

**Fifth Session - Thirty-Eighth Legislature**  
**of the**  
**Legislative Assembly of Manitoba**  
**Standing Committee**  
**on**  
**Public Accounts**

*Chairperson*  
*Mr. Leonard Derkach*  
*Constituency of Russell*

**Vol. LVIII No. 3 – 5 p.m., Thursday, February 22, 2007**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Eighth Legislature**

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ALLAN, Nancy, Hon.	St. Vital	N.D.P.
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**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**THE STANDING COMMITTEE ON PUBLIC ACCOUNTS**

**Thursday, February 22, 2007**

**TIME – 5 p.m.**

**LOCATION – Winnipeg, Manitoba**

**CHAIRPERSON – Mr. Leonard Derkach (Russell)**

**VICE-CHAIRPERSON – Mr. Jim Maloway (Elmwood)**

**ATTENDANCE – 11 QUORUM – 6**

*Members of the Committee present:*

Hon. Mr. Selinger

Messrs. Aglugub, Derkach, Fauschou, Hawranik, Lamoureux, Maguire, Maloway, Martindale, Santos, Swan

**APPEARING:**

Mrs. Bonnie Mitchelson, MLA for River East

Mr. Ron Schuler, MLA for Springfield

Hon. Christine Melnick, MLA for Riel

Mr. Cliff Cullen, MLA for Turtle Mountain

Ms. Carol Bellringer, Auditor General of Manitoba

Hon. Jon Gerrard, MLA for River Heights

**MATTER UNDER CONSIDERATION:**

Auditor General's Report – Environmental Audits – Review of the Province of Manitoba's Management of Contaminated Sites – The Protection of Well Water Quality in Manitoba, dated November 2005

Auditor General's Report – Dakota Tipi First Nation Gaming Commission and First Nation Gaming Accountability in Manitoba dated March 2003

\* \* \*

**Mr. Chairperson:** Good evening. Will the Standing Committee on Public Accounts please come to order.

This meeting has been called to consider the following reports: The Auditor General's Report – Environmental Audits – Review of the Province of Manitoba's Management of Contaminated Sites – The Protection of Well Water Quality in Manitoba,

dated November 2005; and Auditor General's Report – Dakota Tipi First Nation Gaming Commission and First Nation Gaming Accountability in Manitoba, dated March 2003.

As announced in the meeting notice, this committee will sit until 7 p.m. this evening.

Are there any suggestions as to the order in which we should consider the reports?

**Mr. Gerald Hawranik (Lac du Bonnet):** Mr. Chairperson, I would suggest that we consider first the environment report and then Dakota Tipi. But, before we get into that, I would like to table a letter written by the Leader of the Official Opposition (Mr. McFadyen) on February 20, 2007, written to the Auditor General. The letter indicates: "As the Official Opposition, we share your office's—"

**Point of Order**

**Mr. Chairperson:** Point of order, Mr. Selinger.

**Hon. Greg Selinger (Minister of Finance):** I thought we were trying to establish the agenda. I didn't think we were trying to get into the agenda. This looks like we're trying to get into the agenda with a new item. I thought you'd asked for what the order of the agenda should be.

**Mr. Chairperson:** I think Mr. Hawranik clarified that, prior to the agenda, he wanted to table the document that he would like to have considered. Until we see the document, we will not know whether it's in order or not, I would think.

**Mr. Selinger:** I would like to suggest that we have an agenda before we start dealing with documents.

**Mr. Chairperson:** Ladies and gentlemen, we don't want to get caught up in a lot of procedural harangue at the beginning of this meeting, but might I suggest that Mr. Hawranik had suggested that we consider the environment report first and then the contaminated sites report. If that is agreeable—[interjection]—or Dakota Tipi, pardon me, would be the next one.

If that is agreeable, then we will proceed and I will ask Mr. Hawranik to table his document after we have established whether or not committee is satisfied that we should proceed with the

environment report first, and secondly, with Dakota Tipi.

Is that agreeable? *[Agreed]* Thank you.

\* \* \*

**Mr. Chairperson:** Now, Mr. Hawranik, you have a document to table, please.

**Mr. Hawranik:** Yes, Mr. Chairperson, I would like to table a letter for presentation to the committee. The letter was written by the Leader of the Official Opposition (Mr. McFadyen) on February 20 to the Auditor General. In the letter he has indicated: "As the Official Opposition, we share your office's objective of helping to ensure that taxpayer dollars are spent with a view to getting results for Manitobans.

