy rain in the fall and a bad spring breakup would make quite a difference on the destruction of that road. We are the victim of weather conditions. I cannot say what is going to happen to our weather conditions over the next couple of years. If they maintain at the base level that they are now, it will remain 90 percent, if there is not any further deterioration.

**Mr. Hawranik:** I would like to bring to the minister's attention one other road. That is Highway 313 from the junction of 315 and 313 and all the way to Pointe du Bois. That road is in very poor shape as well. There are many Manitoba Hydro employees that travel that road to and from Lac du Bonnet to work in Pointe du Bois. I understand that the minister only has a limited amount of money to rebuild roads. Is there a possibility at all in terms of Manitoba Hydro paying for the part of that infrastructure because they are the primary user of that road? There are very few residents in Pointe du Bois, and there are very few people who have cottages there.

**Mr. Smith:** It is an interesting question, to say the least. It is something I could probably expand on and talk for a great deal of time. I am always looking for more dollars into the highway system. If we could convince chief operating officer Bob Brennan that if he had some extra money that he wanted to give us for the highways, I would certainly take that. I would think that the answer would be a pretty clear no to me. I would just have to assume that. The dollars on sharing is a good point. The member raises a good point and it is something that should be considered in the future on partnerships we can get into with different users of the road system.

Certainly, I know there has been a great deal of industry. Folks out in different pockets and areas all throughout the province—I know, specifically into Winkler and Morden and, certainly, down even in the Treherne area, down Highway 2—there have been different folks that have asked if it was possible to get into an arrangement to cut production costs or delivery costs on repair of some roads.

I have had others, in other ways, with some of the municipalities and communities—there is some great cost-sharing that has gone on over the last 10 years. A lot of communities know better routes of access that enhance their areas. There have been some good arrangements. That continues. Those are always positive. When you can have a 50-cent dollar, a 33-cent dollar on arrangements with others to, certainly, get more projects done in a year and get more capital expenditures put into the system. That piece, certainly, the front-end piece, about half the road that you described is not in bad shape. The rest going right into the lake, right into Pointe du Bois, is, certainly, in deteriorating shape. It is going to be kept up to standards. As conditions are needed, it will be looked after and repaired to make it as safe as possible. That is all I can commit to.

\* (15:10)

**Mr. Maguire:** I guess, while we are in that particular area, I would like to, although it is not in the member from Lac du Bonnet's home region, but there is a concern of another highway, certainly, that goes up in the Interlake region here, and goes a lot further than that. But can the minister give me any indication of any upgrading plans for Highway 6?

**Mr. Smith:** I think the member picked a highway that we have got a number of jobs being done and, certainly, in the queue to be done. Highway 6 is an important stretch of highway and goes up high into northern Manitoba. If we take in the vicinity north of Warren, just starting right from PTH 101, there are about 28 kilometres there acquisitioned right away, receiving some substantial funding of about \$300,000. The vicinity of Gordon, Grosse Isle and Warren, utility revisions about a quarter of a million dollars. The vicinity of Grosse Isle, regrade of gravel is in the queue for an amount of about

\$2.2 million, the environment assessment, survey and design about \$10,000.

Then, when we skip up into Region 4, I believe it is, up higher south of PR 415, about 3 kilometres north of PR 229, acquisition, again, of right away, about \$350,000 allocated; utility revisions, \$220,000. The .4 kilometres south of PR 415, .4 kilometres north of South Point access, 12.2 kilometres grade widened, and shoulder gravel includes curve re-allocations, is programmed. It is \$2.9 million. As we go down another .4 kilometres south to PR 14, 3 kilometres north of PR 229, the kilometres go 26.1; environmental assessment and survey design is being done. Then .4 kilometres north of south Oak Point access, 9.6 kilometres south of PR 14, there are 13.1 kilometres in culvert jacking, about \$300,000. At PR 239, there is a 2.2-kilometre project, the intersection improvements, grade-widen base and pavement for \$1.78 million. Grade widening is currently being constructed.

**Mr. Maguire:** I appreciate the minister's answer in that area. Do quite a few of these projects include shoulder widening?

**Mr. Smith:** Remember, on a few of the projects, if we go further and further north, there are a number of projects that do have some shoulder work being done. But, just on the ones mentioned, on the project on PR 415, 4 kilometres north-south of South Point access, that 12.2 kilometres, there is shoulder work and some grade widening being done there. Then, again, at PR 239, the intersection improvements are new construction. So, obviously, there will be shoulder work done in through that area. Mostly postal work along No. 6. Shoulder work is done in any of the grade widening.

**Mr. Maguire:** I know that my colleague from Emerson has a few questions. I would just give him the floor.

**Mr. Jack Penner (Emerson):** I do have just a few questions, there. When one travels across the province over the last number of years, one has to be a bit, I suppose, just conscious of the difference in highways' conditions from area to area. I refer to the southeast region, specifically, and east of the river and the conditions of some

of the bridges and other structures that are prevalent in that southeast area. Many of us know how many rivers and streams and swamplands crisscross that area. When one considers the dramatic economic change that has happened in that southeast area because of the prevalence of the livestock industry and the growth in the livestock industry, specifically the cattle industry, over the last decade or two, it is really amazing, the change in the economics that are now driving that area compared to what they used to be.

Yet, when I look at that area and I travel that area, and I look at the road conditions in that area, I would not recognize the dramatic contribution that the livestock and cattle industry have made to this economy. One, certainly, would not give recognition to the department of Highways for spending an equal amount of money in that area to underpin and support that industry. That has been very evident. That causes me some concern. I say this in all sincerity. I do not think I am exaggerating when I say there has not been one mile of construction, of road construction, done in the constituency of Emerson over the last four years. Could the minister verify that?

\* (15:20)

**Mr. Smith:** The present member well knows the process for receiving road work. Jobs are, certainly, a priority. The member from Portage and the member from Virden have seen considerable amount of work throughout their regions. Most all regions in the province, based on scientific evidence of want and need, are addressed. It is the same process that has been used probably for a decade on prioritizing road systems on wants and needs throughout the entire 18 000 kilometres of highway system that we have in the province, as well as our airports, and our ferry service system. Certainly, the one need is out there.

I agree with the member that, certainly, from the rural communities throughout Manitoba—and I can highlight the positives within my region out in the southwest part of Manitoba—the rural economy does contribute huge to Manitoba. The growth in some regions is astounding. Quite frankly, kudos to communities for the excellent

work they have done. We have mentioned today many communities, Portage, Morden, Winkler, certainly, Killarney, Altona as well, and many, many regions. My point is the contribution from the rural communities, and the growth and the input from the rural communities, are recognized by me, recognized by the Government as a success.

I have said this before, sometimes we can be, and at times it will happen, where we can be victims of our own success in so many areas throughout the province. Certainly, the member is quite right that, in fact, there has been a good job done in some of the development in the livestock industry through that region, in through that area. There has been a lot of input from producers into the Manitoba economy; that is indisputable. The benefits are huge.

The point is that, certainly, on want and need throughout the province, we have increased capital expenditures, that we have increased dollars to historic levels over the last few years. It would, certainly, be nice to have a lot more of those dollars. I think that the member would agree with me, when we see some \$155 to \$200,000 in the area, probably \$160 million a year in federal taxation being taken out of the province and 4 to 6 percent being returned, I am sure and I am confident that the member would agree with me that, in fact, that is probably not a ratio that we would pick as a government. I know he would not pick, certainly, as a member of this community.

Those dollars do need to be expanded. We do need to put more money into our infrastructure on the highway system. And I know the member, previously being in government and, certainly, in Cabinet, would recognize and knows the value of our road system in Manitoba, a road system worth over \$7 billion that has been built by our forefathers and folks throughout the last 100 years in Manitoba is incredibly important. He would also recognize and know that the 1200 bridges that we have throughout the province are incredibly expensive. Some of those wants and needs we have mentioned here before where you get an emergency expenditure of half millions of dollars at a time that is quite frankly very little money on a bridge. You are lucky to get away with those types of expenditures. It is a system that many of the

bridges were built through the forties and fifties and those are now coming to their life span end.

We do need more money into the system. On that area it is certainly recognized, but it is with the wants and needs in the assessment that is done by the department on the entire province, those areas have not been covered. It is something that we recognize. We know it would be nice if we could get the funding and the dollars in there. If we could get some more programs and more dollars from the federal government, we could get to more programs like that.

I take the member's comment on the one hand that I do recognize the incredible work that has been done out in that area, the benefits that they do have with the province. I also will relay to the member that all highways are important in Manitoba. It is just a matter of doing it on a scientific basis. Some areas grow faster than others. Some areas the economic benefits we cannot dispute that, we know they are there. Wants and needs are done with the budget that we have.

**Mr. Penner:** I wonder if the minister would answer the question. Can he tell me whether there has been one mile of new construction in the constituency of Emerson over the last couple of years?

**Mr. Smith:** The answer to the question to the member is that in that area there has not been new construction but in the queue the area that is north of Zhoda on 302 needs to have some work done. We are looking at that. Up in the area of Letellier, there is bridge construction that is in the queue that needs to be done. Those are expenditures that certainly will be done and over the next period of time there will be work done in that area.

**Mr. Penner:** I just want to inform the minister that those two projects were in the queue when we left government and they are still in that same queue. We would like to see a bit of progress in that area.

For the information of the minister, the bridge on 201 at Letellier is in such poor condition that if you walked across it and you were not careful you would fall through the bridge today. The west end of the bridge

abutment had some asphalt dumped into the end of the bridge abutment to ensure that trucks could actually travel. That is how badly it has deteriorated over this last year. Charlie Nelson, the former council member at Roseau reserve, expressed some serious concern to me just three days ago, when he brought this bridge condition to my attention. He said we are afraid to cross that bridge for safety reasons. When is this bridge construction going to take place, or is it not going to take place?

It is a matter of safety. There is a lot of heavy traffic that travels across that bridge, as the minister well knows. All the aggregate that is hauled into the area's municipality west of the Red River have to cross that bridge because that is where all of the aggregate comes from.

Every load of cattle, every load of hogs that came out of that area this spring was illegally travelling on that road. You could not have transported any cattle or any hogs on the restricted road across that bridge legally. So we made lawbreakers out of every farmer in that area that had to transport their livestock to market because once a cow, or once a steer is a market away, it has to go to market. Once a hog is ready to ship, it has to go to market.

So, in recognition of the economic advancements that have been made there and the diversification that has taken place there, I am to the point of begging the department of Highways to recognize that something has to be done on 201 and the bridge. One of these days somebody is going to get hurt because of the condition of the bridge. Surely the town of Vita, this spring, when we had the Department of Highways meet with the council over there in the R.M. of Stuartburn, they recognized, I think, that you could not leave a town such as Vita without ambulance services. The ambulance could not legally travel with the restrictions that have been put on 201. Immediately after the meeting the restriction was brought up, I believe, to 90 per cent. But the ambulance could not have legally travelled out of Vita in an emergency situation, so they would have broken the law. Every farmer that travelled on that road with any kind of a load taking livestock to market was illegally travelling down that road.

What amazed me most was that we had Highways inspectors sitting there daily. Some of the farmers were telling me the one guy got a ticket for over \$600. He said, is this just an attempt, instead of raising taxes, to try and raise revenue for the Government? Is that what the ploy is? That is the kind of question I was asked. And can you imagine, Mr. Minister, how that makes a member of the Legislature feel?

So I am asking whether there has been a mile of new construction in my constituency or whether there is any attempt being made to bring into not only the queue but into actual construction mode some of these projects that were identified a number of years ago. I will start naming them. There was money in the Budget to do 210 when you took government. There was money in the Budget to surface 210. There was money in the Budget to do a number of other projects in that area including 302. There was money in the Budget to do the bridge, and yet we have seen no advancement. There was money in the Budget to do the shoulders on 59 highway from St. Malo south. All of that came to a halt when this Government took office. The people are just asking me: Does this Government not care about southeast Manitoba? Have they written us off completely?

\*(15:30)

**Mr. Smith:** The member mentions No. 1, southeast Manitoba and, certainly, the department of Highways considers southeastern Manitoba as vitally important, as the far north in Manitoba, as important as the Virden area, as important as the Portage area, as important as the areas in southwest Manitoba. Certainly, all areas in Manitoba are important to this Government. The member well knows that. In fact, in the previous government's administration, dollars were dropped down and cut out of the highways budget on a number of occasions for a number of years. I would suggest that the priority and the prioritization of government has to do that for the benefit of all Manitobans.

The one thing I can tell the member is there was a historic amount of dollars spent on capital budget in Manitoba last year, historic to any dollar ever spent on the roads in this province was done over the last year. And it is still, I would agree with the member, not enough.

There needs to be more money put into our highway system and, in fact, our entire structural system. The projects he mentioned may well have been in the queue. Many, many projects that have been put into the queue do not get cash-flowed and do not make it to the priority, but they are recognized.

Some of the projects the member has mentioned have been recognized. They are projects that are based on the wants and needs, on the structure and the system throughout the province, regardless of where that is located. And full kudos to all highways staff for the maintenance and the work they do in bringing forth the projects that are important to their areas and to the maintenance staff within your area who are excellent personnel.

The issue with the ambulance on 201. I believe you said that is a highway that is only 90 percent restricted. For an ambulance not to be able to travel down that highway certainly would surprise me and in fact in that piece there is a stretch, a long stretch, which is 90, a stretch that is 65, but certainly ambulances have never in your government or this Government ever been restricted from travelling over those road surfaces. I think the member knows that. He is bringing a point forward but, in fact, me being in that service for many years, never ran into that problem by your government and will never run into that problem by this Government, but his point certainly is taken and was made.

The dollar flows in the queue. As the member knows, there are a number of projects that are recognized in the queue. Those projects are certainly brought forward on a want and need basis and based on the science that is used by the Highways department that has not changed for a number of years. The member knows that. The recognition and the point the member is making is a point that I have made on many, many occasions, that we have to reinvest in the structure, in the system. The previous government and this Government should be looking at ways to invest double, triple, maybe four times what we are investing in the roads system.

I think the federal government needs to recognize in a substantial way the dollars that are being taken out of this province. The member knows that, that the dollars that are being

taken out federally on our gas and our excise tax, getting 4 percent or 6 percent back of those dollars is unacceptable. Even to get half of those dollars back would be an additional \$75 million into our structure and into our road system.

As we have put forward, the over 16% increase in our capital budget as a target to make on a commitment for five years is a small step. It is a step that we need to make but I certainly think it is a step that needs to be recognized. I am not sure if the member had the occasion, I am sure he did, to get out to any of the 2020 Vision meetings that had gone on through the province. Certainly it was recognized there and folks from your community I know that had been out, folks from all over Manitoba that had been out had recognized wants and needs within their area. Certainly, some of those wants and needs we can recognize as building and construction. The member mentions the rural community. Certainly, his community is as important as any community in Manitoba.

Some of the highlights that have been recognized between the Minnedosa and Neepawa area on our national highway system, the multi-millions of dollars that are going into those projects. The projects on Highway 227 up the Portage area, millions of dollars of projects at a time. The list goes on and on and it goes certainly up well over \$110 million on those projects. Those projects are historic in funding. Those projects are all well recognized. As projects and departments from all regions were brought forward, prioritized, and staff has done an excellent job of identifying the connection and the huge umbrella connection that we need to make for both urban, rural, north, south, east and west on our structure, on our bridges, on our waterways and moving into the future. We cannot just repair. We need to be a province of building. This is a government that is interested in building. Certainly, that commitment, I think, has been well recognized by the Member for Arthur-Virden (Mr. Maguire) on a Trans-Canada Highway project that is going ahead, and will be completed by 2007, and is important to all Manitobans.

I believe that all projects in all regions are all important. I believe that it is a manner of putting those projects to the test with the department on a procedure that has been followed and

done by previous government, by this Government and certainly the recommendations of the professionals that have been in the system for a number of years. It is a changing evolution and the member knows that.

As you get development within communities, base travelling needs changing within communities, I think the member recognizes that those do have to be taken into consideration. I do recognize that those do need to be taken into consideration. At times, things need to be forwarded and moved ahead because of want and need and certainly because of safety.

I know the critic has more questions. I do not want to take any more time on that, and I appreciate and thank the member for his concerns. I know he represents his community, and I have heard from his municipalities. I have heard from his producers and I have heard from folks from this side in this job and from my previous life as a municipal politician. I know many of the members out there well. I do know the wants and needs are there, and we will try to address them the best we can with the increased dollars that we are spending in our budget.

\* (15:40)

**Mr. Penner:** It is always interesting when ministers start filibustering their own Estimates, especially when we are limited as we are now to short periods of time in asking questions. I mean, if that is what the minister wants to do, that of course is his prerogative. I mean, he can do that, but people are watching, especially people in those areas that rely on the rural economy and rely on the primary products being brought into our cities and into our communities for job creation and the economic activities that that creates. The minister will have to, at some point in time, answer for that.

I would just want to ask the minister whether he recognizes the potential that is available if the infrastructure is at least proportioned properly in the province of Manitoba. When we had put in place money in the budget to do 59 Highway from St. Malo south, put shoulders on that highway, in recognition of the tremendous traffic that was being generated down 59 Highway into the United States, product being exported and the economic generation engine that that drove, is the minister prepared to say to

me today that he is going to start the shoulders this year and continue with the budget that the previous Tory administration had put in place? Is he going to do 210 Highway to Woodridge, the funding which the previous government had put in place, which his Government had stopped? I think it was the previous minister that actually put a stop to it. Is he now committing to those two projects?

**Mr. Smith:** As the member has stated, and I do agree, there are a number of projects throughout Manitoba. I know the member that was previously here from Turtle Mountain had identified the excellent growth and the economic development that is in his region, certainly in the Killarney area, a lot of initiative there. There is a lot of growth and a lot of economic potential there. There is a lot of work as well being done in through that area. There is work that has been put in the queue. It is being done in pieces and stages, and certainly that will continue, as will all work in Manitoba.