"Since the 'Spirited Energy' advertising campaign was launched in 2006, we, along with members of the media have asked the government for a complete accounting of the public funds committed to this campaign. To date, we have not been provided with sufficient answers, notwithstanding numerous formal and informal requests. In short, there's been a significant lack of disclosure related to the advertising campaign.

"Furthermore, our observation of the campaign, supported by comments from hundreds of Manitobans (including members of the media) is that it is coming at a significant cost with highly doubtful value to Manitobans.

"We are therefore respectfully requesting that you conduct an audit into the \$2.5-million 'Spirited Energy' campaign. While the precise scope of the audit is of course your decision, we recommend that it include both compliance with authority and value-for-money considerations. We are concerned that this campaign has not been conducted in an efficient, economical or effective manner and furthermore that government resources utilized towards this campaign have not adequately met any contemplated outcomes.

"Thank you for your attention to this important issue and look forward to your reply."

Signed by the Leader of the Official Opposition, Hugh McFadyen, and the Opposition Critic for Culture, Heritage and Tourism, Leanne Rowat.

**Mr. Chairperson:** Thank you. So is that tabled for information, Mr. Hawranik?

**Mr. Hawranik:** Yes.

**Mr. Chairperson:** Thank you.

**Mr. Selinger:** Yes, when we amended The Auditor General Act in 2001, we put into the act section 16(1) that indicated when requested by the Lieutenant-Governor, the Minister of Finance or by the Standing Committee on Public Accounts, we could ask the Auditor General to audit any special organization or any organization that had received public money, including the one suggested in the letter you've just tabled. It's also very clear that the Auditor General is not obliged to do this if it would interfere with his or her primary responsibilities of the Auditor General, and then there are suggestions on reporting.

So, given that we've just established the agenda, I would like to suggest this letter be added to the agenda under the title "Special Audit on Request" as per the act, and we deal with it after we've dealt with the other items that we've just prioritized on the agenda.

**Mr. Kevin Lamoureux (Inkster):** Mr. Chairperson, I do believe that, given the seriousness, the minister actually pointed out section 16(1), which then allows the Public Accounts Committee to instruct the Auditor to do what has been, in fact, requested by the Leader of the Official Opposition. I think it's of utmost importance, and I would suggest then that we deal with this issue first and then go on to the other report.

**Mr. Hawranik:** Just a point of clarification, Mr. Chairperson, considering what the Minister of Finance has indicated. He hasn't filed a motion, I wouldn't take it, has he?

**Mr. Selinger:** No, that was a motion. I recommended that as a motion.

\* (17:10)

**Mr. Chairperson:** Mr. Selinger, if you intended that as a motion, you should write it out as a motion and hand it up to the Clerk, please.

Thank you, Mr. Selinger. This is moved by Mr. Selinger, and I will read it into the record.

I move

THAT the letter tabled by the Member for Lac du Bonnet (Mr. Hawranik) be added to the agenda and dealt with not later than 6:45 p.m. tonight.

The motion is in order. Are there any questions?

**Mr. Hawranik:** I would like to propose an amendment to that motion to consider the matter at this point, not at 6:45.

**Mr. Chairperson:** We need that in writing, Mr. Hawranik.

The motion has been amended by Mr. Hawranik, and I will read the motion.

I move

THAT the motion be amended by deleting the words "not later than 6:45 p.m." and replaced with "immediately." The amendment is in order.

**An Honourable Member:** Question.

**Mr. Chairperson:** Ready for the question? *[Agreed]*

Mr. Maguire, do you have anything? Did you have your hand up, Mr. Maguire?

**An Honourable Member:** The question has been called.

**Mr. Chairperson:** All right. Now, Mr. Lamoureux, I'm sorry.

**Mr. Lamoureux:** Mr. Chairperson, I do believe that this is an issue that is worthy of resolving, and saving it for the last 15 minutes of committee, I believe, serves no purpose. I believe that the amendment ensures that we're better able to deal with this very important issue. Public Accounts Committee does have the authority to ask the provincial auditor to look into something that needs to be looked into. This committee has some authority. Let's use that authority for the public good and request the provincial auditor to report back to us.

Mr. Chairperson, based on previous experiences, to say that we'll debate the issue at 6:45, as opposed to now, at least the minister's acknowledged the importance of having it on the agenda. There's nothing wrong with dealing with it now. If he only feels it's going to be 15 minutes, well, in 15 minutes it'll be over with, and we'll be able to move on to the rest of the agenda. So what's the opposition to dealing with it now as opposed to at 6:45?