To recognize the economic viability of any one region, we could probably, and if the member wants to speak of filibuster, it is something that, with our short time here, there are so many regions. We have the region of the member sitting here from Portage that certainly has seen some substantial growth with the Simplot development; obviously, the production land, excellent land to the south, is certainly driving roadway work and consideration of roadway work heading all the way down to No. 2 Highway. Throughout that entire region there have been excellent economic benefits going in there.

The load weights and truck weights, I think the member would agree, have increased over the last number of years, even simply producers, or farm producers, the types of vehicles and vehicles they are driving now. The member has been in the agricultural industry for a lot of years. I am sure he can think back some 20 years of the vehicles he was driving and the vehicles that he probably owns and members own today and the changes that have happened over the last decade in the load weights.

The load weights we have, many of the bridges were luckily, luckily designed with heavier weights than what was needed. In fact, a lot of the bridge timber that was put into the

building of those bridges was a lot of clear fir wood, which actually increases the load weight from the beam support weights.

So, on that point, I would agree with the member that there has been excellent economic production done in his region, or in the region that we have identified that he has been speaking about. The wants and needs are considerable in the 19 000 kilometres of roadway that we have and the 2000 kilometres of winter road that we have. As those can be addressed, as the needs and wants can be addressed, we do not have a Brink's truck or an open chequebook, and I do not think the member would want to have that.

*Mr. Daryl Reid, Acting Chairperson, in the Chair*

Priorities have to be developed. The process has to be used based on science and the particular criteria that we use for our roads and our systems, but it is not picking one over the other. It is picking the entire system, maintaining and improving and building new, as I have mentioned before, so balancing that is always difficult, regardless of what government is in there. One thing I can stress is the more dollars we get from the federal government and the more we can utilize that money in our system to build and construct our system, the more work we can get done per year, so, as things are in the queue, they are considered. The member knows that, and, as they can be addressed with the funding that is available to us within budget, we will try to address all wants and all needs and listen from anybody in any community that, as things change, can be addressed.

\* (15:50)

**Mr. Penner:** The reeve that met with the department of Highways, the director, or the engineer, for Steinbach, unfortunately, he was a 47-year-old man who is no longer with us, so he will not have to, at least, read the comments that the minister put on the record. I take from what the minister said to the committee that the answer is no. I will pass that on to the municipalities east of the Red River, that is, Piney, Stuartburn, La Broquerie, and Franklin, that the answer is absolutely no. There is no consideration for highways construction except that it is in the queue.

I want to move then to the western part of my constituency and in recognition of the development that has taken place, instead of the sugar beet industry being there, which B.C. Sugar decided to close, but in recognition of the tremendous diversification that has taken place there since.

I refer to the Parent seed operation in St. Joseph, which is, I believe, one of the largest processors of beans now in Canada and probably without question, I believe, one of the largest ones in Manitoba for sure. Yet they have to exist on a road that does not allow in the spring of the year for loads to be taken down 201 to 75 Highway. Virtually all of the product moves out of there in container now. So they are forced to use, during muddy times in the spring of the year, municipal roads to move their product out of the St. Joseph plant and/or can utilize the gravel road that exists between St. Joseph and Highway 14, which is a provincial road which they utilize from time to time in the spring of the year.

That is what we force upon our major processors in the province of Manitoba. I refer again to another plant that is of extreme economic importance to the province of Manitoba. That is the CanAmera Foods plant, a canola crushing plant in Altona which is dependent on traffic routes on a continuing basis in order that on-time deliveries can be made to keep that plant going and the many jobs that depend on that plant to keep going. And 201 is a main artery, the only artery out of southeast Manitoba from Franklin municipality, Stuartburn municipality, where significant quantities of canola are grown that cannot get to market in the spring of the year. It is impossible, unless those four farmers want to take the risk of having the weight police stop them and charge them with huge fines. That happens time and time again.

I think it is time that this minister, regardless of where he comes from, it does not matter to me, would at least recognize the tremendous economic generation that has happened or is happening in that area and the need for roads to at least allow the primary producer to deliver his product to the marketplace, especially to those processing plants.

I want to proceed a bit farther to the west on Highway 14 to Plum Coulee. I think we did a test project there on 306 south of Plum Coulee which, I think, has been a tremendous example of what can be done for little money to upgrade our roads to load-carrying capacity with little money, if we would only choose to use that example in many other areas.

It is not always necessary that we have state-of-the-art-shoulders on all of our roads. If we would just add a layer of asphalt as we did on 306, that is probably one of the best-kept roads in the province as well. There was no shoulder. The moisture cannot soak in under the roadbed and the roadbed remains solid. It has stood up tremendously well. The issue that I want to raise at Plum Coulee is the entrances to the two bean plants that exist at Plum Coulee and the tremendous volume of agricultural product that is unloaded in that Plum Coulee area.

I want to ask the minister whether it would be possible to at least do some turnoff lanes into Plum Coulee as well as some decent turnoff lanes into the Bison Commodities plant just two miles west of Plum Coulee. There are extreme dangers in having no bypass lanes there to allow traffic to turn. Similarly, at Plum Coulee we have had a number of deaths at that corner. It is an extremely dangerous corner. I am asking the minister whether he would at least consider constructing turnoff lanes at those two corners to save lives. I could bring tomorrow, for the minister's benefit, how many people have died at that Plum Coulee corner in the last 10 years. It is imperative for safety reasons that at least a little bit of construction is done in my constituency. I am asking whether the department of Highways is giving some consideration to at least doing the turnoff lanes if nothing else can be done.

**Mr. Smith:** I would like to thank the member again for bringing some of the issues from his constituency. It is another good example of some of the development out through the area. Some locations and some plants build knowing full well the infrastructure that is presently there, and certainly we try to meet some of the wants and needs of the industry. Other times it is just from deterioration and other times there are different cases. The member mentions on the highway at

Plum Coulee, 14 and 306, any particulars from any turning lanes are considered. If there are specifics that can be brought forward, they can be considered for warrant on whether they can meet the criteria. Certainly if it is a safety concern, that is always a concern to all of us.

The member mentions, and I do not have the numbers in front of me on the amount of fatalities or accidents at that corner but, certainly, if there are particulars that can be brought forward and be assessed and if in fact warranted, the department and myself would be interested in considering. If the member would bring forward or have the people that are impacted, the industries or the particular areas brought forward to our attention, turning lanes where the member mentions are being asked for, of course, would always be considered and see if they are warranted and have a look at it. If safety is a factor, that is always a priority and something that could be considered to be looked at. Absolutely, I would look at that.

Just on another piece, to be really clear, is that the department in previous discussions we had said the restriction of ambulances. That is not going to happen; it is never going to happen. I just want to be really clear on that to the member that ambulances are not restricted on the highways.

In terms of one other point that the member had raised, certainly I know at times inspectors can be called many things. Some folks are not always happy to see them, but they are there to do a job. They are there to protect our infrastructure that we Manitobans have paid for and own and that is very, very valuable. They are there to do a job. They are doing their job; they are out there on the roads. They are certainly not picking on anyone in particular areas, and our infrastructure is of incredible value. I am sure that the member meant that and knows that. The inspectors are there to do their job; they are doing their job and protecting our road system. Those folks are out there. They are working hard and at times do not get as much respect or credit. In fact, a lot of criticism goes their way. I appreciate the valuable work that they do about in the areas.

\* (16:00)



**Mr. Penner:** I respect what the minister has said about staff doing their job on highways. I think that is true. However, the minister should know that the people in the southeast area this spring felt that they were being picked on. The weight inspectors were sitting there constantly, day in and day out. The farmers this spring had nowhere else to go. That was the only road to market that they could travel on. They had no choice but to bring their livestock to market when it was ready. They either did it in the dead of night illegally or they did it during the day illegally. That is the only choice they had. The inspectors were sitting there during the day. They felt that they were being picked on.

I just want to pass that on to the minister that he should know the kinds of messages I was getting and the kinds of phone calls I was getting this spring during that period of time. I appreciated the fact that Highways saw fit to increase the load carrying capacity by moving the restrictions up to 90 percent after we had that meeting in Vita. I appreciated that very much. I think the people in the Vita area appreciated that very much.

The fact still remains that these people had to get their product to market. The reason I raise this, I want to reinforce the fact that it is time that we recognize the development that has taken place in that southeast area. It is time that we recognize the value of the industries that have sprung up during that period of time. It is time that we recognize that some of these industries have sprung up because of infrastructure that was already available. I refer to the sugar beet unloading sites, SEED-Ex developing that site without having to ask Highways for any access or anything else. It was there. That is why they moved there. It fit their needs. Consequently, we have 12 people working there instead of just having the idle concrete strip sitting there.

At Bison Commodities at Plum Coulee, exactly the same thing happened. There was a concrete strip sitting there from a vacant loading site for sugar beets. An industry saw fit to develop that, which I gave them a lot of credit for. They chose a site that had all the accesses previously there and it is now being used year-round. Before it was used for about a four-week period of the year. Now those sites are being

used year-round, employ significant numbers of people, each of them. I would suspect that at Plum Coulee there is probably more than a dozen people work there year-round now. The site, of course, has heavy truck traffic year-round.

Again, beets being delivered on an on-time basis for processing and exporting. Virtually all of that product, virtually every pound is exported to the United States, Mexico and other European countries. Most of it going out in container kind of loading. Virtually all of that, at some point in time, hits the city of Winnipeg to have the containers loaded onto rail cars. Therefore, the increased traffic that has occurred on Highway 14 of truck traffic, out of that Morden, Winkler, Altona area is immense. I would suspect that at some point in time, Highways is going to have to consider four-laning that road. I think it will be sooner than later because of the huge increases in population in that area and businesses.

The volume of truck traffic down 14 highway is very significant, as it is on 201 from 75 to Altona, also a tremendous volume of truck traffic down that road. You all know what kind of load-carrying capacity that road has.

So, I think, in order to recognize the economies that can be built there and if the Government of Manitoba recognizes the infrastructure that is required to do it is met, then we will be on the right road. But, right now, industries that are looking at that area are saying you are going to need some increased load-carrying capacity on those roadways if we are going to establish there.

I am asking the minister to give consideration to the turnoffs at Plum Coulee, to the surfacing of 306 north of Plum Coulee and to the surfacing of 332 north of 14 at Rosenfeld. Again, they are our only arteries that are supply routes, in large part, of raw product into Altona for further processing, and/or Plum Coulee or the Winkler-Morden area. I think there is tremendous potential for further specialty crops processing to occur there if the Province recognizes the need for the infrastructure in that whole southeast region.

I believe that we could do a meat-processing plant there if we could get livestock in and out of

those plants. But how do you try to attract a meat processor into the Vita area, which is mainly cattle country, or a hog processor, if you cannot get in and out with full loads.

So I ask the minister to give some consideration to at least spending a little, just a little bit of money, for capital in my constituency. I think the people who make a living there, who invest there deserve, in four years, at least a mile of construction.

**Mr. Smith:** The member mentions many areas and the development through the area, and, again, I would mention that I do recognize the contribution that folks in that area have made and do give. The traffic counts in the area in some cases have increased, but a few of the routes the member mentions are still considerably low by the standard of highway standard traffic counts.

The increases are there. Certainly, the wants and needs of the area do increase as people are successful and economic development occurs. Certainly, in the 2020 Vision, I know folks are out, and I would encourage people to come out and mention the wants and needs in their community. I know the committee has received a lot of excellent information and suggestions from the entire community. But within the allocation of dollars, although increased in the last number of years, it is having trouble keeping up with the wants and needs and some of the good work that is done throughout all of Manitoba.

The member well recognizes that there is a lot of structure throughout the entire system that needs to be addressed. I take his comments and respect his comments for bringing forth the views of his constituency.

**Mr. Penner:** Mr. Chairperson, I just have to make one further comment, when you have towns and villages in your area that do not hesitate to make investments when they see the need, such as Altona did this past year. I need to bring this to the attention to highways and highways staff.

This town built recreation facilities that have cost them over \$4 million, better than \$4 million, in a new arena, a new curling rink. It is called

the Millennium complex. It is really a convention centre that is designed to do agricultural fairs and exhibitions. It is called the Millennium Exhibition Centre.

It is probably one of the best-designed facilities that I have seen in many years. The town of Altona invested, the surrounding communities invested in this, not one dollar of provincial money. They could not convince this province, under the NDP administration, to even give them a hundred thousand dollars for a \$4-million project.

It was a similar incident that happened when Ed Schreyer and his government, the NDP government, when we built the Pioneer Centre there in the first place. At that time, a half a million dollar project was a large project. We did it then and we approached government and asked government for at least a slight consideration of the investment that the community was making but under the NDP administration, not one dime for the Pioneer Centre.

So there is roughly about \$5 million of recreational investment that has been made in the town of Altona over the last number of years, but specifically \$4 million over the last year that did not receive any support from the Province. I think that is indicative of how this Doer administration views southern Manitoba and how little emphasis they put on the economic generators of those communities.

I think that is unfortunate that we make that kind of delineation in our consideration for services in communities that are aggressive and progressive and are demonstrating large growth. So, I want to say to the minister that if he was truly, truly a minister for the whole province, he would give at least consideration to where the tremendous investments are being made and support that by some infrastructure and infrastructure development.

**Mr. Smith:** Mr. Chair, certainly, I would agree, fantastic, the community of Altona and the folks in it have really done a wonderful job on that complex. It is a lovely, lovely facility and complex.

The Doer government does, in fact, agree that all parts, north, south, east and west, central,

throughout all of Manitoba are all equally important and contributions come in many different ways from many different communities. I recognize that Altona is a community that has an excellent municipal group. It has excellent community input. I would agree; it is a very good community. I do not blame him one bit for being proud of the accomplishments of the people in that community. I would certainly recognize that as well and everyone in the province on all structural road systems that affect and are a part of my department are considered equally.

I try to work with communities and that area, as well as all other areas is an area that I would certainly be willing to sit down and discuss the issues at any time. I know at the AMM meetings, many, many communities brought forward requests and brought forward the specifics on their communities, on wants and needs and issues that are important to them, and all communities should be treated equal and that is exactly what the department does.

**Hon. Jon Gerrard (River Heights):** I would ask a question about the entrance to Brandon on 18th Street. My understanding is that the street was done so poorly that it has had to be redone. Can the minister tell us a little bit about what happened?

\*(16:10)

**Mr. Smith:** I would like to thank the member for that question. Certainly, it is 18th Street, I believe, that the member is speaking of, it is not 8th Street. If the member intended that, yes it is, it is 18th Street. It is not the entrance. It is, in fact, about mid-city span on 18th Street from, I believe, Victoria Avenue to Queens Avenue, and there is a long stretch of pavement that was put down there.

There is a substantial job that was done through that area by, I believe it was Maple Leaf that was contracted on that, a fantastic reputation company that does good work throughout all of Manitoba. It was put down late in the year. It was a pavement base that was put down late in the year and certainly freeze-up had come early. There was some air void and some compaction problems that resulted with early application of product to remove ice and snow from the surface

for safety concerns and the mixture caused the surface to crack and to break, certainly pock throughout that stretch. It was redone, redone quickly, and it is now a road surface that most everyone in Brandon travels on. It is probably the heaviest traffic route in the community and was redone and the reason being as I had mentioned.

**Mr. Gerrard:** My question to the minister is: Because of the problems, was the cost the company's cost or did the taxpayer have to pay extra to have this redone?

**Mr. Smith:** Yes, it was a shared-cost arrangement on the cost of redoing that stretch of pavement.

**Mr. Gerrard:** What was the extra cost to the Manitoba taxpayer?

**Mr. Smith:** We can get the cost breakdown and supply that to the member. We do not have it at fingertips here right now. We could certainly supply it for the member tomorrow.

**Mr. Gerrard:** I just want to know when the Government issues contracts in these sorts of circumstances and there are problems with the surface which is laid down is not the company required to have a bond to cover these sorts of extra costs? What is the normal practice?

**Mr. Smith:** The practice had been that the department is involved in the mix and the design of the application product and holds some responsibility on that. Certainly, the shared application is up to the contractor, but the lion's share on the mix and design is a responsibility from the Province.

**Mr. Gerrard:** I would ask the minister what investigation he has undertaken to ensure there are not problems with the mix and design in the future, because these kinds of problems can be quite costly to the taxpayer.

**Mr. Smith:** I am sure the member opposite knows each project has a unique mix design dependent upon the project. There is a quality assurance process in the department that is used and there is a process to check and double check the design mix. In this case the anomaly of the

quick freeze that time of year was certainly responsible for a lot of the results of what did happen.

**Mr. Gerrard:** Can the minister tell us if there were other areas in the last several years, which have had problems in a similar fashion?

**Mr. Smith:** There has not been in the last several years of a similar fashion happen on projects of that sort.

**Mr. Gerrard:** Which area of the department is responsible for the mix and design?

**Mr. Smith:** The responsibility is in Materials and Engineering department.

**Mr. Gerrard:** What is the minister doing to address the issue here to make sure there are not problems again?

**Mr. Smith:** There was a forensic audit that was done on it. It is certainly one of the anomalies that had happened. If you look at the record over the last number of years, it is very, very infrequent. The department, like all departments, learns from mistakes. It is never good to learn from mistakes that cost. But, obviously, this is something that as you proceed different designs and different road structures and as we look throughout the entire province and the conditions we face here in Manitoba, we have more challenges than many other areas throughout North America.

The frequency of this is very infrequent, something that did happen. It is an unfortunate result that it did happen. You learn from that mistake and hope those mistakes do not happen again. With the quality assurance that is there with most jobs and everything that is done, it is extremely infrequent that it does happen.

**Mr. Gerrard:** The minister over the course of the last year has been involved with a 2020 study of Manitoba Transportation. Can the minister provide us with a time line for providing a full plan for Highways and Transportation for the province?

\* (16:20)

**Mr. Smith:** I have the privilege of sitting with the member who did chair the 2020 Vision throughout all of Manitoba. The report from the Member for Transcona (Mr. Reid), certainly, will be coming shortly, I am told, to my office. The newsletter has gone out in just the last short period of time. As we move ahead and head toward No. 1, getting that report on the first stage consideration of the report will be given and that will be coming up very shortly this fall.

**Mr. Gerrard:** Is the report to be released as a public document?

**Mr. Smith:** Yes, that report, after it is given to the minister and considered, certainly will be a document that will be public. It will be released.

**Mr. Gerrard:** The plan in terms of the 2020 report or whatever it is to be called, is that going to provide the kind of specifics in terms of planning that were presented at the meetings? I mean, the meetings provided the highway by highway breakdown of where things were. Are we going to get a detailed response?

**Mr. Smith:** Thank you very much for the question. I am glad that the member is showing considerable interest in this. From people that have responded to the 2020 meetings that have been out there, some of the information that has been given by people that know their constituencies and their areas full well, obviously, some direction from the community is exactly what is requested and will be taken into consideration and projects considered from all. The overview of the report coming back certainly will address what is important to communities, what is important to Manitobans. When we look at the entire infrastructure, I think we need to focus that we are not just talking about roadways. We are talking about water systems; we are talking about rail systems; and we are talking about air transport. All those will be taken into consideration.

The viability of our \$7-billion system that we have here in the province is one that is a treasure for Manitobans to preserve and maintain. Taking direction from Manitobans on how we can move ahead with the viability of the system that we have now and increase capacity for the wants and needs of Manitobans, certainly

direction and consideration will be well advised by the minister to take into consideration, the wants and needs of Manitobans, and then how we get to that next step of getting to where we need to be, being suggested from Manitobans. If in fact there is consideration of increases in spending that is needed, we need to look at how we can get to that level that Manitobans will want.

**Mr. Gerrard:** The minister was involved in approving a design decision for taxi shields. I continue to get concerns about those taxi shields. I would like an update from the minister on where things stand.

**Mr. Smith:** The process of the safety for taxicabs in Manitoba started a few years back. There were recommendations made at that time from the board. The recommendations were based on consultations that had been done with the industry and people in the industry. Safety is the key factor. We know that we needed to enhance safety for cab drivers that are in situations many times that can be dangerous. The one recommendation that came forward for safety was the use of in-camera video equipment for taxicabs. That was initiated as a starting point. It has been very successful and proven to be a positive. The shields were recommended by the board. As I have mentioned, in consultation with the industry, those were put in place. They are in place now. They are experiencing positives from the industry. They are getting feedback from the industry. We are seeing some 71 percent decreases in incidents in cabs, which is a positive.

The industry is the driver behind it. The industry and the board were the driver in the consultation and the advice of what is needed in the industry. Moving ahead, the consideration will be how we can enhance safety again. The board is tasked with making the environment as safe as possible for our cab drivers in the city of Winnipeg. Those considerations will continue to come forward. I do not believe that you are ever finished.

Certainly, I think this process has been a positive one. I believe the advice from people in the industry is the best advice you can receive. The board does receive that on a constant and

continual basis every day. The industry, I believe, is a safer place now than it was a few years back. The dreadful events that have happened over the years in this industry are unfortunate. I believe what we are hearing and what is being recognized is the environment now is a safer place for cab drivers.

**Mr. Maguire:** Just a quick question while you are on the issue of taxicabs, with the member, to go back to the Estimates book, Mr. Minister, when we are looking at staffing positions and increases there is an increase here of about \$53,500 in salaries but no increase in staffing. For nine people I just wondered if the minister can outline the difference in that concern or why such an increase in that particular area.

\* (16:30)

**Mr. Smith:** There are a number of areas that cause the increase. We will start with one, which was a reclassification, which was a salary increase for the person of \$29,200. There were a number of merit increases for one, two, three, four, five individuals; it was an increase of \$8,400. Then there was the increase of term staff. There were four inspections. There \$15,900 for an increase in term positions for Inspections.

**Mr. Maguire:** I just noted with interest, Mr. Minister, that there was a considerable increase there, and I will have some follow-up questions to that, but if you could recognize my colleague, he has a few questions in regard to Government Services that I think he wanted to ask.

**Mr. Jack Reimer (Southdale):** Yes, I did want to ask something in regard to Government Services, and that is the usage of the Pool of the Black Star. I notice that it is taken out of use for the arts community. The arts community used to use that area for the display of their art. It became quite visual in the sense of showcasing Manitoba artists not only here in Winnipeg but throughout all of Manitoba.

I guess it was sometime last year that it was taken out of the milieu of a place to show art. Since then, I do not know what the word is, pylons, I guess, are piled up along the entrance-way of the building, and when you come in you

see these big boards sticking up there, taking away the visual effect of the wonderful staircase and the grandeur of the building.

I am wondering why they cannot still use the Pool of the Black Star for the showing of their artworks or a display of any type of art.

**Mr. Smith:** I appreciate the question from the member for Southdale. The policy decision was made by the Department of Culture and Heritage, and certainly moving the art to the front entrance and in the area throughout the hallway there was a decision that was made.

It is something we are assessing. We have had feedback from the general public, both positive and negative, and certainly it is something we are going to look at and consider over the next short period of time.

**Mr. Reimer:** What are the plans for the Pool of the Black Star? Will it be utilized the way it is now, stay just vacant, or are there some sort of plans for some sort of additions or renovations in that area?

**Mr. Smith:** The original intentions of that space and, certainly, the Pool of the Black Star was originally intended as a space for the travelling public and the Manitoba public, and people in general, to have an area of reflection, and an area that could be enjoyed. That is the intent. That is the policy direction that we would like to maintain.

It has a beautiful ambience and wide open space to appreciate and enjoy. Just the beauty of the entire area and the entire building and having it opened up to appreciate the architectural significance of that area is something that, I believe, was intended and, certainly, something that Manitobans should enjoy.

**Mr. Reimer:** Are there any immediate plans or long-range plans to change the ambience or the structure or the addition or elimination of anything in that particular area, the Pool of the Black Star I am talking about?

**Mr. Smith:** No, to the member of Southdale. There are no plans to change the structure, any structural changes or changes to that area. The

ambience is as the member I know well knows extremely beautiful and there are not plans to alter it in any way right now, unless the member has some suggestions on alterations that he would like to see. I would certainly value his input.

**Mr. Reimer:** I am sorry, just one more quick question. The display of artwork, will it continue to be the way it is now with those pylons placed around the main entrance of the building or is that just a temporary solution?

**Mr. Smith:** Thank you for the question, the member from Southdale. It is something that I had mentioned before. We have had comments both positive and negative on the way that the artwork is now aligned. Certainly, we have had some feedback on possible suggestions of the way it may be improved. Certainly, we intend to review that this fall, take the advice and considerations from people that have viewed the displays and see if there is a way that we can improve on the system that we are now using.

**Mr. Maguire:** Mr. Chairman, I wanted to go back to the issue of salaries and number of staffing. The minister had indicated to me earlier that he is short about 180 vacancies in his department, in the total department.

I wonder before I go there, if I could: I had asked about the increase in salaries and the minister's outline, the changes in the Taxi Cab Board salaries and that area. There was a smaller one that I was interested in regards to government Air Services where there are 78 employees with an increase of some \$182,000. I am interested mainly in the \$75,000 decrease in benefits that is estimated for the employees in that area. I wonder what that could be in regards to and an increase of about \$200,000 in salaries, I wonder if he could just relate to me if that is through reclassification or what has happened in that area as well.

**Mr. Smith:** Mr. Chair, the increases, some \$200,000 the member mentioned, I can break it down. Merit increases of about \$5,400; increases for five pilots 58,100; overtime requirements, which in total is \$135,800; employee benefits was an increase of \$13,200 thousand. There are two additional work days in '03-04 which made

a difference of \$18,200. That is roughly close to the \$200,000 the member had mentioned.

If he could just repeat the question on the \$75,000. I am sorry I missed that.

**Mr. Maguire:** It was just in relation to the decrease in employee benefits in that area of \$75,000.

**Mr. Smith:** I would be pleased to break that down and get back to the member on that \$75,000. We have not got it at our fingertips right now.

**Mr. Maguire:** I guess I would like to see if the minister could give me any further description of any positions that have been reclassified. He has outlined a couple in response to a previous answer, but does he have a listing of reclassified positions in his department?

**Mr. Smith:** If the member would be agreeable to us providing that to him, we would certainly provide it to him at a later date. There is literally hundreds of reclassifications yearly in the staffing. Certainly we can provide him with a list of all reclassifications and whatever information he would like to have with it. It would be quite onerous to get the information provided. I know we have limited time, but I certainly will provide that to him.

\* (16:40)

**Mr. Maguire:** If the minister can provide that as soon as possible, I would appreciate it. I do not need it right this afternoon, but within the next few days if the minister could provide that, I would be most appreciative.

**Mr. Smith:** Absolutely, we will provide that to the member within the next few days.

*Madam Chairperson in the Chair*

**Mr. Maguire:** Thank you. In relation to a number of the staffing positions and issues within the department, the Government passed some legislation a year ago or brought in a program of voluntary reduced workweek. I wonder if the minister could give me any indication, the size of the department he has, just how many staffing people took advantage of the reduced workweek.

**Mr. Smith:** If the member would be open to approximates, approximately 25 staff on Government Services side and approximately 100 on the Highways side. It did vary in range from 1 to 15 days depending on the people that had taken it. There was quite a wide range. The uptake was pretty positive, and as the member knows it was done in areas where the ability was there to do it and it has been well received.

**Mr. Maguire:** Could the minister give me any indication—I assume that some staff used, as he has pointed out, up to 15 days, a few just a little bit—of these estimated savings that he feels that his department gained? Seeing as we are dealing in approximates, is there any value or estimated savings that he can give me that he thinks or that his department thinks were saved?

**Mr. Smith:** I have used the approximation of those. There is a wide variable. What I could do is get the exact amounts to the member tomorrow if that would be okay. Just mentioning to the member that I would not want to approximate, but we could get the exact breakdown and detail of the numbers to the member tomorrow.

**Mr. Maguire:** That would be appreciated, thank you very much. Along with the total sort of day-numbers of the staff that you had—if we could get that, plus the savings, it would be appreciated.

**Mr. Smith:** Absolutely.

**Mr. Maguire:** I will finish off an area that I was on before just with the issue of winter roads. It was in relation to a news release that the minister put out very recently dealing with the ferry service and low water levels with the ferry at York Landing. I will not take much time on it, but the release indicated the low water levels at the mouth of the Aiken River and that the ferry could not get to the dock, that sort of thing. They are extending the existing gravel road, I understand from the release, one full kilometre. They have to put in a 15-metre temporary rock pier. Can the minister give me any indication with the expected 1.5-foot lower water levels that were predicted if those water levels have come true?

**Mr. Smith:** As the member knows, the challenge that we have had with the northern community on the ferry services, sure the water

levels are down drastically because of the drought we have all experienced. We looked at the possibility and with INAC and with Hydro of the possibility of running a one-kilometre road into a different location and putting down a base for the ferry to come in and service.

Right now we are working with, I believe, Chief Redhead and that community and with Hydro and with INAC to look at the possibility of a different type of vessel. Obviously the ferry that is there is a large vessel. It is basically not safe to pull that vessel, and the water levels will continue to drop unless we get substantial amounts of rainfall. So we are looking at the possibility of supplying another vessel to the communities in that area. We had met as early as today I believe with the community up there and, in fact, now, as we speak, in looking at the possibility of alternative vessels with the community, with Hydro and with INAC up in that area. We are hopeful that we are able to get a smaller vessel, get the needed supplies in that we have not utilizing the large vessel. It does need, obviously, more draft and more water to get into the location where it is.

The complications of constructing and building the kilometre of roadway and the base heavy rock support that is needed for a location for a ferry vessel of that size would be extremely difficult to assemble and put together before freeze-up. I think it is a positive direction that we are looking at having other vessels utilized for the continuance until freeze-up of this year.

**Mr. Maguire:** Can the minister give me some indication of the costs that would be involved in that then? I may have missed it, but can he give me any indication as to his release, the extra foot-and-a-half that they felt that the water levels would drop by September there? Has that come about as well?

**Mr. Smith:** It is one of the lowest levels that has been seen in recent history. It is water levels some eight feet down from normal levels and until we establish what type of vessel will be used or utilized, we cannot give a cost breakdown until we see what is possible and what we can utilize for the needs of the community up there. Certainly, I would be more than open to keep the member apprised of discussions and

discussions as late as today that are going on, and the possibility of what is up there for vessels for the community.

**Mr. Maguire:** Mr. Minister, I wonder if you could just answer a question for me then in regard to the transportation of feed that has been talked about in the House, across Manitoba, and if you could just give me any information in regard to what your recommendations were for transportation of feed due to the BSE issue and the drought across Manitoba as well, or in the drought-affected areas particularly with the program that came out.

\* (16:50)

**Mr. Smith:** The member knows the Government has a number of assistance programs regarding the BSE and for the drought-assistance program. Those details are obviously being worked out and done through Agriculture. Details on that matter would probably be better addressed to the Agriculture Department for specific details. Obviously we all want to assist in any way we can with the producers. Certainly the drought assistance is a positive step. It will provide transportation and assistance to producers transporting either livestock or livestock to feed and the details of that are being worked out through Agriculture.

It is a significant program with multimillions of dollars worth of contributions going to that program, I think well served. Certainly, we know the condition and the crisis that our producers are having out there. That is why, I believe, with that assistance and in that program, the overall assistance of \$182 million going out to our producers and into our industry and to the crisis that we have here in Manitoba is well justified but probably better suited if those details are asked of Agriculture. They would have more details than Transportation.

**Mr. Maguire:** Certainly, I would assume that Agriculture played a bigger role in that, Mr. Minister. I would appreciate just confirmation from yourself that the funds are not coming from Transportation to that end, or are they? Is there some detail in that area? Would there be funds coming out of the Transportation Department to supplement the Agriculture side in that area?



**Mr. Smith:** Certainly details of that program are being worked out. It is dollars that will be allocated, some \$12 million allocated within that program for assistance. The details of that being worked out will be done through Agriculture. Dollars will be done in the overall process of how those dollars are allocated, and what we do know is that the assistance will be forthcoming. Details of the matter will be released further down the road.

**Mr. Maguire:** So the minister can confirm that his department will be working with the Minister of Agriculture on how those dollars are being spent?

**Mr. Smith:** Normally, for emergency expenditures, dollars are allocated and normally come out of vote 27 which certainly are not the Department of Transportation but out of the emergency expenditures department or just basically out of emergency expenditures and general revenue.

**Mr. Maguire:** I wonder if the minister could confirm through emergency measures the size, I think it has been referred to some 50 million that has been spent on fighting fires so far this year in Manitoba. Can the minister just confirm for me where we are at and the latest details on that?

**Mr. Smith:** Madam Chairperson, this year has been one of the record years in Manitoba's history. The amount of forest fires has been extreme this year. The amount that has been allocated towards this has been over \$55 million this year in Manitoba on expenditures on forest fires. We are hoping for a wet season coming up. Hopefully, those expenditures can be curbed and reduced, but we are a victim of environment. We hope that number does not run up much higher but it is certainly one of the record years in Manitoba. We have had close to 1200 fires in Manitoba this year at a cost of over \$55 million.

**Mr. Maguire:** Can the minister indicate how many are presently burning still?

**Mr. Smith:** We do not have that data in front of us right now but it is one of the stats and figures that Conservation keeps and would have at their fingertips if the member would like to get it.

**Mr. Maguire:** I noted with interest on the adjusted Estimates here, on the unallocated portion of the emergency expenditures on the five-year plan, that for '02 and '03 there was 20 million, and '03-04, 25 million. I wonder if the minister can indicate to me how those have been allocated or are they still remaining unallocated or have they been used in any of these measures.

**Mr. Smith:** The allocation in the main Estimates, the '03-04 \$25 million and the Supplementary Estimates of \$68 million, for a total of \$93 million, yes, it has been allocated.

**Mr. Maguire:** That is the full \$20 million and \$25 million, '02-03 and '03-04, according to Schedule 8.

**Mr. Smith:** Yes, the \$20 million was previous year, '02-03. It has been allocated. The '03-04, the \$25 million and 68, for a total of 93, has been allocated.

**Mr. Maguire:** Can the minister just confirm for me or outline to me where those funds were allocated, what they were used for?

**Mr. Smith:** If the member will bear with me, we will go through a series of numbers here. Forest fire allocation, '03-04, \$55 million and growing; BSE recovery and beef program, \$15 million; BSE extension, the slaughter component of BSE program, \$10 million; drought assistance program, \$12 million; environmental response \$106,000 and miscellaneous of \$893,900.

**Mr. Maguire:** In relation to some situations, I would like to, if I could, move to a few situations I have in some communities in southwest Manitoba, one of those being in the area of Waskada.

I know we have had a number of discussions here in regard to the minister as well as I would like to see the federal government replace the gasoline taxes, the fuel taxes, that go out of Manitoba back into Manitoba. Of course, the minister has indicated they would like to have that back and it would certainly be beneficial to use those funds in regard to roads in Manitoba to help fund the budget we need or the extra increase in repairs that would be required.

This community has been very hard. It is a catch-22. You want the expansion of the industry in regard to the oil industry that has taken place in that regard in that area, in the Goodlands, Waskada and southwest area. It brings with it some horrendous road problems in the spring with the heavy equipment and the movement of it in some of those areas, but there is a considerable tax collected by the Province in regard to the oil industry in that area.