**Mr. Chairperson:** Thank you, Mr. Lamoureux.

**Mr. Hawranik:** Yes, I would concur with the member from Inkster, Mr. Chairperson. It's worthy to deal with it now. It's a very important issue that we have to deal with in terms of the Auditor General's possible audit of the "Spirited Energy" campaign. It's the government's motion. I'm not sure why they'd

want to delay it to 6:45. Are they not ready to speak to their own motion, Mr. Chairperson?

We're willing to deal with it immediately, and clearly it's just another tactic by government members to try to pass reports sometimes that require a lot of debate and one of which is the environment report which is first on the agenda. Clearly, we want to be able to have a full access to the minister responsible for the environment in terms of what they've been doing with the environmental report, and we can deal with it very quickly at this point. I'm not sure why they're stalling at this point, Mr. Chairperson. We're prepared to do it, and I would request that we deal with it immediately.

**Mrs. Bonnie Mitchelson (River East):** My colleague, I'm afraid, is being much too kind, indicating that he doesn't know what the government's agenda is because we heard quite clearly from the government that they would like to hold this committee to ransom, blackmail this committee, and say pass the other reports or we will not deal with this issue. We heard it clearly from the member from Elmwood, and we heard it clearly from the minister that's sitting at the head of the table. So, in two instances now, we have heard members of the government say pass our other reports first or we won't deal with this very important issue.

Let's put it on the record. Let's tell it like it is, Mr. Chairperson. We have a government that is on their own agenda. They want to cover up, and they want to hide the circumstances surrounding the "Spirited Energy" campaign. We've seen time and time again that they have tried to ensure that the taxpayers that are paying for the "Spirited Energy" campaign have no access to the information and the details. It's something that needs to be dealt with, and I would suggest that we get on with dealing with it. We don't have to wrangle like this. Let's take the 15 minutes right now, get it dealt with and, as the Premier (Mr. Doer) has indicated, he's not afraid of any audit of this program. So let's get on with it and get through the process right now and spend the needed time that we need to spend tonight on the other very important reports.

**Mr. Selinger:** Mr. Chairperson, the letter was tabled. There was no motion to deal with it. It was only the government side that actually put it on the agenda so it could be dealt with. They had tabled the letter and just left it at that. We're moving the agenda forward by putting it on the agenda so there can be a vote on it through a proper motion.

We're also following the agenda which was publicly advertised. We have officials here. We have ministers here. We owe them the courtesy of dealing with their reports that are in front of us, and then at a specified time, as per the motion, dealing with the tabled letter which, unfortunately, the members of the opposition didn't even have the courtesy or the forethought to put it in a motion so it could be dealt with. We're constructively dealing with this.

I call the question.

**Mr. Chairperson:** Ladies and gentlemen, let's hold our applause, please.

\* (17:20)

**Mr. Ron Schuler (Springfield):** Mr. Chair, I, too, find it a little bit strange that this committee would somehow disagree with the wisdom of the Premier as spoken today in the hallway where, when approached about an audit on the issue that we're talking about, he said, let's bring it on. Bring it on.

So I would suggest there is a motion that the Member for Lac du Bonnet (Mr. Hawranik) has, wanting to put on the table. Let's deal with it. Let's vote on it and move on. As the Premier said, bring it on. Let's move it on and deal with the two issues that are on the agenda. Unfortunately, it was something out of our control. It was a recommendation that it be brought to this committee, which we did. It was brought in a proper fashion. It was done in the right way. What the government is trying to do is they are trying to undermine their Premier. They are undermining the leader of their party by not bringing this on, and we are going to encourage them one more time. Let's move this on to the Auditor, and then deal with the two matters that are on the agenda. I would suggest that the government members agree with their Premier and allow this to move on to the Auditor.

**Mr. Chairperson:** Mrs. Mitchelson, did you have another comment?

**Mrs. Mitchelson:** Yes. Maybe, on a point of clarification, I guess the question I would ask is: Are government members on this committee then saying that at 6:45, or possibly earlier, is it only if the other two reports are passed, or are we going to interrupt the business at quarter to, and pass the motion to have the Auditor review the "Spirited Energy" campaign?

**An Honourable Member:** The motion is clear.

**Mr. Chairperson:** Thank you. I will read the amendment first and then the motion.

I am sorry, Mr. Lamoureux—

**Mr. Lamoureux:** Mr. Chairperson, I am sorry. I just want to make sure that the minister of energy agreed with the comments that were put on the record by the Member for River East. I am not too sure if he was listening to everything she said, but it's there.

**An Honourable Member:** It's in the motion.

**Mr. Chairperson:** I am now going to read the motion after having heard the spirited debate. We will now go to the amendment and I will read it for your edification.