The local municipality there I know has had to add a line of about \$200,000 into their budget this year to take care of some road situations in their local area. While we certainly welcome the industry in that area and the local people do as well, those funds go to the provincial government. As much as we would like to see the federal fuel taxes back in Manitoba to use, I think those people would like to see some of the fuel taxes generated from the oil industry or the oil taxes generated from that oil industry, that go to the Province, used maybe more proportionately to support that industry, if you will, in that area. I wonder if the minister could comment on that.

\* (17:00)

**Mr. Smith:** The member brings up a bit of a philosophical question. I know we both do not want to go on at length on that issue. The general tax that is taken in and gasoline tax that is taken in is a benefit to all Manitobans. On the licensing from all parts of Manitoba, even Winnipeg here, 70 percent, or almost 70 percent, of our population for all of Manitoba is distributed throughout all Manitoba on an equal basis. I think, I do not think, I know that is the system that should be incurred and the system that we do now. I do not think that taking income from a specific area and reallocating that in any form back to highways would be positive in terms of there are a lot of areas throughout Manitoba that pay considerable taxes in many, many different forms. Many areas in the province we have heard from members' colleagues that have substantial development throughout the province. To set that up on a per capita basis generally, I think, is a positive on our taxation reallocation of dollars throughout the entire system. To pick one area over the other on economic development would be a negative for

many of the communities that do need road systems and have to have road systems for sustainability in many of the small communities, the small towns all throughout Manitoba.

I remember, and I could sit and name many of those ourselves that have lost rural residence in fact, some of their tax base and commercial base for a number of reasons over the last few decades. We would not want to put any of those communities at a disadvantage.

I believe that the distribution of dollars that are taken in on the road side, on transportation side, are redistributed positively now. You open up the door. The member has suggested the possibility of some specific taxes. I do not think we would like to see that on industry from Winnipeg or industry from Brandon and others, to keep all those dollars within the small surrounding area of the community. The distribution on a broad basis, I believe, is a better system, better way to go. The way that it has been done for a number of years for a good reason, there are many of those good reasons.

Waskada and down in through that area that I do know well, Highway 452 is an area where we do have RTAC roads, a lot luckier than, more fortunate I guess than many of the other areas throughout Manitoba that do not have it. The infrastructure into that area is pretty positive. It gives the ability for the economic development that I know is important for that area. We work with, as I mentioned to the previous member, all areas in the province on changing developments and wants and needs, community safeties and the factors that affect all our infrastructure.

**Mr. Maguire:** I thank the minister for his answer. It is certainly not in regard to the PR, the provincial roads that are there. I think it is maybe more detrimental to the gravel roads that the municipality has complete control over in that area that their major concern is and only at a particular time of the year. I would concur that these funds are being used for general revenue in the province now. I think it only outlines, even in the minister's answer, and I want to first of all commend the staff of the department and yourself for the efforts that you have had with the minister federally to try to get some of those fuel taxes back in Manitoba. We would all be

doing the same thing in that regard, but I think we just outlined the argument that you are faced with with the federal minister as well. You have very articulately, I think, put forward what some of his concerns might be in that regard as well. He has his hands on those funds and he is not going to let go of them. He is using them for general revenue throughout Canada. I think we have to be sure that we are trying to do what we can for the folks in those local areas.

I would like to, if I could, ask just a question in regard to the small community of Elva. It is located on PR road No. 252 west of Melita. There has been a new Agricore elevator go in. As was pointed out earlier, change brings more change. The traffic has been rerouted in some areas. There are more large haul trucks out there today. Farmers own semis themselves. More trucking companies are on the road there. Until that whole area becomes switched into livestock that consumes virtually all of the growth of grains for the livestock industry, if that ever takes place, we are going to have to haul grain for export out of those locations. I only raise the concern. It would be a very, very small cost to the provincial government in relation to making sure that there was some calcium chloride on 252 in that area of Elva to keep the dust down in regard to the small community that is located there. Those people have raised this with me a number of times, and it continues to be a concern. It is more exacerbated at this particular time of year when it is harvest time and there is more grain going into those areas. It is not nearly as big a problem, obviously, in the winter, but I am requesting the minister take a look at that in conjunction with the municipality. I believe it would be a municipal responsibility under the present system. I raise it with the minister to see if he would be able to look at that situation and take into consideration less than a kilometre of calcium chloride in that area.

**Mr. Smith:** I remember the large elevator that had been constructed and put in that area. The traffic has obviously increased substantially through that area, something I would certainly have the department consider and look at. In fact, I know a traffic flow count might be needed to be taken there again. I know the increases are substantial. I know what the dust does to people in the area. So certainly, off No. 3, I think you

are probably talking about, into Elva, that stretch of road there on 252, No. 3 on 252.

**Mr. Maguire:** Madam Chair, actually it is right past the small community of Elva. The elevator itself is called Elva now, but it is not in the community of Elva. It is a few kilometres away from it. It is the old community that I am concerned about, not the new elevator. There are some dust problems for some of the rural farms along that road, as well, that the minister has just referred to, coming off No. 3 into that area. But it is more the 252 portion of the town of Elva itself, right beside the community where the people are still there. I would doubt the traffic count might be a situation that would warrant it. But I am requesting the minister to take a look at what it would cost to help the RM in that area with the costs of some calcium chloride for that small community itself.

**Mr. Smith:** I know there are a couple of options, just off the top of my head that I can think of. If the effect is not within the community itself, there is a possibility of grant in aid to the community we can look at, and I know also the possibility of doing the work on a cost-share type of basis. Certainly it is something I will take under advisement. We will look at it and get ahold of the community on some possible options that we can use.

\* (17:10)

**Mr. Maguire:** I would like to check with the minister once again. I may have raised it with his predecessor in regard to the highway loads of restrictions in the area along No. 3 Highway, around Medora and in that area. There has also been some increases in family-run businesses in that area and, of course, there is a major equipment dealer right in the community of Medora, major seed plants exporting product into the U.S. It is not restricted by any of the livestock situations or grain situations that we are faced with. They are doing a very good business into North Dakota and right through into New York. I wonder if the minister could give me any indication of whether or not there is consideration during a restriction time of either putting a speed limit on that highway that would be lower between No. 21 and the community of Melita and allow those people to move their

product on the highway without having to utilize the gravel roads in the municipalities there as well.

**Mr. Smith:** The staff informs me that along that route which is RTAC, it is level one presently, 90 percent of weights, and certainly that area is an important road. I know members before have mentioned and the member now just mentions many people are pulling off and utilizing municipal roads and municipal road systems, and we know the damage that is being caused by them.

But the consideration structurally and from an engineering standpoint, a vehicle slowing down to carry heavier weights is just not justifiable. The same damage is done on the system regardless of speed, and it is not a consideration that we can advise right now with the condition of the road, the condition it is in. Certainly as we put projects forward and projects for our consideration we are well aware of the condition of that road.

Hopefully, we can get to that road with more dollars as we can get more dollars into our budget. But as we have mentioned many times throughout today on the priorities of many other roads, certainly, it has not placed into being one of the top projects that has been able to be supported by the budget that we have.

The member knows and we all know, certainly, for his farm operation out by Virden, throughout the years different roads are restricted, and other roads are brought up to standard. It is an awful close race that we are in right now on restricting some, preparing others. Basically over the last number of years we been able to keep it a pretty close ratio of restricting some, taking others off restriction and trying to repair the wants and needs that we have out there.

I appreciate the member's concern for that section of road.

**Mr. Maguire:** I would just like to point out that this area has been reduced to 65 percent in some of the springs, and that is when it causes a major problem for some of those areas, people moving product in those areas.

I would like to just refer quickly to the community of Elkhorn if I could, on Highway No. 1, Mr. Minister. The community has gone through a major redoing of main street there this year. There have been some difficulties, I guess, arising around that.

It is great that the project is done. The community feels that it was certainly a project that needed to be done. They may feel that it would have been nice to have had a bit more input, I guess, into the Province participating in the building of sidewalks or cement paths between the actual curbs and the sidewalks in the community, because now they have ended up with 10 or 15 feet of grass strips between the main street and the sidewalks in front of their stores.

It is just the way it has ended up in design. It was a very wide street before. They have narrowed it down to what is probably regulation, but it left a grassy strip with no way of getting there for citizens except to walk across the grass on those boulevards or, certainly, for wheelchair access go to the corners of the ends of the street and back down the sidewalk again.

There was quite a bit of concern in the community that the Province would have been able to help them out by providing some cement walkways in those short distances at least up to the storefronts.

**Mr. Smith:** Thanks very much to the critic. It is not a concern that I have had raised to this office, so I appreciate your raising the issue. It is something we can certainly look at and just get the particulars on and get some details from the community.

Normally, wearing my previous hat, my municipal hat, the community is responsible for the walkways and sidewalks and such. But I do not know the details and the particulars of it, and it is something that we can look at with the community.

**Mr. Maguire:** Another issue that has been raised by the community, they are very, very thankful that No. 1 is being completed. I would only want to say that due to the efforts of the community out there and the fact that there were

2500 names on petitions that came forward from all over—we have people's signatures from Florida and B.C. and the Maritimes as well. I appreciate the fact that the minister took that into consideration when he was asking his caucus colleagues to move forward with the building and twinning of No. 1 highway.

It is being done and I commend him for paying the strip and putting in the lights in the community of Virden and moving out to Hargrave in that particular area. I commend the Government for moving forward with the building of the 19 kilometres they have talked about now as well. I wonder if the minister can give us any indication of the share of the SHIP program of federal funding that is coming out of that, out of the funds he has announced for that project.

**Mr. Smith:** The shareable piece on that section, on the 19 kilometres on PTH 1 Elkhorn to 83, is about \$12,100,000. The non-shareable portion that will be going into that particular section will be a provincial responsibility of \$4,680,000.

Just on that, there will probably be, on a job that size, about a 10% contingency.

**Mr. Maguire:** So the minister is indicating that out of the 15.7 out of the coffers of the federal government, the 15.7 to upgrade the three sections along No. 1, that there is 12.1 of that going to No. 1 highway and the 19 kilometres that will be built.

**Mr. Smith:** We are going a little on apples and oranges here, the member and myself, but out of the 15.7 SHIP program that was announced is a breakdown in three projects. Out of that, 12.1 is going into that project, there is 2.125 that will be going into the Blumberg and there is 1.490 that will be going into, for lack of better logistics, by the Coverall building along the section there, for a total of 15.7, 12.1 into the project Elkhorn to 83.

**Mr. Maguire:** Can the minister confirm the sharing of those \$12.1 million on No. 1 highway or is that all federal money that will go to that?

\* (17:20)

**Mr. Smith:** On that project, it is a cost-sharing that is 50-50, 50 provincial; 50 federal.

**Mr. Maguire:** So the provincial share of that will be roughly \$6 million, or are you building the 19 kilometres for the total of \$12.1 million between the two levels of government?

**Mr. Smith:** I can confirm that out of that \$12 million, on that section of shared funding, it will be about \$6 million. There will also be \$4.680 million from the Province as well, non-shareable.

**Mr. Maguire:** That \$4.68 million is included in the \$12 million or over and above?

**Mr. Smith:** That is over and above the \$12 million.

**Mr. Maguire:** So there would be \$16.75 million roughly to build the 19 kilometres?

**Mr. Smith:** Roughly, yes, Madam Chair, \$16 million or so on whatever contingencies may show up there. There might be a slight variable.

**Mr. Maguire:** I appreciate the announcement. Can the minister give me any indication, and I know they say by 2007 they will build, the remaining amount would be 12 to 13 kilometres?

**Mr. Smith:** Madam Chair, there are about 14 kilometres or so after this piece to complete to the border. The commitment has been by 2007. That will be addressed and done. There are environmental assessments and land-acquisition work going on as we speak. Certainly those components will be put in to the queue for the following year's budget. There will be a piece done year over year whether it is acquisition and design work done in one year and more construction done the next year. Those have yet to be worked out. Certainly the environmental assessment is in need of being done and underway. The land acquisition is being completed and it will be done by 2007.

**Mr. Maguire:** I guess I have two things left that I would like to check with the minister on. First of all is to put on the record that if there were any way of building it in one section, the interest on that money would be equivalent to about two kilometres of road, if we could go ahead and do it and build it while the equipment is there rather than the movement back and forth.

I would urge the minister to continue to look at that and try and speed the project up as much as he can, mainly from a safety issue. I know it is in my constituency, but it is for all of Manitoba. We need a national highway. I would urge him as well that there are a few kilometres on the east side of Manitoba that need to be continued to be looked at as well, to be twinned, so that we have a fully twinned highway in Manitoba. I would urge him to do that.

**Mr. Smith:** I appreciate the advice, and it is certainly something that the department takes into serious consideration. Safety is definitely a factor. When we can utilize equipment in a spot, and he is right, at times where you have gravel operations and you can use machinery and keep machinery in a spot for a continued length of time, efficiencies can be gained. We will look at every avenue that we can to be as economically responsible as we can on the project. Safety will be a concern. It is always a concern of the Highways department and has a very good record on that. I appreciate the member's view on that.

**Mr. Maguire:** I have to bring an issue to the minister and then, I think, we can wrap up the Estimates of this department. If we have time and a few minutes here, the community of Elkhorn presently has requested a service road be built from access road along the parallel to the community of Virden on No. 1 Highway. It would be a very good safety issue for the Province to do at the time that they are there. I think there has been quite a bit of agreement to go ahead and do it. The service road is being part of the project now with the access routes.

Manitoba looks after the Elkhorn heritage museum that is there. It is run by the Province of Manitoba. In this community they have agreed to pay for it. The department of Highways apparently agreed to pay for the portion of the road that is within the village limits, but there are 400 metres, I believe, and 350 on the other end that are in the R.M. I am requesting that the minister look at that and see if they cannot pave the whole thing while they are there instead of leaving these gravel bits on the ends of the road. This is a great concern to the community and they have just contacted me in the last few days on this, Mr. Minister. That is why I have not had

a chance to bring it up with you. I urge you to look at paving that whole process and access while they are building it.

**Mr. Smith:** I know we are working with the community on a couple projects. I know there has been some commitment in that area. Certainly we will work with the community. I know that the department has been working with the community. We will look at the details of that and hopefully come to a positive result.

Resolution 15.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$65,478,600 for Transportation and Government Services, Highways and Transportation Programs, for the fiscal year ending the 31st day of March, 2004.

***Resolution agreed to.***

Resolution 15.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$36,435,900 for Transportation and Government Services, Government Services Programs, for the fiscal year ending the 31st day of March, 2004.

***Resolution agreed to.***

Resolution 15.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,580,800 for Transportation and Government Services, Emergency Measures Organization, for the fiscal year ending the 31st day of March, 2004.

***Resolution agreed to.***

Resolution 15.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$202,377,900 for Transportation and Government Services, Infrastructure Works, for the fiscal year ending the 31st day of March, 2004.

***Resolution agreed to.***

Resolution 15.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$25,879,700 for Transportation and Government Services, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2004.

**Resolution agreed to.**

The last item to be considered for the Estimates of the Department of Transportation and Government Services is item 1.(a) Minister's Salary \$29,000, contained in Resolution 15.1.

Resolution 15.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,315,000 for Transportation and Government Services, Administration and Finance, for the fiscal year ending the 31st day of March, 2004.

**Resolution agreed to.**

**Mr. Maguire:** I would just like to commend the staff of the departments. There are lots of questions we could ask the minister, but I will leave those for now. I just wanted to thank them for their diligence in being here the last day and a half.

**Madam Chairperson:** This completes the Estimates of the Department of Transportation and Government Services. The committee is recessed until 10 a.m. tomorrow (Friday).

**CULTURE, HERITAGE AND TOURISM**

\* (14:30)

**Mr. Chairperson (Conrad Santos):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Culture, Heritage and Tourism. Does the honourable minister have an opening statement?

**Hon. Eric Robinson (Minister of Culture, Heritage and Tourism):** Mr. Chairperson, I do have a brief opening introduction to this section of our Estimates.

It is indeed a privilege to introduce the 2003-2004 Estimates for Culture, Heritage and Tourism. This department offers many programs and services that enhance the quality of life for people in the province of Manitoba. Among our responsibilities, the department supports the cultural community, provides art funding, classifies films and videos, oversees the public library system, provides communications, pro-

motional and advertisement placement services to government, manages government presence on the World Wide Web, preserves historic resources and manages the provincial archives, promotes tourism in Manitoba, promotes recreation and wellness for the people of the province of Manitoba.

I am particularly pleased that our Government has recognized the role played by this department in the life of the province and has provided a significant funding increase in the current Budget, the first such increase in many years in our province. You will see as we proceed through the Estimates review that this Budget provides increases for the arts and cultural community, for the film and sound recording industries, for tourism, for libraries and for a wide variety of community facilities. I know the critic, the honourable Member for Southdale (Mr. Reimer), will have some questions so I will leave my introductory remarks at that.

**Mr. Chairperson:** We thank the honourable minister. Does the honourable Member for Southdale have any opening comments?

**Mr. Jack Reimer (Southdale):** Mr. Chairperson, I would like to thank the minister for his opening remarks. I join with him in congratulating a lot of the efforts that have been put forth through the department. As was recognized by himself, the arts in Manitoba form a very intricate and very wonderful addition to the milieu of Manitoba and all the various activities, events and functions that the citizens of not only Winnipeg and Manitoba can enjoy, but also it is a showcase to an extent to a lot of things that tourists come to our city and our province for.

The support to the arts group through the various endeavours by government has always been strong. It has been strong no matter which government is in power because they recognize that it is a very valuable tool to increase tourism, to increase revenues, to increase opportunities for growth. We have seen how the seed money of the Manitoba film and sound recording development in Manitoba has actually been very fruitful over the last few years. The continuation of this Government to support it and to encourage it is also of benefit to all Manitobans.