Moved by Mr. Hawranik, this is the amendment:

I move

THAT the motion be amended by deleting the words "not later than 6:45 p.m." and replacing it with "immediately."

Shall the amendment pass?

**Some Honourable Members:** No.

**Some Honourable Members:** Yes.

**Voice Vote**

**Mr. Chairperson:** Those in favour, please say yea.

**Some Honourable Members:** Yea.

**Mr. Chairperson:** Those against, please say nay.

**Some Honourable Members:** Nay.

**Mr. Chairperson:** In my opinion, the Nays have it. I declare this amendment lost.

**Mr. Chairperson:** Now we will go to the main motion.

Moved by Mr. Selinger: I move

THAT the letter tabled by the Member for Lac du Bonnet (Mr. Hawranik) be added to the agenda and dealt with not later than 6:45 p.m. tonight.

Shall the main motion pass?

**Motion agreed to.**

**Mr. Chairperson:** At 6:45 this committee will then pause in its deliberations of the report that it is on at that time, and will move to the consideration of the motion that was put forth by Mr. Selinger, or—I'm sorry—the letter.

Has everyone a copy of this letter now? We'll make sure that everyone has. Thank you.

**Mr. Larry Maguire (Arthur-Virden):** Mr. Chairman, just as a point of clarification on that issue, it was indicated that we would deal with this issue of the "Spirited Energy" at 6:45 or before at that time. As the minister has indicated, they wanted to pass that motion at that time. Would they be amenable to moving it up and dealing with it now?

**Mr. Chairperson:** Excuse me, if I may, ladies and gentlemen. With regard to your question, Mr. Maguire, the motion has just been passed that clearly identifies that it will be dealt with at 6:45 p.m. Not later. Not sooner. Okay? Thank you.

Now we will turn our attention to the consideration of the Auditor General's Report – Environmental Audits – Review of the Province of Manitoba's Management of Contaminated Sites – The Protection of Well Water Quality in Manitoba, dated November 2005.

I ask the minister responsible to take her place at the table.

Does the honourable minister wish to make an opening statement? Would she also, please, at this time introduce the officials in attendance?

**Hon. Christine Melnick (Minister of Water Stewardship):** I do not wish to make an opening statement, Mr. Chair.

I'll introduce the Deputy Minister of Water Stewardship, Mr. Gerry Berezuk.

**Mr. Chairperson:** We thank the honourable minister.

Does the critic for the official opposition have an opening statement?

**Mr. Cliff Cullen (Turtle Mountain):** Mr. Chairman, I do want to acknowledge the Auditor General's office for their foresight in looking at well water quality, in fact, water quality throughout Manitoba. I think Manitobans all recognize that water is a very important resource for us here in Manitoba. It has been in the past and certainly will be in the future. So I certainly hope that the Auditor and their office will be undertaking further reviews of water management and the water resource we have in Manitoba in the future.

Obviously, on this side of the House, we're certainly concerned about all water throughout Manitoba, not just the drinking water, but also the

agriculture, industrial water and recreation water. Obviously, the other issue really on Manitobans' minds right now is the Lake Winnipeg issue, and, certainly, with the large watershed we have draining into Lake Winnipeg. So we're certainly glad to be able to ask some questions on this particular report, and thank you for that opportunity.

**Mr. Chairperson:** I thank the member. Thank you, Mr. Cullen.

Does the Auditor General wish to make an opening statement?

**Ms. Carol Bellringer (Auditor General of Manitoba):** One thing I wanted to point out in both of the environmental audits and, in particular, with the well water quality, the audit is conducted at a period in time, and then it takes some time before the audit is released publicly, and now we're speaking about it today. The well water quality report was done September 2002 through June 2003, prior to its being included in here. Our normal follow-up period is three years later, so at the point in time where we issue the report, we provide the findings to you at that point in time. We talk about the period during which the audit was conducted, and we make recommendations. Then it's only three years later that we follow up to seeing if those recommendations have been implemented. We may do some further audit work at that time.

So this one would normally, it's actually the date of the report that triggers the three-year period. This one, November 2005, would only be updated by our office three years later, so 2008. In the case of the well water quality audit, we'll probably do it a little bit sooner, probably do it in the upcoming year because of the timing of the time of the audit versus the release of the report. We'll know a little bit more from our perspective where things are at, at that point.

**Mr. Chairperson:** Thank you, Madam Auditor General.

Now we will move to questions. The floor is now open for questions from members.