I think that it is a credit to government in general in our province, whether it is the government in force now or the previous government or governments even prior to when we were in government, that there has been a support for the arts programs and the visual arts, or the film, and the various museums here in Manitoba. The museums not only here in Winnipeg but throughout Manitoba also benefit from some grant monies that flow through the department. It is something that is quite viable. This is something that our party would support in its efforts in the sense of where the emphasis is in creating new jobs and new positions of exposure to the public through the various areas of tourism and that.

I do have a few questions to the minister, so with that I will close my opening comments.

**Mr. Chairperson:** Under Manitoba practice, debate on the item Minister's Salary is traditionally the last item considered for a department in the Committee of Supply. Accordingly, we shall now defer consideration of line item 14.1.(a) and proceed with the consideration of the remaining items referenced in Resolution 14.1.

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

**Mr. Robinson:** Mr. Chairperson, joining us this afternoon is Mr. Dave Paton, the acting deputy minister, Ms. Pat Tooth, the acting assistant deputy minister for the programs division, and Mr. Hubert Mesman, the assistant deputy minister for the Tourism division.

**Mr. Chairperson:** Does the committee wish to proceed through these Estimates in a chronological item-by-item manner or have a general global discussion?

**An Honourable Member:** Global.

**Mr. Chairperson:** Global discussion, so agreed. The floor is now open for questions.

**Mr. Reimer:** Mr. Chairperson, I just wanted to get a little bit of information from the minister in regard to—I was just looking at the organizational chart lines here and I noticed that there are some

new boards established. I was wondering if the minister could give me a little more information on the Ministerial Advisory Committee on Tourism board and whether it has been formally established and who the members might be on that board.

**Mr. Robinson:** Mr. Chairperson, as the member knows, the Ministerial Advisory Council on Tourism is comprised of 27 people from the industry, from the hospitality industry, restaurant owners, other people. It is chaired by two very capable people, co-chairs Mr. Doug Stephen and Mr. Max Johnson, both prominent business-people in the community. Also joining them will be Chief William Young of the Bloodvein First Nation.

In addition to the work that the ministerial advisory council has done on enhancing opportunities in the tourism industry, we have asked a group of leaders from the Aboriginal community to build within the work that they are doing an Aboriginal component. We feel the work that they have done has been very important. As a result of their work, that work is important to incorporate into the overall provincial strategy that we envision and that is going to be built in and that will be done through the participation of Chief William Young, who will advance the views of the leadership group that is examining tourism opportunities on the Aboriginal side.

But I believe that we cannot move forward in the tourism industry without having all elements and all bases covered. So we look forward to the ongoing participation of the 27 people, including the co-chairs that I indicated, Chief William Young of Bloodvein, who will incorporate some of the Aboriginal thoughts on the industry itself. Whatever the vision may be as we move into the public-private idea of tourism, we will, I believe, incorporate the thoughts of most Manitobans on the tourism industry, Mr. Chairperson.

**Mr. Reimer:** Has the committee met very many times since its inception?

\* (14:40)

**Mr. Robinson:** The Advisory Council was assembled in November, 2001. Since that time



they have met a total of four times. The last time that they met was during the Rural Forum in Brandon. I understand that the next meeting will occur in either late October or early November.

**Mr. Reimer:** I thank the minister for that information. One of the other new councils is the Manitoba Community Services Council. Maybe the minister could give me a little bit more information on that council, the membership and the number on that and also, at the same time, whether that has been meeting on a regular basis and what its function is too.

**Mr. Robinson:** Mr. Chairperson, the Manitoba Community Services Council is a council that has been around for at least 15 years. It has just a little under \$2-million budget. It has the capacity for 18 members on its board. The Province does have the capability of appointing up to five members on the board; however, the Province has not done that in recent months, and we are working on ensuring that there is some provincial representation on this board.

It is a non-profit council and its primary purpose is those things that I described, and we will be ensuring that the provincial appointees are made and the former community services program that operated within our department was incorporated into the auspices of the Community Services Council, therefore giving the Community Services Council more opportunity and more resources; however, unfortunately, to date we have not appointed the provincial representation on this council, but that is something that we are working towards at the current time.

**Mr. Reimer:** Mr. Chairperson, Venture Manitoba Tours. Could the minister give me a bit of an outline as to the structure and direction of that subsection in the organizational chart?

**Mr. Robinson:** I know that this is probably the first time that this appears on the organizational chart, Venture Manitoba Tours. The way it is structured, it is an organization where the responsibility lies with the Province on this. It could be considered a special operating agency of Government as opposed to a Crown corporation.

It operates with seven members on a board of directors, which includes the chair, Bob Sparrow, Michael Averbach, Jim Baker, Sharon Holtz, Donalda Schindler, Aidan O'Brien and Clif Adams are the persons that are currently serving on this board of directors.

What the Venture Manitoba Tours does, of course it has responsibility over the Hecla Island Resort and also the Falcon Lake Golf Course. Hecla, of course, is recognized as one of our premier tourist destinations in Manitoba, possessing many of the natural and historical attributes that tourists are looking for.

The island and also the resort particularly and the golf course there attract nearly 150 000 person visits annually and boasts about 1000 kilometres of mid-boreal lowland forests and lakes. The park has approximately 213 campsites, 115 permanent cottages and 15 rental cottages. Recreational amenities include over 100 kilometres of snowmobile trails, 40 kilometres of hiking and skiing trails and many beautiful beaches. The resort was built back in 1973. It employs 120 people at the current time and generates about \$40 million in economic activity in that region.

We are working with the board and management on identifying the requirements for the facility to be competitive. We believe there are many opportunities that do exist, whether we as a government continue operating it or if there is a time in the future that we should move it out of the Government's hands and perhaps have it placed elsewhere.

I just want to indicate the users of the resort found it to have exceptional value, particularly the golf course and the natural beauty of the part, as one of the key reasons they would return to that area. Of course, the Falcon Lake Golf Resort, as described by one newspaper in this province, I believe the exact wording of the article was that it was just as good if not better than the Augusta Golf Course. We are very proud of the Falcon Lake Golf Course, which is also part of the Venture tours portion that we see in the Estimates papers. I hope I have given the member an overview of what that means.

\* (14:50)

**Mr. Reimer:** I am, from previous exposure, aware of the Venture Manitoba Tours and as pointed out being now put in as a line item in his Estimates book, in the organizational chart, I should say, which prompted the question.

If I recall, and the minister can correct me if I am wrong, the Venture Manitoba Tours operated as he mentioned similar to an SOA. Has it shown a return of paying down some of the outstanding debt that was associated with the original when it was first set up? I know there was a slow repayment schedule put in place. I was just wondering whether there is still an outstanding amount on the books in regard to the Venture Manitoba Tours.

**Mr. Robinson:** The board has made an attempt to try and accommodate the request of government in paying down some of the debt the facility has accumulated, particularly the Hecla resort. They have employed a modest schedule to try and pay down the debt.

What did not help was, of course, the member will remember this, back in 2001 when the Norwalk virus was identified at the facility, and, as a result, the facility was closed for two weeks. But it was not so much the closure but the reputation that accompanied the unfortunate incident at that time.

It is something that our Government is actively looking at pursuing. It is something that we take very seriously. The facility has a 93-room hotel with a dining room, lounge, coffee shop, meeting and banquet facilities and also a recreation complex. The golf course is also a part of this. It is a championship golf course operated in concert with the resort. But, nevertheless, challenges are there financially.

Since my appointment to this ministry, we have activated a working group that Mr. Mesman is a part of in trying to address the debt that has been incurred. Our Government plans to follow through in a very aggressive and serious manner some of the deficiencies.

I know that the member is aware of the unfortunate problems that the facility itself has experienced over the past several years. It has

been ongoing for quite a number of years, as the member will recall, and we have employed I believe an aggressive strategy from government and also these people that I indicated who are members of the board to begin addressing this issue with us and how we best deal with the issue, not only in the long run but also in the short term.

The annual report and financial statements are being reviewed by the standing committee, formerly Economic Development, and I know that the member will have greater opportunity to perhaps explore the issue at that time at that particular forum.

**Mr. Reimer:** Just another question on the organizational chart, I noticed that there is a new position here, a Human Resource Services individual by the name of Melanie Schade. My interpretation is that this is a new position. The Human Resource Services, then, for the department, in interpreting this, would be now handled within this department for the hiring of individuals.

Maybe the minister could just clarify or expound on that.

**Mr. Robinson:** Actually the position is not a new position. In fact, it is a redefinition, I suppose. What we knew formerly as human resources is delivered by sectors. I know the member being a former minister of the Crown will know that we have people like the person indicated.

She does, in fact, report to four departments, they being Industry, Trade and Mines, Energy, Science and Technology, Finance, along with our department. It is not a new position. In fact, it has always been there.

**Mr. Reimer:** Is her salary shared by the other departments?

\* (15:00)

**Mr. Robinson:** Mr. Chairperson, the person in question in fact is not paid by our department. If the member will allow me, I will respond to him by letter to get the appropriate information.

**Mr. Reimer:** That is fine. Possibly, too, I do not know whether the minister has it with him, but if he could give me a list of the staff he has in his office. If he has it with him he can just read it into Hansard or send it to me. *[interjection]* Yes, the political staff I am talking about, I am sorry.

**Mr. Robinson:** Mr. Chairperson, the special assistant is Alison DuBois, and executive assistant is Nancy Hilliard. That is the staff I have working with me.

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

I believe The Freedom of Information and Protection of Privacy Act, FIPPA as it is referred to, is still under the jurisdiction of this minister. Is that correct?

**Mr. Robinson:** Yes, it is.

**Mr. Reimer:** I relate back to May of 2000 when the former Minister of Culture, Heritage and Tourism announced a review of the Manitoba privacy and access law, The Freedom of Information and Protection of Privacy Act. I was wondering whether that review has been completed and what the status of that review is.

**Mr. Robinson:** As the member knows, FIPPA as we call it requires that a public review be conducted following five years after proclamation of the act. That began in May of this year. What we did in February of this year was set up a committee of ministers to consider how we are going to approach the review.

Subsequently, our department, I am responsible for it, began informal discussions with other departments that have responsibilities for the local bodies that fall under FIPPA, including Intergovernmental Affairs, Education, Aboriginal and Northern Affairs, Health. We have instructed a group of deputy ministers to carry on with the work. We are performing that work at the current time. We anticipate that we will be on target to meet with the deadline which is May of this year in addressing further questions that the public has with respect to it.

The commitment that was made about the review is certainly on target, I would say, Mr. Chairperson. The number of requests of course

not only bring this Government's time as a government in this province, but I know in the member's time in government, as each day passes, the number of requests grow.

If I could give an example of 2002, 73 percent of the requests that came to the Government departments and agencies were given either full or partial. That was an increase of 6 percent over that previous year where 75 percent of the requests were received by local, public bodies and they were granted access.

As the member knows, I know that in his time in government the requests are numerous. It does cost a lot of money, but, nevertheless, we take our responsibilities very seriously. We have, I believe, an excellent record of responding within the 30-day legislative time frame, which places this well ahead of most Canadian jurisdictions that I am aware of anyway. We are well underway with the review. As we carry on with the work we will keep all members of this House updated on the work that we are doing in that regard.

**Mr. Reimer:** I wonder whether when the minister was replying that maybe there was a slip of the tongue or admission or maybe I misinterpreted. I thought he said that the deadline was this May. Possibly it is next May? Is it this May that the deadline was?

I am sorry. Yes, when the minister was replying he mentioned that the review was completed or will be completed by this May, or was it the May coming up he meant, in 2004?

**Mr. Robinson:** What I was alluding to was we met the deadline to begin the review process, which was May 2003. It may have been a slip of my tongue.

**Mr. Reimer:** Has there been any review undertaken between that time and now, or is it still in the process of review?

**Mr. Robinson:** Mr. Chairperson, consultation has been ongoing. Invitations for informal discussion at the staff level have been extended to the City of Winnipeg and also other stakeholder groups representing public sector bodies, the Manitoba Municipal Administrators'

Association; Manitoba Association of School Business Officials; the Manitoba Association of School Superintendents; and the Manitoba Association of School Trustees. The invitation was taken up by representatives of the Manitoba Association of School Superintendents and also the Manitoba Association of School Trustees. No major problems, by those groups, were brought forward.

The date, for the beginning of The Personal Health Information Act, PHIA, review was December 2002, also five years after it was proclaimed. At present, Health is consulting with major stakeholders about the PHIA review and has prepared a draft discussion paper which is currently being circulated at the officials level and we anticipate that in due course. That will be made known to other people as well that may ask for it.

**Mr. Reimer:** One of the releases at that time also mentioned the fact of the establishment of a privacy and access commissioner. Is that still in the immediate future too?

**Mr. Robinson:** Certainly that will be a consideration as part of our review that our department is undertaking, but in the interim we believe that the Ombudsman is doing a good job in addressing some of these issues that the member and I are both very well aware of.

**Mr. Reimer:** Is there an end date that the minister is looking at to have everything finalized in regard to the review?

\* (15:10)

**Mr. Robinson:** The report will be brought back to the Manitoba Legislature by May, 2004.

**Mr. Reimer:** Mr. Chairperson, I was wanting to move on to a different area and that is in regard to some of the other things that the minister is responsible for. I know that there is an overlap between what happens in the building here in regard to the Pool of the Black Star. I know that it has been used extensively by a lot of arts groups and artists who have the ability to showcase their talents. It has been well used over the years as a place of recognition.

I believe that there has been a different direction taken in regard to the use of the Pool of the Black Star and recognize that Government Services is more or less in control of the building. I would think, with the arts community wanting to have access for the visibility of their products and their displays and whether, has the minister been lobbied to try to get this particular area used again for display purposes for the artists in the local community in the local community here in Manitoba?

I know that they are using those bulletin boards in the front entrance that makes it look like a maze when you walk into this beautiful building. I do not know whether that is the direction that government is going and whether the minister, in his portfolio as Minister of Culture and Heritage, has any type of influence with the building here in regard to trying to get the best utilization of some of the space. Whether the minister can answer the question, I ask it because of the fact that the artist community is the ones that are concerned about the display of their art.

**Mr. Robinson:** Mr. Chairperson, it is certainly something that I agree with the member on. The Pool of the Black Star and the artisans that display their work there is certainly a great opportunity for up and comers and even the ones that are established in the arts community.

At the current time, I am told, and our department has an interest in this, our department has not been lobbied as such to investigate the matter nor, to my knowledge, have we ever received a complaint about the area that the member identifies. However, there is a review by staff including our department led by Government Services. This is being considered, on how we maximize the use to benefit Manitoba generally with the area of the building that is a wonderful place indeed to display some of the artwork that is being produced herein our province.

**Mr. Reimer:** I do know that, as the minister has mentioned, it is a wonderful area to display the art and the talents of Manitoba and showcase these, not only to the people that come and go to this building, but to tourism that is generated through this building. It is always a positive

effect that people walk into this building and are able to go to the Pool of the Black Star and see what is going on there. I know that it has been well received by a lot of visitors and tourists that come to the building. I understand there is a movement to put some other use into the Pool of the Black Star, and I was wondering whether the minister might have any overtures as to whether it is the artists' community that is going to be using that Pool or is it some sort of other type of display that possibly his department is involved with.

**Mr. Robinson:** I am sorry, I do not have the information to indicate what the outcome of the review that is currently underway may be contemplating or contemplating on recommending to government on what the area of the building should be used for in the time to come. Certainly, I will make inquiries, and I know that the member will make inquiries as well, to the lead department on this matter, that being Government Services, and we will certainly keep each other abreast. If issues need addressing, I am sure the member can count on my support to make those requests together.

**Mr. Reimer:** I thank the minister for the questions.

I was wanting to ask the minister in regard to the Film Classification Board. I was wanting to get the numbers and the names of the members that are now on the Film Classification Board, if the minister has it handy.

**Mr. Robinson:** Mr. Chairperson, as the member knows, the Film Classification Board last year recently changed Manitoba's film classification system and we are very proud of the work that they did introducing a new system here that was used by other jurisdictions including British Columbia, Alberta, Ontario, Québec and Nova Scotia. Manitoba is only one of four provinces which classify mainstream videos available for rent or for sale or for home use. The others are Ontario, Québec and Nova Scotia.

We are, I believe, among the leaders in our country with respect to film classification. My colleague does ask me about the number of people, and there are quite a number of them. I will read them in fact into the record if he so

desires. Some of these people have in fact, since the time of the printing of this, passed on to the next world, to that big theatre in the sky, so to speak.

I will nevertheless say that currently we have the presiding Chairperson Mr. Henry Huber, Ruby Donner, Randolph Gorvie, Simon Hughes, Florfina Marcelino, Bruce McManus, Richard Nordrum, Kusham Sharma, Marcella Vezina, Astrid Zimmer, Roy Pandya, Miro Procylo, Parvin Shere, Louanne Beaucage, Karen Jacks, James Koroma, Polly Woodward, Barbara Christophe, Nikki Garvie, Edward Labossiere, Marilyn McGonigal, Rik Panciera, Steve Almas, Abraham Arnold, Shahnaz Azmat, Bev Bernhardt, Bill Backman. These are the people who are currently members of the Manitoba Film Classification Board. Just to ease the minds of the people at Hansard, I will provide a list of these names that I have read off.

**Mr. Reimer:** Does the Film Classification Board, and I cannot remember from before, but do they or has there been any movement towards the classification of video games through the Film Classification Board?

\* (15:20)

**Mr. Robinson:** Mr. Chairperson, there is no province right now that, I guess we can call it "regulates" video games; however, there is an interprovincial working group that is currently meeting and advising their respective governments. I would think that the national government would be advised as well about some of the findings and certainly I think, in due course, our representative will indeed advise us on what we should be pursuing here in our province with respect to this issue.

We are expecting that a report is going to be made available to the ministers. We will certainly keep the member and the Opposition advised of this because this is one of those issues that of course is not an issue that only the governing party takes an interest in. I know that his party would also be equally concerned about some of these games that are quite violent in nature. So I will avail myself to keeping him advised on this. Certainly when we get a copy of the report I will give him an overview of the

report or a briefing, the critic, whether it is the member or the member from Morris, I will certainly make it a priority to appropriate a briefing for them as well.

**Mr. Reimer:** The minister has identified an area, I guess, that has grown and has shown significant growth. That is the use of videos and DVDs, not only for public exhibition, but also for home use. With the technology that is used now for the manufacture of some of these, they can become very, very vivid and depict some very, you know, uncomfortable scenes that are shown not only to the public but within the private use of a television set or a viewing area.

I notice that in the objectives and the activities identified for the Manitoba Film Classification Board they do say that they do classify the 35-millimetre, 16-millimetre videos and DVDs intended for public exhibition and home use. I am just wondering what type of classification they would be putting on, or what would that entail?

**Mr. Robinson:** If I understand the question thoroughly, the items that the member was referring to on page 24 of the document, the same rules would apply that I indicated earlier of the classifications that the classification board has made. I would think we are getting into an area here which I am not familiar with, and that is the regulatory area, video store rentals and so on.

We assume that these proprietors of these places would respect the laws of our province in ensuring that some of the graphic material that the member and I are both aware of is not rented out to people that are not of age, but if we are talking about what is available through the Internet as an example, then we are talking about a whole different area. That is very, very difficult to enforce. I just want to say that we hope that the new system that we introduced last year will regulate access by teenagers to violent action in horror movies like, I believe the movie was called *Hannibal*, a scary movie.

We are very concerned about the accessibility of films that contain a lot of graphic material like those to people that are of a tender age, if I may say that, and I believe that the

classification that we have currently is something that is a leader in Canada certainly, but if the member does have a recommendation on how we proceed with other areas, we would certainly like to hear that, and I will pass the information on to the Manitoba Film Classification Board, but perhaps I missed the question on particularly the Internet. That is something entirely different again.

**Mr. Reimer:** Does the minister have access to how many complaints were registered with the Film Classification Board over the last year, and what mainly was the nature of the complaints that may have come to the Film Classification Board?

**Mr. Robinson:** There has been the odd occasion, and I will say a handful, where decisions were not desired by people, and as a result were going through the appeal process and then we have had to designate, of course, the people who oversee that part of our laws in this province.

But I cannot think of any more than a handful of occasions when this has occurred, where a certain classification has been challenged of a particular movie, as an example. It has happened, but it has not happened in great numbers.

\*(15:30)

**Mr. Reimer:** The minister has mentioned the various categories of the Film Classification Board. Is there a significant difference between the classifications here in the Manitoba Film Classification Board and the national film classification board?

Are they harmonized or is there a vast difference between them, between the two classifications? Are there different classes between the two of them?

**Mr. Robinson:** Mr. Chairperson, there is no national classification system. However, there is an industry classification system, and that industry classification system is quite comparable to Manitoba.

As I said earlier, Manitoba is only one of four provinces that classify the way we are doing

right now, including videos available for rental and use, or sale for home use. Those other ones are, again, Ontario, Québec and Nova Scotia, but these are relatively new. We did this in late 2002, I believe, when we introduced the new classification system in our province.

**Mr. Reimer:** I thank the minister for his reply. I would like to ask him a few questions on the Manitoba Arts Council, I guess mainly the members of the Manitoba Arts Council, and I believe their budget is in here. It is mainly the members that I was wanting to find out and the amount of money that is flowed through the Manitoba Arts Council.

**Mr. Robinson:** Mr. Chairperson, this is one of the groups, of course, that we feel very proud of for the work that they are doing in our province with respect to enhancing the arts community.

They received a \$500,000 increase in this year's Budget, bringing their total budget to I believe \$8.7 million.

Their board consists of Judith Flynn who is the chairperson, Coralie Bryant, Keith Berens, Jan Brancewicz, Liz Coffman, Robert Freynet, Suzanne Gillies, Teresa Hudson, Michael Lawrenchuk, Lucien Loisel, Roger Neil, Brian Peel, Addie Penner, Pam Rebello, Ian Ross and Derek Smith.

This group, of course, interacts and relates a lot with the arts community generally in Winnipeg. They are one of the user groups, and I believe that the Province of Manitoba is probably their sole source of funding. Certainly I think the work they do is tremendous. They should be applauded for the tremendous work they do.

**Mr. Reimer:** The minister mentioned the amount of money that was flowed through the Manitoba Arts Council. Could he give me that figure again? I am sorry, I did not mark it down.

**Mr. Robinson:** Mr. Chairperson, that information could be found on page 29 of the materials the member has. He will see that I was not too far off on my figure. Roughly, the Grant Assistance is 8.6923. I said I think 8.7. That is an increase of \$500,000 from the previous year.

**Mr. Reimer:** I was looking at the one page, you were on the other page. That is okay, but we came to an understanding.

Also, there are the line Grants to Cultural Organizations. Could the minister give me a bit of an indication of where the major amount of that money went in regard to the grants to the cultural organizations? I was trying to find it in the book. Maybe it is in there but I cannot seem to come across it.

**Mr. Robinson:** The major agencies are the Centre Culturel Franco-Manitobain, the Manitoba Centennial Centre Corporation, the Manitoba Museum, the Western Manitoba Centennial Auditorium, the Winnipeg Art Gallery, the Winnipeg Symphony Orchestra, the All Charities initiative, the Manitoba Community Services Council and the United Way of Winnipeg.

**Mr. Reimer:** There was an announcement of some funding that went to two of the large ethnic groups here in Manitoba, the Filipino community for their new centre out on McPhillips I believe it is, not McPhillips, anyway in that part of the city, and also I believe it was the Hindu Society on St. Anne's Road. Did that money come through his department?

**Mr. Robinson:** Mr. Chairperson, we do believe that money actually flowed from the infrastructure, the federal-provincial program. I do not recall those two areas the member refers to as flowing from our department. I will double-check and if we are wrong I will certainly get back to the member in writing. We are of the opinion that actually flowed from the Canada Manitoba Infrastructure Program.

\* (15:40)

**Mr. Reimer:** In dealing with the Manitoba Arts Council, could the minister explain what the Arts Stabilization Manitoba Fund is?

**Mr. Robinson:** Yes, Mr. Chairperson. I cannot speak for the other portions of the organizations as far as the funding, but certainly on the part of the provincial government, we have provided to this group \$1 million over five years. We are currently in year three of that arrangement. What the arts stabilization program is intended to do is

to stabilize arts groups and to find innovative ways of perhaps attracting audiences to their events, marketing. Audience development, I suppose, is the term that has been used. That is the primary effort of this particular group that is a very important part of our community and has done good work as well in assisting the arts community in Winnipeg and in Manitoba.

**Mr. Reimer:** One of the things that I believe still takes place every year is that there is a panel that goes out looking for additional art for the government buildings and actually sometimes even ends up in the ministers' offices. I was wondering whether that process is still—I have had some too, wonderful art—ongoing and if it is, what type of dollars have been allocated to add to the Government's art collection. Recognizing that here in Manitoba, we have some wonderful artists and the idea of supporting the local artists, I believe, is something that is of great fruition in the sense of having their art displayed in some of the government buildings, in the hallways of not only this building here, the Legislature, but also the public buildings throughout all of Manitoba.

If I recall, the collection was not only for artists that live and reside here in Winnipeg, but there is also an effort to do collections throughout all of Manitoba and in all the various venues of art, whether it is in the visual art or the three-dimensional art or in the other artists of glassware and pottery. It has been very, very beneficial in the sense of not only enhancing the beauty of some of the ministers' offices, but some of the offices throughout the government buildings with the paintings and the artifacts. I know there is a process of selection and monies allocated. Maybe the minister could give me a bit of review as to what has happened in that effort in, say, the last year or so and whether this will continue to go and whether there has been an effort to do an art purchase for this year.

**Mr. Robinson:** Mr. Chairperson, as the member knows, at that time when the Member for River East was then the minister responsible for this department and the Member for Southdale was at that time the legislative assistant, he did serve on the panel. At that time he would know as well that the budget for purchasing art was in the neighbourhood of \$27,000. In the last few years, that budget has come down to \$13,300, to be precise. In this current year, we have spent

\$3,500. There remains roughly \$9,700 in that budget. The work is ongoing. I am advised by staff that a committee to do this work has not been appointed for this coming year.

**Mr. Reimer:** Will the minister still be utilizing a committee to do the recommendations to him for purchase?

**Mr. Robinson:** The answer is yes.

**Mr. Chairperson:** Is there agreement that the committee recess for five minutes? *[Agreed]*

*The committee recessed at 3:46 p.m.*

*The committee resumed at 3:51 p.m.*

**Mr. Reimer:** I just have a few more questions I was going to ask the minister and then we can finish up the line by line on this.

Today it was announced that the Winnipeg Symphony got an additional one-time grant of \$120,000. Did this money come out of the department that the minister is involved with or was this possibly something that came out of a different type of department?

**Mr. Robinson:** Yes, from existing resources from within the department that are going to flow over two years.

**Mr. Reimer:** Then what I am hearing is the \$120,000 will flow over a two-year period. It is not \$120,000 per year over two years. Is this correct?

**Mr. Robinson:** That is how I interpret it.

**Mr. Reimer:** I just want to thank the minister for his answers. I know we have not had a chance to get into some, a lot of the depth into some of the other areas, but I do thank the minister for his candour in answering the questions in regard to this department. At this time, I am ready to proceed with the line-by-line expenditures.

**Mr. Chairperson:** Shall we pass the minister's salary?

Resolution 14.1?



**Some Honourable Members:** Certainly.

**Mr. Chairperson:**

Resolution 14.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,839,000 for Culture, Heritage and Tourism, Administration and Finance, for the fiscal year ending the 31st of March, 2004.

*Resolution agreed to.*

Resolution 14.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$40,547,600 for Culture, Heritage and Tourism, Culture, Heritage and Recreation Programs, for the fiscal year the 31st day of March, 2004.

*Resolution agreed to.*

Resolution 14.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,687,600 for Culture, Heritage and Tourism, Information Resources, for the fiscal year ending the 31st day of March, 2004.

*Resolution agreed to.*

Resolution 14.4. RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,378,300 for Culture, Heritage and Tourism, Tourism, for the fiscal year ending the 31st day of March, 2004.

*Resolution agreed to.*

Resolution 14.5. RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,056,300 for Culture, Heritage and Tourism, Capital Grants, for the fiscal year ending the 31st day of March, 2004.

*Resolution agreed to.*

Resolution 14.6. RESOLVED that there be granted to Her Majesty a sum not exceeding \$331,400 for Culture, Heritage and Tourism, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2004.

*Resolution agreed to.*

This concludes the Estimates for this Department of Culture, Heritage and Tourism. The next set of Estimates that will be considered by this section of the Committee is the Estimates of the Department of Sport.

Shall we continue or do we want to recess?

**An Honourable Member:** No, just keep on talking.

**Mr. Chairperson:** Keep on talking.

## SPORT

\* (16:00)

**Hon. Eric Robinson (Minister of Sport):** Mr. Chairperson, I am pleased to have the opportunity to make some brief opening remarks on the 2003-2004 expenditure Estimates for Sport. I would like to say that the role of Sport is three-fold. First, it provides financial assistance to Sport Manitoba and other major sport initiatives and ensures compliance with the terms and conditions of funding arrangements between the Province and these entities.

Second, it represents the Province in inter-governmental affairs relating to sport and coordinates provincial partnerships and support for major sporting events such as the 2003 Western Canada Summer Games and the 2003 World Curling Championships.

Third, it provides a liaison between the provincial government departments and agencies and Sport Manitoba with respect to provincial sport policies and program implementation.

Sport has had a very exciting year here in our province, and we are very proud to be a part of that success. I would like to limit my opening remarks to that. Thank you, Mr. Chairperson.

**Mr. Chairperson (Conrad Santos):** We thank the honourable minister for those comments.

At this time we invite the minister's staff for Sport, if there are any, to join us at the table and ask that the minister introduce his staff in attendance.

**Mr. Jack Reimer (Southdale):** I just have a few questions in this area for the minister. One of them is in regard to the Grant Assistance in the Estimates book, and I notice that the Grant Assistance in the major Sport initiatives is down a fairly significant amount in that one category.

I wonder whether the minister could just give me an outline as to why that decrease is so significant.

**Mr. Robinson:** Perhaps before I carry on, I should, again, introduce our staff, and I introduced both other gentlemen before, Mr. Mesman and Mr. Paton. We are also joined by Mr. Terry Welsh, the executive director for Sport for our department.

Why the indication on that line is that there has been a reduction, it is because of the Winnipeg Football Club reducing the deficit that they had accumulated over a period of time. Therefore, they have done a great job in bringing down their debt, and thus it is indicated in the documents.

**Mr. Reimer:** One of the things that is indicated in the Expected Results for the expenditures of monies is the increased acquisition of major games and national or international athletic competitions for Manitoba.

Is there anything underway right now as to try to attract other competitions or other major sporting events for Manitoba, say within the next year that possibly are being budgeted for at this time?

**Mr. Robinson:** We have been very fortunate in our province in that last year we hosted the North American Indigenous Games.

We hosted among four communities at Stonewall, Gimli, Selkirk and Beausejour the Western Canada Games this past summer. It was well attended, and we are still receiving mail and e-mails because of the great job that the communities did in hosting the many visitors that they received from different parts of western Canada, which included, this year, the Yukon, the Northwest Territories and Nunavut.

Quite recently, in Russell, I had the opportunity of attending the closing ceremonies of the Canadian Fly Fishing Championships, something that the member from Russell and I attended, and we are also making plans for the 2005 Canadian Francophone Games, the 2006 Canadian Special Olympics that will be held in the city of Brandon.

We have a good working relationship, of course, with Sport Manitoba. Paul Robson has done a tremendous job in chairing the board and the CEO of Sport Manitoba, and Jeff Hnatiuk advise our government on a regular basis about other initiatives that we are trying to get to so that we can host in our province.

We are looking forward to other activities in the time to come including the ones that I have mentioned of the World Women's Hockey Championships and the Canadian Seniors Games as well, so we look forward to these activities in the time to come. I know that in Brandon, as well this past summer, they has the Manitoba Indigenous Summer Games, but indeed we should be very proud here collectively.

This is not a partisan issue, but indeed all of us as Manitobans should be very proud of the accomplishments we have made in promoting recreation and healthier living by all Manitobans by hosting the number of activities that we have. I think that without the volunteers and without the help of all concerned, I know that as an example, all members of this House were participating during the North American Indigenous Games. I know the Leader of the Opposition (Mr. Murray) was also a key volunteer in some of the sporting events that occurred here during that time in 2002. So we should all be proud of our activities here in Winnipeg and also in the province of Manitoba.

**Mr. Reimer:** I thank the minister for that update as to what is coming down the pipe in a sense for the sporting events here in Manitoba. It is truly a unique situation here in Manitoba whenever there is a major sporting event, whether it is a sporting event or a cultural event, the volunteers and everything come out and we are very, very fortunate here that we can host a lot of these international sports.

Other than one more question, the financial support to the Team Canada Volleyball Centre. Maybe the minister could tell me how much that is and whether that is an ongoing expenditure.

**Mr. Robinson:** That is a \$75,000 grant. That is annual and it is ongoing.

**Mr. Reimer:** I thank the minister for that answer and at this time I am ready to pass the expenditures of Manitoba Sport.

**Mr. Chairperson:**

Resolution 28.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$10,684,800 for Sport, Sport, for the fiscal year ending the 31st day of March, 2004.

*Resolution agreed to.*

Resolution 28.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,700 for Sport, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2004.

*Resolution agreed to.*

This concludes the Estimates for the Department of Sport. The next set of Estimates that we will be considering will be the Estimates of Seniors Directorate. Do we need a recess or shall we continue?

**Some Honourable Members:** Continue.

#### SENIORS DIRECTORATE

\* (16:10)

**Mr. Chairperson (Conrad Santos):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Seniors Directorate. Does the honourable minister have an opening statement?

**Hon. Diane McGifford (Minister responsible for Seniors):** Yes, Mr. Chair, I do have a brief statement, and in the interests of brevity, knowing that the number of Estimates hours have been cut, I will be quite to the point.

As Minister responsible for Seniors, I am pleased to present the 2003-2004 Budget Estimates for the Seniors Directorate. The needs of seniors continue to be important to this Government and, indeed, to all Manitobans. In keeping with our commitment to seniors we have developed a provincial strategy called *Advancing Age: Promoting Older Manitobans*.

Seniors currently comprise over 13 percent of Canada's population, and Manitoba has the second highest number of seniors per capita in the country. By the year 2021, estimates indicate that one-third of Manitoba's population will be 55 or older.

The new provincial strategy announced in April includes short- and long-term initiatives to help plan for this growth. We will also create a co-ordinated framework of public policy and programs to address seniors concerns. This strategy focuses on issues such as housing, economic status, transportation, elder abuse, age discrimination, technology, lifelong learning, wellness, health, safety, security and care-giving. It has been developed and it will continue to develop in consultation with seniors, organizations that serve them, the academic community and representatives of all levels of government. We believe this broad-based collaboration allows an effective approach to address issues in the short and long term.

The Advancing Age strategy provides \$80,000 in new, one-time funding to four seniors organizations: Age and Opportunity, Manitoba Society of Seniors, Creative Retirement Manitoba and La Fédération des Ânés Franco-Manitobaines. These four organizations have long served seniors in our province and are essential partners in helping us achieve the goals of the strategy. This funding will support their efforts in working with us during the implementation year.