**Mr. Cullen:** Yes, if I could, Mr. Chairman, just a follow-up question to the Auditor. You had indicated that there will be some follow-up on the ground water, the well water testing sometime in the near future. I just wonder if you could clarify that for us.

The second part of the question would be then—we're looking at 2008 for a review: Will your review

just look at what is held in this existing report, or will there be an expanded mandate in that particular review?

\* (17:30)

**Ms. Bellringer:** As I say, the normal follow-up period would be 2008. We'll probably do it in 2007, so in the current year, and you'd receive that report in 2008. So it shortens it by a year in terms of when you'll have it in your hands. We weren't intending to expand any of the audit work on the well water quality. The contaminated sites, there is a Part II contaminated sites report that we list in our operations of the office report from last year that should be released within this current period. What it is doing is not updating the report that you have before you on contaminated sites, but rather expanding that one into the Crowns and into a few other areas. So we've referred to it in this report that we're limited in the scope of what we looked at here and we expanded that in Part II that you'll receive in 2007.

**Mr. Cullen:** Yes, I appreciate that response. Given that there has been a fairly fundamental change in terms of the government structure dealing with water with the Water Stewardship and then there have been some changes within Water Stewardship over the last month or two as well, do you, as the Auditor, think there will be any problems in ascertaining the information you will be seeking in your next report? Going back, I know you weren't the Auditor at the time this report was done, were there any issues there in determining and finding the information you were looking for at the time of the original report? Do you foresee any complications when dealing with different departments going forward?

**Ms. Bellringer:** I've certainly heard from the staff while I've been getting myself updated that we had full co-operation from the department. I haven't had any reason to believe that we'd have any problem getting information going forward as well.

**Mr. Cullen:** Thank you very much for that and thank you, Mr. Chairman. The Auditor has raised three main points in this report in dealing with well water quality. The first issue is inadequate public communication, which is obviously very important, and the second issue has been under-developed standards on legislation. The No. 3 issue has been limited review and monitoring practices. Again, this

reflects on the government of the day and some of the inadequacies in dealing with well water in Manitoba.

I think when Manitobans think about water, the No. 1 issue, the No. 1 public safety issue, is drinking water. I'm just wondering if the minister could update us today how many boil water advisories we have in the province.

**Ms. Melnick:** Sure. On the issue of public education, certainly we have worked very hard to work with public water systems as well as private well water systems. There has been a concerted effort to make sure that Manitobans know that we have brought back the subsidy that disappeared during the '90s for well water testing. That subsidy is 70 percent, a paid subsidy on an annual basis, and we encourage people to get their well water tested on an annual basis.

In times when there is contamination risk such as a spring run-off, such as a flood situation, such as a large prairie thunderstorm, for example, we will pay a hundred percent of that. So I'm very pleased to let the committee know that, since we've brought in this subsidy, we had in 2001 and '02, individual well users who made use of the subsidized testing, 9,500. In 2002 and '03, there are 5,900 and we've seen the numbers are moving steadily in a very positive direction as Manitobans utilize this subsidy.

What we saw for private samples: we went 9,500 in 2001; '02-03, 7,600. That showed in the year 2005-06, and I think we all remember the incredible rainstorms that happened that year. We had over 20,000 people who actually had their wells tested. So I think this speaks to a public education campaign, certainly in July and August of 2005. We again made a very concerted effort of running a three-week radio campaign, making sure folks knew about the water testing available. We ran a six-week campaign for multimedia—

**Mr. Chairperson:** Excuse me, Madam Minister, could we turn our attention to answering the question, please.

**Ms. Melnick:** Sure.

**Mr. Chairperson:** Thank you.

**Ms. Melnick:** We ran a public information campaign letting people know about dangers to water, making sure they're getting their wells tested. When we looked at the boil water advisory table, we see that 61 boil water advisories have been rescinded since '01. This is as of December 13, '06, which was the

most current information that I have here. We now see that public water systems of populations over 500 have two advisories; public water systems serving populations of less than 500 have 24. Advisories on semi-public water systems, that's 15 or less connections, have 21. Advisories on communities using public wells and contaminated ground water sources, nine; advisories on aquifers are four. Just in case you want a round number, that's 60.

**Mr. Cullen:** Mr. Chair, I thank the minister for her comments. I knew she would get to the answer eventually. The Auditor did point out to the inadequate public communication. At one point in time, the boil water orders were quite public. They were available through the provincial government Web site. I would think the public would be quite interested in which particular areas or sites or whatever recreation facility they might be attending to or, in that matter, whatever community they might be going to, if that particular community had a boil water order, so that they could make plans for their trip or holiday or whatever it plans to be.

Why is the boil water listing not available on the government Web site?

**Ms. Melnick:** Well, certainly, lists are available to whoever would like a list. I am not sure that lists were kept during the '90s, so I don't know that they were actually available on the Web site. I do know that when we started to really invest in drinking water, which was '99 and on, during the '90s there were two officers of drinking water. We created 12 new positions, so there are now 14. It is then, since we've been working on our public education campaign, since we've been making Manitobans aware of getting their wells tested, that we have seen communities move on and move off the boil water advisory list. So it is a living list. There are communities that move on, that move off.

It is important to note that the public education campaign and working closer with communities around safety of water will mean that there is more identification of concerns, and that there is more of a commitment from this government than the one in the '90s to make sure that Manitobans have safe water.

**Mr. Cullen:** Well, I thank the minister for her political statement. I don't think that really addresses the question. I'm glad to hear that the Office of Drinking Water now has 14 staff. I am assuming that

somebody in that 14 staff would be able to update the Web site on a daily basis so that Manitobans would have a fairly safe feel of what drinking water is safe and which is not, which they may have to be taking precautions for. I guess I am not clear why that particular information would be deleted altogether from the Web site.

Second to that, can you explain to us the process that one would go through to find out which communities are under a boil water issue?

**Ms. Melnick:** You simply need to phone the department, and you'll have a list sent out.

**Mr. Chairperson:** Thank you.

**Mr. David Faurischou (Portage la Prairie):** Just to clarify, it was up on the Web site for certain, and it's just asking for a reinstatement. I believe my—

**Mr. Chairperson:** Excuse me, Mr. Faurischou, could you please move your mike in closer? Thank you.

\* (17:40)

**Mr. Faurischou:** I do appreciate the minister's response. Just to clarify that it was on the Web site, easily accessible by every Manitoban prior to the last couple of years. So I ask, then, the minister to reinstate. Seeing that there is additional staff, I would believe that is quite a reasonable request.

In regard to the boiled water orders, what is then the source of the water for those 60 boiled water orders? Is it primarily surface water origin to these boiled water orders or are they primarily from ground water sources? Do you have a breakdown as to how many emanate from ground water and how many emanate from surface water sources?

**Ms. Melnick:** Well, water sources are from a variety of sources. Some can be individual private wells; some can be aquifers; some can be ground water. There's a whole variety.

**Mr. Faurischou:** It is very much of a concern insofar as that, in fact, most of the ground boiled water orders are emanating from a ground water source, and whether we start to sub-categorize them as to whether they're in sand veins, sand points, whether they're in aquifers or whether they're fed by springs. We're concerned with ground water quality in this report, and I'm very concerned as to how many of the 60 boiled water orders actually come from sources that would be covered within this report.

**Ms. Melnick:** Well, are you wanting an actual breakdown in numbers? Is that what you're

requesting? We can look at that and get back to you on that. I don't have that with me right now.

**Mr. Faursehou:** So within your reporting, then, your department or your office does not request from the department as to the source. So what you're saying here is that you have to go back to the department and ask for additional information. I'm asking this question on the basis that I think this is pretty fundamental as to whether it's oriented from surface water or ground water, because if it's coming from ground water on all these 60 points, then we've got a real serious situation here in our province.

**Ms. Melnick:** As I have mentioned, there can be various sources. It can be an individual well in some communities. The list is here. I don't have it broken down in the way that you're requesting the information. I have undertaken to get it for you.

**Mr. Faursehou:** Just in respect to the report and boil water advisories, this government, although it was of high recommendation when the Drinking Water Advisory Committee, chaired by the Chief Medical Officer of Health, issued their report back in 2000 that semi-public water systems be legislated to provide for regular testing. It is now 2007. Has the minister forgotten about the Chief Medical Officer's recommendations, or is their department going to be enacting legislation to address this recommendation?

**Ms. Melnick:** The Drinking Water Safety Act, in fact, does cover semi-public systems. It's the first time that it's been covered, those systems, in the history of our province. So that certainly was taken very seriously and has been acted on.

**Mr. Faursehou:** So what the minister is saying—even though the legislation has been passed, I'm asking whether or not the regulations are in order to be able to make certain that this, in fact, is now practised. That's the question I had.

**Ms. Melnick:** The regulations will be brought into force very soon.

**Mr. Faursehou:** So what we're still saying, though it's been virtually seven years, and even though the legislation has been passed, we're still yet to have the proclamation of the legislation with the enacting of regulations, and you said it's going to be this year.