Addressing elder abuse is a provincial government priority, and our province continues to be a leader. We now have two staff delivering an ongoing program. Our elder abuse consultant is developing community-based response teams, and the seniors abuse line continues to provide information and support. We have two new pamphlets, one to increase seniors awareness of

the seniors abuse line and provide general information and one for professionals to increase their awareness of the problem, the availability of the directorate's elder abuse consultant and the Province's elder abuse strategy. We also have a new poster and a fact sheet to develop the public's awareness about abuse with contact numbers for assistance and information.

This past year the Directorate has also published three other important resources for seniors: *Questions to Ask Your Doctor and Pharmacist*, *Guide for Care Givers* and the eleventh annual edition of the *Manitoba Seniors Guide*.

The Seniors Directorate has created a partnership with the RCMP, the Addictions Foundation of Manitoba and the Girl Guides to improve intergenerational education and awareness about elder abuse, frauds, scams and addictions affecting seniors. The Girl Guides' Seniors Safety and Security badge has been piloted with one troop in Manitoba and will be extended to others in the near future.

The Seniors Directorate is also promoting a short upbeat video called *Seniors are Cool*, which gives middle-school students a new perspective on seniors, lifelong learning and active living, and dispels old myths and misconceptions about aging.

We have distributed 165 videos and resource guides to organizations serving seniors along with other interested parties throughout the province. The directorate is now developing a strategy targeting principals, Grade 5 teachers, other youth leaders and seniors' organizations in order to promote the use of *Seniors are Cool*.

Safety and security for seniors is another important area. The Seniors Directorate has partnered with the provincial Consumers Bureau and other government departments to produce the *Protect Yourself* calendar. The calendar provides helpful information to address frauds and scams. We have also partnered with Manitoba Justice and Age and Opportunity Inc. on a pilot project called Safety Aid. This program upgrades existing home safety devices and provides new ones to help prevent home invasions.

I am also aware that older Manitobans living in rural and northern Manitoba often face unique challenges. The solutions to those challenges must often be different. The Seniors Directorate has initiated a program of satellite office hours so our staff can meet with government departments, agencies and seniors to address concerns in their particular communities and regions. Last year, staff held satellite meetings in several communities including Thompson, Flin Flon, Brandon, Virden, Souris and Dauphin. This is a valuable new initiative and one that I am pleased to continue.

We are also reaching out across the country to work with other provincial and territorial governments as well as the federal government. Ministers responsible for Seniors will be meeting in November 2003 to discuss a number of important issues and to direct staff in continued efforts to collaborate on projects and share research and information.

The Manitoba Council on Aging also continues to be very active. They have addressed numerous issues including housing, property taxes and lifelong learning. They continue with an active agenda. Council was chaired by Norma Drosdowich and includes members who represent diverse interests from across Manitoba. Estimates indicate that over the next 20 years, the number of Manitobans age 65 and older will grow to a total of 225 000. We know that the profile of seniors is continuing to change. It is necessary to plan for the future as well as the current needs of our aging population. We are doing this through the Advancing Age initiative.

We will continue to work with Manitobans of all ages to ensure our seniors maintain the highest possible quality of life now and in the future. Thank you, Mr. Chair.

**Mr. Chairperson:** Does the official critic for the Opposition, the honourable Member for Southdale, have any opening comments?

**Mr. Jack Reimer (Southdale):** Mr. Chairperson, I thank the minister for her opening remarks. A lot of the initiatives that she has mentioned I am familiar with as being one time the Minister responsible for Seniors. I agree with her that here in Manitoba we do have a

significant amount of seniors, the growing portion of our population is in the seniors' area. In fact, the percentages are growing and over the next few years, the challenges I think that all levels of government face is the needs and the supply of services and care to seniors and the ability for them to participate in the community.

One of the things that seniors are very, very active with is the amount of activity that they still enjoy. I still enjoy going to seniors' events and seniors' functions. One of the things that always comes about is the amount of activity and involvement that they have not only within their own groups that they represent but also in the area of their knowledge and continual learning.

I look forward to a few questions possibly in the Seniors Directorate, and with that I will close my remarks.

**Mr. Chairperson:** At this time, we invite the minister's staff to join us at the table. We also ask the minister if she would introduce the staff if they will come.

**Ms. McGifford:** Mr. Chair, the member opposite and I have agreed that it is quite likely that I could answer his questions and if I cannot, we will refer them to the staff.

**Mr. Chairperson:** Does the committee wish to proceed through the Estimates in an item-by-item chronological manner or global discussion?

**Mr. Reimer:** We can just do it in a global discussion. There are very few questions that I have for the minister and possibly I will just ask a few questions.

**Mr. Chairperson:** Is that agreed? Global discussion? *[Agreed]*

The floor is now open for questions.

\* (16:20)

**Mr. Reimer:** Just a couple of quick questions for the minister. The minister mentioned the Manitoba Council on Aging. I recognize how

that is a very, very important part of contact to the minister and outreach into the community by utilizing people throughout the district and throughout Manitoba to sit on this council.

The one thing that maybe the minister could supply to me, she may not have it with her right now, is the members of the Council on Aging. If she does have it with her, if she can just read it into the record. If not, maybe she could get that list to me in the near future?

**Ms. McGifford:** Mr. Chair, no, I do not have the list. I can supply it to the member and will, but I do want to point out to the member. He probably knows this I am sure, his government did the same when they were in power, but we try to have a Council on Aging which reflects the geographic diversity of the province and the other diversities of the province. We are very pleased to have appointed four Francophones so that there was a strong representation from that community. Now, unfortunately, two of them, one gentleman for ill health and another person for ill health, too, have resigned. Those persons will be replaced in the near future, but I am sure we have the same aims, and I will supply the member with the list.

**Mr. Reimer:** I thank the minister for that because I know that, as it was when I was minister, you tried to get a various degree of not only the gender but also the districts and the interests throughout all Manitoba for the council, and the people involved were always very, very helpful in giving some sort of direction to the minister. I would appreciate it when the minister gets that list if she can possibly forward it to me.

Another question I have for the minister is possibly if she could also at the same time forward me—I notice that the elder abuse consultant, which is commendable, I think that is a very commendable area to have part of the Seniors Directorate, it is in the organizational chart—possibly if she could also supply the names, not only of the elder abuse consultant, but the other consultants that are involved with that area of the Seniors Directorate.

**Ms. McGifford:** Yes, I can certainly do that and will add that to my list of things to forward.

**Mr. Reimer:** In some of the seniors events that I have gone to over the last little while, there were a few comments made to me by seniors as to the structure of the Seniors Directorate and whether there is a possibility that there is a movement or looking at possibly, instead of having a Seniors Directorate, it becomes a seniors secretariat which is similar to a children's secretariat where the reporting is done right to the Legislature. I am wondering whether the minister has any comments as to whether she has been lobbied for that.

**Ms. McGifford:** What I have been lobbying for is for a group of, a Cabinet committee that would not necessarily be a secretariat, but that there would be a Cabinet committee that met regularly to discuss issues relating to seniors.

The member opposite is probably aware, it is not a secret, it has been discussed publicly in the media recently, that there may soon be a Cabinet shift. I do not know what may come from that Cabinet shift, but I know that the member understands it is the Premier who creates secretariats and not members of Cabinet.

**Mr. Reimer:** I thank the member for that. With the Cabinet shuffle, I am sure that I am not being considered, so with that I will say that we can pass these Estimates for the Seniors Directorate.

**Mr. Chairperson:**

Resolution 24.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$714,200 for the Seniors Directorate, Seniors Directorate, for the fiscal year ending the 31st day of March, 2004.

*Resolution agreed to.*

Resolution 24.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$9,400 for Seniors Directorate, Amortization and Other Costs Related to Capital Assets, for the fiscal year ending the 31st day of March, 2004.

*Resolution agreed to.*

That concludes our proceedings on the Estimates of this department, Seniors Directorate. The next set of Estimates that will be

considered by this section of the committee is the Estimates of Advanced Education and Training. Do we want a break at this point? No.

### ADVANCED EDUCATION AND TRAINING

**Mr. Chairperson (Conrad Santos):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Advanced Education and Training. Does the honourable minister responsible for the department have an opening statement?

**Hon. Diane McGifford (Minister of Advanced Education and Training):** Yes. In the interests of brevity I will be brief. I will just mention some of the highlights of my department so that we can get on to the discussion.

The budget of Advanced Education and Training for 2004-03 is \$524.8 million, which represents the 3.9% increase or a \$20-million increase over last year's budget. I am now going to address the issues of capital operating increases briefly and then we can get on with the questions. I am sure the member opposite has remarks that she wants to make.

As far as capital, our capital grants to universities and colleges this year were \$17.2 million, representing a 13.1% increase over last year; operating increases to universities and colleges, universities, a \$7.2-million increase over last year; and operating college, a \$1.4-million increase over last year in operating grants.

Funding for the College Expansion Initiative has increased to \$22 million for 2003-04.

Tuition: Since coming into power this Government has maintained tuition fees at 10% lower than '99-2000 levels. Manitoba tuition fees are amongst the lowest in Canada. They are the third lowest for universities and the lowest in fact for community colleges.

Manitoba Student Aid and the Manitoba Student Loan Service Bureau: The provision of supplemental finance, financial assistance to students who might otherwise be unable to

obtain post-secondary education, that is of course one of the responsibilities; secondly, the provision of student loan administration services; and thirdly, program funding is \$50.9 million.

A word about bursaries: This Budget contains \$6.3 million for the Manitoba Bursary; \$5 million for Manitoba Scholarship and Bursary Initiative; \$1 million for ACCESS Bursaries; and \$9 million for other bursaries and grants. As well it includes \$11.7 million for Tuition Rebate Grants, \$2.9 million for medical student residential financial assistance, \$2.1 million for Canada Study Grants and, this is not our budget, this is not within our budget, but let me mention, because we administer it, \$11 million for the Canadian Millennium Scholarship bursary.

Student loan debt levels in Manitoba have been reduced to an average of \$6,000 per year for most students through the \$6.3-million Manitoba bursary and the \$11-million Canadian Millennium Scholarship bursary. The Student Loan Service Bureau currently administers a loan portfolio of \$20 million, consisting of 8700 loans. In the fiscal year 2003-04 to August 31, 1866 loans totaling \$3.2 million were issued.

\* (16:30)

I recently announced the doubling of the payment-free period on Manitoba student loans from six months to one year for those students who are residents of Manitoba. The benefit of this extension is that it will provide students with an opportunity to advance in their career paths prior to commencing repayment of their outstanding loans.

A word or two about enrolment increases, although the member might want to ask me more about that through questioning because these figures are slightly out of date I believe: 2003-04 preliminary registrations at all of Manitoba's universities show increases between 6.4 percent and 16 percent over last year. Enrolment increases at university in 2003-04 over 1999-2000, that was the year we first became government, are projected to be 29 percent. Enrolment increases at colleges in 2002-03, we do not yet have 2003-04, over the 1999-2000 year are projected to be 21.5 percent. As I say these are preliminary.

One of the things our department is particularly interested in is Prior Learning Assessment and Recognition, sometimes known as PLAR. Our province is recognized across Canada for its integrated approach to PLAR, assisting individuals to gain academic recognition for what they have learned through previous community and employment experiences. I know other jurisdictions are very interested in this work, as is the federal government. We have committed \$3 million to this initiative over the past three years.

One of the projects we are very involved in, in our department, is the hydro pre-employment project, which will contribute to the Northern Development Strategy. We have committed \$10 million over five years. The project will be implemented with First Nations equity partners, other Aboriginal partners and northern residents.

The project is designed to ready northern Aboriginal residents for employment on construction projects, ensure residents are qualified to compete successfully for skilled construction jobs, train and place 550 to 600 northern Aboriginal residents in hydro-related projects, although we think we can do a little better than that now, and lever hydro opportunities for long-term capacity building in the North.

Another project of course that is very dear to my heart is the University College of the North, sometimes known as UCN. On September 3 of this year we announced the implementation process for developing UCN. The implementation team is chaired by a very distinguished Manitoba educator, Dr. Don Robertson. We have made an initial allocation of 500 to this unique project which will offer students both degree programs and college diplomas and certificates.

UCN will be devoted to community and northern development, reflecting the cultural diversity of northern Manitoba. With that, Mr. Chair, I will conclude my introductory remarks.

**Mrs. Bonnie Mitchelson (River East):** I want to thank the minister for opening comments and for the brevity of them because I do know that time is limited as we go through the Estimates process this year. I think she highlighted some of the things that have been undertaken since her Government came into office and since she has become the Minister of Advanced Education and

Training. There have been some changes, and I am sure some growing pains as things have evolved and the department has changed over the last few years. I want to indicate, as a new critic for Advanced Education and Training, I will be on a bit of a learning curve. A lot of my questions will be focussed on trying to understand and get information on how her department works and operates and where she believes her vision will take the Department of Education and Training.

With those brief comments, I am prepared, hopefully, to get into a bit of a global discussion. We have had some discussion between us and thought that we could leave some of the training questions till tomorrow, so that staff would not have to be tied up all of today waiting, and start with colleges and universities and an overall look at the structure and organization of the department.

**Mr. Chairperson:** Under Manitoba practice, debate on Minister's Salary is traditionally the last item to be considered for the department and the Committee of Supply. Accordingly, we shall now defer consideration of this line item 44.1.(a) and proceed with the consideration of the remaining items referenced in Resolution 44.1.

At this time, we invite the minister's staff to join us at the table. We also ask the minister to introduce the staff in attendance. The honourable minister will introduce the members of the staff.

**Ms. McGifford:** Mr. Chair, just before introducing the staff, I did want to congratulate the member opposite for her new appointment. I certainly look forward to working with her. She is, of course, a very experienced member of the Legislature and I am sure she will bring knowledge to bear on her work in this department. So I look forward to working with her. I also want to thank her for her consideration with staff today and advising us that we did not all have to hang around. I just thank her for doing that.

If I might now introduce my staff. On my right, first of all, is Louise Gordon and Louise Gordon is the Acting Executive Director for the Council on Post Secondary Education. On my left, is Curtis Nordman, the Student Support and Special Initiatives Executive Director. On Louise's right is Mary Lou Spangelo, who is the

Manitoba Student Aid Executive Director. Next to Curtis, on Curtis' left, is Claude Fortier and Claude is from Financial Administrative Services, where he is the Acting Director.

**Mr. Chairperson:** Is there agreement that there will be global discussion? *[Agreed]*

The floor is now open for questions.

**Mrs. Mitchelson:** I would like to welcome the staff from Advanced Education and Training. I know that some have dual responsibilities in serving both Advanced Education and Training and Education and Youth, so I understand the significant workload that you have in administering such important parts of government programming. I want to thank the staff for the work that you do. I know that it is a significant undertaking on behalf of students and people in Manitoba, so thank you.

Also, to the minister, I would like to thank her for providing for me the grants to universities and colleges ahead of time, but I do want to indicate that I did leave them in my office. I forgot to bring a copy of them. I am not sure how much we will get into discussing, but if there was a copy available, I did have a chance to look at them and make some notes, so if she could provide them I would appreciate it.

I also know that the deputy minister has a dual role. Both areas of her responsibilities are in Estimates in different committees, so I know she cannot be here this afternoon, but I believe that other senior departmental officials should be able to answer the questions. My questions are going to be very broad in nature, just trying to get an understanding of the organization and the responsibilities, first of all within the minister's department. So I will start with the organizational chart in front of the minister. I see under the deputy minister, there is Policy and Planning, with the manager being Elaine Phillips. I would imagine that this is the area where research and polling might be done in order to assist. Maybe the minister can correct me if I am wrong, but is this where any research might be done?

**Ms. McGifford:** Mr. Chairperson, I am informed that research is done but not polling.



\* (16:40)

**Mrs. Mitchelson:** Mr. Chair, could the minister indicate for me what types of research her department may have undertaken over the last year?

**Ms. McGifford:** Well, Mr. Chair, up until I think April the first of this year, I was also the chair of the Forum for Labour Markets Ministers, so a lot of it was labour market development research and continues to be so.

**Mrs. Mitchelson:** Mr. Chairperson, can I ask the minister whether there has been any polling research done in her department over the last year?

**Ms. McGifford:** I am informed that there has not been any polling done, Mr. Chair.

**Mrs. Mitchelson:** Mr. Chair, we will move down to post-secondary education, under the organizational chart. I know that Louise Gordon is here as the acting executive director. Can I ask how long Ms. Gordon has been in the position of acting executive director?

**Ms. McGifford:** Ms. Gordon has been in that position since January '02.

**Mrs. Mitchelson:** Mr. Chair, how is that position filled? Is it a new position? Is it a position that has been a part of the department before or is it new?

**Ms. McGifford:** Mr. Chair, in January 2002, the person who occupied that position retired. There was an advertisement for that position, and Ms. Gordon was put in that position on an acting basis and has remained in that position.

**Mrs. Mitchelson:** Mr. Chair, was Ms. Gordon working within the civil service prior to that or was she hired from outside of the civil service?

**Ms. McGifford:** Before that Ms. Gordon was the program co-ordinator for five years.

**Mrs. Mitchelson:** Mr. Chair, can I ask whether there is a reason, whether that is still an acting position rather than a permanent position?

**Ms. McGifford:** The original competition was not successful. The person who is now in the position, Ms. Gordon, was put in that position. There was a change in deputies, as I know the member knows. It is really a timing issue. That is the explanation I could offer the member opposite.

**Mrs. Mitchelson:** Under the Council on Post-Secondary Education, there is the college expansion initiative. I do not see any staff associated with that. Can the minister just indicate to me?