**Ms. Melnick:** Yes. It will be very soon.

**Mr. Cullen:** Mr. Chairperson, just for clarification, then, The Drinking Water Safety Act was passed August 9 of 2002. I know there have been a lot of municipal jurisdictions eagerly awaiting the

proposed—and I say proposed. No one has seen the regulations that are maybe coming forward.

I just wonder if you could give us a commitment when those regulations will be brought forward.

**Ms. Melnick:** Yes, I think I've answered that question a couple of times now. I've said that they will be brought in very soon. This is the first legislation of its kind in Canada. It was very important that we take the time to get it right. It was very important that we looked at various situations, that we looked at what needed to be covered. This legislation, again, is the first in Canada. I think it is very important to recognize that this is a government that takes drinking water very seriously. There has been a lot of action on drinking and waste water treatment. We have since 1999 invested over \$100 million in drinking water and waste water management plants throughout the province of Manitoba, and that includes 30 northern communities where there can be particular challenges weather-wise with water treatment.

So, while we've been working on this legislation and The Water Protection Act as well, which is cutting-edge, the first of its kind in Canada, we're working on the water quality management zones or the nutrient regs, which also will be coming into force very soon. There has been a cornucopia of activity around safe water, around cleaning up of water.

I was very pleased to receive the Lake Winnipeg Stewardship Board final report which confirms that, of the 135 recommendations in that report, we've taken action on 113 of them, so that's 84 percent of the recommendations we've already acted on. That report strongly confirms that this government is moving in the right direction when we talk about safe water for Manitobans and we talk about a new way of recognizing and respecting this incredible natural resource.

**Mr. Cullen:** I will acknowledge there has been some action by the government. There certainly has been a lot of inaction by the government as well. Here we are almost five years later and regulations haven't been forthcoming.

In the meantime, we've been spending money in developing water treatment facilities and we are not even sure what the new guidelines are going to be yet. So that leads to the next question: When these guidelines come forward with whatever rules and regulations will be there in terms of water quality,

what will Manitoba's municipalities and cities be seeing or needing for upgrades to their current facilities to meet these new standards? Have those kinds of questions been asked by the government?

**Ms. Melnick:** Well, it may be interesting for the member to know that the municipalities, which we've been working with, again, over 100 throughout the province, and the \$100 million that we've invested in water and waste water treatment plants, we have been working in partnership with municipalities. It might be a bit of a different model than the member might suggest that we follow. We find in working in partnership, and what we do is we look at the plans that the municipalities would take forward to the Water Services Board, we ensure that there is a recognition of the needs of the community. Often these plans have been developed with input from the community.

So that by the time we are actually investing the money, which the member may or may not recognize as necessary—we do recognize that it's necessary, we know that we're investing in an important way. Also, it's very important to note that under The Environment Act waste water treatment plants must now include nutrient reduction. I think that's very important. Again, when we look at the health of Lake Winnipeg, if we do things right and we are able to slowly but surely reverse the current trend, the situation in Lake Winnipeg, we're actually cleaning up the entire watershed.

I think it is very important to note that we have had tremendous support from communities, that we have tremendous partners out there, that we have people with incredible vision, people who work very hard with and for their communities.

\* (17:50)

I know I have been at several infrastructure announcements just within the last while. The Minister of Infrastructure and Transportation (Mr. Lemieux) has been at several. There have been so many on infrastructure lately that we've had to sort of divvy them up around several ministers to make sure that we're all there representing our government and representing that we're all supporting our agenda on the clean water environment. It has been very nice to be there with community partners, knowing we're all working together around water.

**Mr. Cullen:** Well, I do appreciate the minister's comments and I know that government's on the "announcement a day will keep the voters away

program," spending our money to make the voters of the province happier. I guess we will see when that day arrives and will see what the voters of Manitoba are thinking.

The other comment I want to make, and just a reflection on the minister's comments in terms of working with organizations throughout Manitoba. It reminded me the Office of the Ombudsman is currently investigating the government under The Water Rights Act and some of the inaction that has been taking place there in terms of regulations dealing with drainage issues. So it will be certainly interesting to see what the Office of the Ombudsman comes up with in their report in terms of, probably, the negligence that the Province has undertaken in terms of drainage throughout the province of Manitoba. So we certainly will be looking forward to that. I just wonder if maybe the minister wouldn't have a comment on that specific report.