**Ms. McGifford:** The reporting mechanism is actually through Curtis Nordman, who is the Student Support and Special Initiatives executive director and, through Curtis, reports to the council.

**Mrs. Mitchelson:** I hope the minister will bear with me because I am just getting an understanding of how things work.

I will leave the training and continuing education questions until tomorrow because I do not think staff are here to answer the questions, maybe on the organizational chart there. Maybe there is staff here that can just answer a couple of questions on this.

I notice under the office of the assistant deputy minister the box on industry training partnerships, there is an acting director, Paul Holden. Can the minister tell me when Paul Holden was appointed as the acting director?

**Ms. McGifford:** I am informed that Mr. Holden has had that position for less than a year.

If I could just back up and provide the member a little bit more information vis-à-vis the college expansion initiative, our main person in the College Expansion Initiative is Curtis Nordman, who has, I believe, two persons who work with him. The reason for the dotted line is to indicate that college expansion initiatives are approved through the Council on Post-Secondary Education. I do not think I was clear enough on that before.

**Mrs. Mitchelson:** Paul Holden then, who is the acting director, has been there less than a year. Was he hired through a competitive process?

**Ms. McGifford:** Our best information is that we know Mr. Holden was in the department and has been in the department for some time and done some very good work. We probably do need Mr. Botting in here to really answer this question more thoroughly, but we believe that he was appointed to that position and will remain in that position until such time as there is a competition.

\* (16:50)

**Mrs. Mitchelson:** Mr. Chair. I am just looking down the organizational chart to the Hydro initiative, the executive director, Bob Knight. Is that a new position or was that part of the organizational structure before?

**Ms. McGifford:** Again, Mr. Knight has been in the department for some time and he has been reassigned to this position, but this is a new position.

**Mrs. Mitchelson:** Can I ask the minister if there are any other new positions then? This is one new at the executive level. Any other new positions within this organizational structure on Chart 1 in the Estimates?

**Ms. McGifford:** Mr. Chair, I would like to point out to the member that while it is not a new position, the executive director of the Apprenticeship branch is a new hire. We have always had the position but this gentleman has been recently hired, Mr. Dwight Botting, having become the assistant deputy minister when Ms. Rowantree became the deputy minister.

**Mrs. Mitchelson:** I want to thank the minister. So she is indicating to me then that the Hydro initiative would be the only new position.

**Ms. McGifford:** Yes, Mr. Chair, the Hydro initiative, the executive director of that initiative, is the only new position.

**Mrs. Mitchelson:** Mr. Chair, then we will move over to shared services. These are obviously positions that support both sides of the department. We have the Aboriginal Education Directorate and we have an acting director there, Helen—is it Settee?

**An Honourable Member:** Settee.

**Mrs. Mitchelson:** Settee. My glasses obviously are either not clean enough or strong enough. Might I ask how long she has been in an acting position?

**Ms. McGifford:** I am informed that Ms. Settee has been in the position for about a year or just over a year.

**Mrs. Mitchelson:** Mr. Chair, was she hired through a competitive process?

**Ms. McGifford:** She was in a staff position and was appointed as the acting director after the person who won the competition as director stayed with us for some time and then made a decision to leave I believe to go into private business.

**Mrs. Mitchelson:** Could the minister indicate to me how long the Aboriginal Education Directorate has been in place? I guess I will start there.

**Ms. McGifford:** Well, perhaps what is confusing the member is that it used to be called the Native Education branch, and I think under that title it has been with us for quite a long time, years and I think in excess of 25 years, but it has recently changed its title to the Aboriginal Education Directorate and it has had that title for I believe about a year.

**Mrs. Mitchelson:** I will move down to the financial and administrative services. The acting director, who I think is with us today is Claude Fortier. Could I ask whether or how long he has been the acting director?

**Ms. McGifford:** One moment please, Mr. Chair. My information is that Mr. Fortier has been in the position about 10 months.

**Mrs. Mitchelson:** Mr. Chair, was Mr. Fortier in the department or in the bureaucracy or was he hired from outside?

**Ms. McGifford:** Mr. Fortier has been in the department since 1991.

**Mrs. Mitchelson:** Mr. Chairman, has there been or will there be a competitive process for that position, to fill that position permanently?

**Ms. McGifford:** Yes, there will be a process.

**Mrs. Mitchelson:** Mr. Chair, that is all the questions that I have at this point in time. We will maybe come back to training and continuing education tomorrow.

Just as I was reviewing the detailed Estimates, I read about the two new corporate initiatives that have been undertaken in Advanced Education and Training. I guess it is department-wide, so would they be both Education and Youth. I am looking at page 5 in the detailed Estimates under Corporate Initiatives and the two department-wide initiatives have been enhanced with corporate mandates. One is the Aboriginal Education and Training and a new emphasis on policy-based research and planning.

Maybe if we could start with the Aboriginal Education and Training initiative, could the minister explain to me exactly what the corporate mandate is and what new is being undertaken with this initiative?

**Ms. McGifford:** Mr. Chair, here we are speaking specifically about Ms. Helen Settee and the supports that her department can and does provide to both sides or both departments of Education when it comes to Aboriginal education or issues affecting Aboriginal education.

**Mrs. Mitchelson:** Mr. Chair, so then I guess that would account for the change from the Native Education Branch to the directorate. Can the minister indicate to me and I do not believe we have, there is probably something back in the Estimates that might indicate how many staff years are in the Aboriginal Education Directorate and what they might be? Has there been an increase in the number of staff in that directorate in the change from the branch to the directorate?

If I could just add to that, if staff could indicate to me where that might be in the detailed Estimates, that would just help.

**Ms. McGifford:** Mr. Chair, I am informed that there are seven members in that department and that number has remained constant and that the information is in the Estimates of Education and Youth.

**Mrs. Mitchelson:** So is the minister indicating then that all of the staff years and the staff dollars are contained in the Estimates of Education and Youth and, if that is, well, I will wait for the answer to that question?

\* (17:00)

**Ms. McGifford:** I am told that they are budgeted in Education and Youth but that there is an allocated charge back to Advanced Education and Training.

**Mrs. Mitchelson:** I am just trying to figure out because it is a little confusing, would that be then under, I see an amount under Administration and Finance on page 15 of the detailed Estimates that has salary dollars at \$257,000 with no staff years attached to it. I am wondering if some of the staff salaries might be included in Advanced Education.

**Ms. McGifford:** Yes, I am informed that is the allocation.

**Mrs. Mitchelson:** I guess it looks to me, how many staff years then would be allocated to those salaries in Advanced Education?

**Ms. McGifford:** It is a partial allocation of the total salaries.

**Mrs. Mitchelson:** Okay. So, of this, I guess, if am understanding, of the seven staff years in the directorate, \$257,800 of those staff salaries are allocated to Advanced Education under this line?

**Ms. McGifford:** I want to amend what I said a few minutes ago. This is apparently the total corporate allocation of the share of services, not just for Aboriginal services, not just for the Aboriginal shared services.

**Mrs. Mitchelson:** I want to thank the minister for that clarification. I understand because it is all corporate services then, and this would be Advanced Education's portion of the staff salaries. Okay. I think I have it now.

Would there then be operating costs associated also with the directorate that would be allocated to Advanced Education and where might I find that?

**Ms. McGifford:** If the member would like to turn to page 21 of the supplemental information, I am informed the Administration and Finance listing, the 325 is the figure that she is looking for. Operating is 67.2.

**Mrs. Mitchelson:** I just want to make sure I am clear then. Of the Estimates, under Administration and Finance, 629.9 total on page 21 is Advanced Education's share of staff years and operating for the areas that have dual responsibility, or am I way off base here?

**Ms. McGifford:** I think it might be clearer if we directed the member to page 27, would it not? Here we can see that the total sub-appropriation is 325. Of that Salaries and Employee Benefits for the shared services are 257.8 and the Other Operating is 67.2, for a total of 325, which is represented on page 21 as (c). I know this gets confusing.

**Mrs. Mitchelson:** So this, then, would be Advanced Education's portion. Okay, got it.

Can I ask the minister then, under the Aboriginal Education and Training initiatives, what is happening in Advanced Education? I know they are a shared responsibility but it indicates that Aboriginal Education and Training has been enhanced. What new activities does Advanced Education and Training have under this new initiative?

**Ms. McGifford:** Two things that come to mind are, first of all, they are working in partnership with the Aboriginal Justice Implementation Committee on the establishment of the Aboriginal Justice Institute. I am also informed they are working with people from the Council on Post-Secondary Education on Aboriginal teaching initiatives. This is the kind of work they do. They work in sync with other parts of the department.

I also have information of another special project called Making Education Work, which is a dual credit program combining academic support, work experience and financial assistance for Aboriginal students in rural and urban high school settings, encouraging students to enter an education stream, et cetera. They are working in sync here with the Canadian Millennium Foundation, one of the projects we have.

We have been fortunate in receiving monies from the Canadian Millennium Foundation for some projects. Our Aboriginal Affairs Secretariat is working with that project.

**Mrs. Mitchelson:** I would imagine that staff from the directorate as well as the special projects would be asked for, input and advice on programming that is developed within the department to ensure that any issue that might need to be addressed involving inclusion of Aboriginal people in any initiatives that they would be involved in providing advice on any policy initiatives that were moving through the department.

**Ms. McGifford:** Yes, Mr. Chair, the member is quite right. I know that the member is a former minister for the Status of Women and so she would be very familiar with the ways in which the Women's Directorate worked to provide advice to other departments, in that case on women's issues. In this case, the Directorate provides information to branches within our department on Aboriginal matters.

\*(17:10)

**Mrs. Mitchelson:** It indicates here, too, under Corporate Initiatives that there is a new emphasis on policy-based research and planning. Could the minister just elaborate a little bit on that initiative and what is new in policy-based research and planning? Also, who might be the lead person in her department responsible for driving this initiative?

**Ms. McGifford:** The lead person and the work that that person does we discussed under the organizational chart. It is indeed Elaine Phillips, and the labour market work we referred to earlier when the member was asking some questions about the organizational chart.

**Mrs. Mitchelson:** Could the minister indicate to me what new policy has been articulated as a result of the research that has been done?

**Ms. McGifford:** The unit is less than a year old, so I think it is a question that could be asked of us a little bit later on.

**Mrs. Mitchelson:** I understand, when something is new it takes a bit of time to get up and

running, I guess. My question would be: What kinds of things then would be the minister's priority for research that might lead to policy development? Obviously, they must be in the process of starting some research. What are the main focuses of that research?

**Ms. McGifford:** Mr. Chair, on page 92 of the Estimates, we do have some information about policy, the Policy and Planning Branch, and some of the expected results. I might also indicate that they do research in connection with our work as members of the Council of Ministers of Education Canada. Oh, pardon, of course, the Forum of Labour Market Ministers which we have already mentioned.

**Mrs. Mitchelson:** I will be interested in finding out next year what progress has been made and what Manitoba's position is.

If I look a little further down page 5, under Post-Secondary Education, the department talks about the College Expansion Initiative. One of the aims of this initiative is to address the labour market needs by reducing important skill shortages. I would like to ask the minister if she could indicate to me where the most significant skill shortages are in our labour market today.

**Ms. McGifford:** I know the member is familiar with the fact that nursing is one of our shortages. It is something that we are working on. There are other shortages. Although the aviation industry is in a bit of a, shall we say a trough right now with events emanating from September 11, information technology—

**Mrs. Mitchelson:** Mr. Chair, those are three areas. I do know certainly about the nursing initiative. I wonder what is being done to address the shortages in the aviation and the information technology areas.

**Ms. McGifford:** Just a point of clarification. I am not sure I heard the member. Is she asking about the information technology? *[interjection]* Okay. I know that the member and I both apologize for interrupting one another.

The thing that comes to mind most of all is the Princess Street campus and the work that we

have done there. We also have opened new programs through the college expansion initiative in our other community colleges. The plan during our first mandate—we are now in our second mandate—was to put about \$4 million in Assiniboine Community College, \$2 million in KCC. We are now developing a second initiative. What is that expression? It is on the drawing board as we speak.

**Mrs. Mitchelson:** Mr. Chairperson, I would ask the minister, she indicated that there were skill shortages in information technology, when we talked about skill shortages in nursing, in information technology and in aviation. Those were three examples that the minister provided to me.

She has talked about college expansion. What programs specifically have been put in place to deal with those areas? I am a little more familiar with the nursing initiatives than I am with aviation or information technology. I was just wondering if she might expand a little bit on what is taking place. How many more spaces are there, how much of an increased enrolment? I will leave it at that and then maybe ask a few more questions.

**Ms. McGifford:** Mr. Chair, let me begin with Assiniboine Community College. I understand that last year there were monies given to a Telecommunications and Technology diploma, \$308,300, the funding to commence in '03-04, so that would be this September. How many spaces there are, I am not sure about the number of spaces there.

At Keewatin Community College, there is a Civil Technician Certificate, the cost is \$143,700. At Red River there is a phase three of the expansion of the distance education division, which of course will involve distance delivery capacity, information systems technology data base diploma, the cost is \$222,800; extended computer analyst programmer and information system technology diploma, that is about \$120,000. By the end of '03-04, I understand there will be 62 new programs in this area and that the cost will be approximately \$22 million.

\* (17:20)

**Mrs. Mitchelson:** Mr. Chairperson, I am just wondering what work has been done to determine how many people will graduate and how that will deal with the shortages that presently exist? Obviously there has been an analysis done of the shortage of skilled workers? How far will these new programs go to address the issue?

**Ms. McGifford:** Mr. Chairperson, our basic measure is that we have eliminated most of the various wait lists for these programs. We think that indicates enthusiasm on the part of students. I think our student support system is a very strong one. I know that we will probably talk about student support. In my introductory remarks I mentioned the 6.3-million Manitoba bursary. There is also the millennium scholarship and several other things that make it more affordable and possible for students to attend universities and colleges, so we think these are very strong supports for our students.

**Mrs. Mitchelson:** Mr. Chairperson, the minister indicated that there were wait lists to get into some of these programs and it looks like those wait lists have decreased as a result of the expansions and that is good news.

I guess my question would be are the programs and the numbers of people enrolled in the programs going to meet the needs of our business community for the spots or the jobs that may not be filled with skilled workers.

**Ms. McGifford:** Mr. Chairperson, I am advised that every program that comes forward for approval addresses labour market need and that it has been worked through an advisory committee which would consist of persons from the business community to vet the program to ensure that this is the kind of program that is needed for our communities.

**Mrs. Mitchelson:** So the minister, then, is telling me that there is a process that is followed that business, her department, the college work together to identify the needs and then the programs are developed as a result of that need?

**Ms. McGifford:** That is absolutely correct.

**Mrs. Mitchelson:** Mr. Chairperson, I know our time is limited today and I am not sure that I

wanted to get into universities and colleges without completing that so maybe we can do that tomorrow.

I notice in the Budget documents that were presented by the Government, it talks in great detail about Manitoba's action strategy for economic growth and there is a significant portion of this document that is dedicated to Manitoba's action strategy in education first and it indicates in this document and I will quote: More of our youth are choosing to remain in Manitoba because of the emerging economic opportunities in our province. Our priority of building a strong education system underscores a commitment to retain our youth in Manitoba. We will work with our educators in our community and business leaders to provide the education, employment and business opportunities to retain even more of our young people in Manitoba.

Can the minister indicate to me what numbers and maybe share with me the statistics or the numbers on how many youth are staying in Manitoba once they are educated because I believe in order for the Government to make the statement that more of our youth are choosing to remain in Manitoba there must be some data, some statistics, some analysis that has been done and there should be information that the minister could provide to me to substantiate that statement?

**Ms. McGifford:** If the member wanted full information, I think she should speak to the Minister of Energy, pardon me, Industry, Trade and Mines because that is the department that has the full information. I can indicate that we know about 80 percent of our nurses stay in the province and, of course, I mentioned when I was introducing the Estimates that we have extended the interest-free period for student loans. We think that is another way of encouraging young people to stay in the province.

My staff has assured us all that our new courses through the College Expansion Initiative are vetted with business, that we are sure there is a need for those courses, so that would lead one to the intuitive response that business has a need for them and they get hired and remain in the province. For more specific information, I would

advise the member to contact the Minister of Industry, Trade and Mines.

**Mrs. Mitchelson:** I want to pursue this a bit more with the minister probably tomorrow but we certainly are encouraging, and I think rightly so, many of our youth to continue with their education, to get post-secondary education so that they have an opportunity to succeed and to work and to become self-reliant. We are seeing significant increases in our enrolment in the universities and our community colleges.

I guess I wonder when I look at the Department of Education generally talking about doing policy-based research and planning whether in fact there is any attempt by the department to track graduates from our university programs, from our college programs and whether there is that kind of data being collected to try to identify for us which faculties, which courses, which students after graduation stay in our province because we know there is a significant contribution by the taxpayers of Manitoba to subsidize our youth and rightly so for post-secondary education, but I think Manitobans should be assured that those tax dollars are going to good use and that once students graduate they end up working here in Manitoba

and contributing back into our Manitoba economy through paying taxes.

So I wonder whether there is any focus or any focus being looked at by the Department of Education to track and to do that kind of analysis so we are assured that where enrolments are increasing, they are increasing in the areas that we see positive results in our graduates staying and working here in Manitoba.

**Ms. McGifford:** Of course, the colleges themselves do follow-up work on their graduates and I am sure the member has received reports from the various colleges which give her the information that she is seeking. One of the things that we are doing through the Council on Post-Secondary Education is developing indicators which will show. We have been working for a couple of years now with our universities on their doing this work, and I believe that this will be done. It is under development at this time.

**Mr. Chairperson:** Order, please. The hour being 5:30 p.m., I am interrupting the proceedings of the committee. This section of the Committee of Supply will now recess and will reconvene tomorrow (Friday) at 10 a.m.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, September 18, 2003

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