**Ms. Melnick:** Well, it's unfortunate that the member takes such a cynical view of the announcements on infrastructure, making a joke of the number of announcements, making a joke of the community support for those announcements. It does show a different way of looking at water. We know that there's not support in the opposition for the regulation of water, and that is a very sad statement, in fact. We will see what Manitobans think of a government that leads the way on cleaning up water as opposed to one who makes fun of infrastructure announcements.

**An Honourable Members:** Five years? And no regulations?

**Ms. Melnick:** Well, you know, I hear some catcalling around five years. I could go through the whole list of activities that we've had in water. Those were my comments the last time I was here. I understand that it's a bit of an embarrassment opposite to hear of what we've done around water when we look at their record, but we'll just leave that for now.

We look forward to the Ombudsman's report; certainly, we will be in full support of that report. Again, any information that she would need we'd be very happy to supply to her. Drainage is a long-standing issue. It comes from the area that we live in, which is essentially the former Lake Agassiz. When there is water in the summer, when there are prairie thunderstorms, there is an accumulation of water. So what we have to make sure what we do is reach the

balance between water on the land and water flowing off the land.

Again, I go to the Lake Winnipeg Stewardship report, and I look at some of the very innovative suggestions they've made around drainage. They've talked about drainage which would capture water which contains nutrients already, rather than have it flow into live bodies of water. They've talked about best management practices. I want to take the time to say that we've worked very well with the agricultural community and the livestock community and that they have been real leaders in a lot of best management practices. So we look forward to continuing to work with all Manitobans because we're all stakeholders in water here in this province. I look forward to working with all of them again as we reverse the current trend and gradually take Lake Winnipeg back to the pre-1970 state.

**Mr. Cullen:** Well, I want to just take a moment to applaud the work of the conservation districts throughout Manitoba that are doing a lot of good work out there and doing things on a local level helping out there, particularly ratepayers in a lot of cases not getting a lot of support from the provincial government in their efforts in that regard.

I do want to get back to these boil water orders, though. I think it's a very important aspect of water when it involves drinking water for Manitobans. I am wondering if the minister would be committed tonight to having a review of that particular issue and putting those boil water orders back on the provincial government Web site.

**Ms. Melnick:** Well, we do agree on the good work done by the conservation districts. In fact, I was out at their AGM just a couple of months ago, and it was a very, very positive experience. There were over 500 people there. We've increased the number of conservation districts from nine to 18. We are talking with other areas of the province that don't have conservation districts, but there's great, great energy and great enthusiasm.

I also want to applaud the conservation districts for moving from a municipal basis under which many of them were established to a watershed basin vision. I was very pleased to meet with and make an announcement with eight of the current CDs a couple of months ago on seven integrated watershed basis plans that they're putting together. Again, it's good to know that they have a government that is working with them and that is working around water together.

When we talk about the boil water advisories, again, we can look at the Web site, but the lists are available to individuals. We do get calls on a regular basis so we do know that people are able to access that information. Also, when there is a boil water advisory in an area, people are made aware of it. They're made aware of it by personal letter; they're made aware of it by posting in the local newspaper; they're made aware of it through posting in public places, so there is a lot of information that goes out. It's another part of a public education campaign, a public awareness campaign, something that we believe is very important when we're dealing with water.

**Mr. Cullen:** Mr. Chairman, I took the liberty to go to the provincial government's Web site today and looked up the boil water advisories; very little information on there. In fact, they do say that fact sheets are available through Manitoba Health. Then, of course, if you want to know anything about a boil water advisory, please contact.

I'm going to quote right from the Auditor General's report: "Disseminating information is a vital component of any provincial initiative aimed at protecting water quality. Citizens need to understand where and what kind of contamination is occurring, what is expected of them, what they can do and what the Province is doing."

I think now, Madam Minister, a lot of people are using the Internet as their source of information more and more all the time. I think it would just be very prudent for the government to put this information up there where it would be accessible to Manitobans, because this particular information doesn't go very far. So I guess we're looking for a commitment from you on behalf of Manitobans.

**Ms. Melnick:** I do agree that Manitobans are using the Internet more. I think that speaks to our very positive strategy on broadband, moving it throughout the province. I think it's really important, as the member pulled off our Web site today that there is information on boil water orders right on our Web site, that there is contact information to get the specific list. I know that he's asked the same question about five times. I know that I've given several different angles to the answer. I did say that we will look at the Web site. It is good that the member is looking at the Web site and is learning about what our government has done.

**Mr. Cullen:** Well, you know, we wanted to bring together another important information that the Auditor should be looking at tonight. We tried to bring that forward. The government doesn't seem to want to deal with it first-hand. It just seems to be the intent of this government to cover things up. We look at the whole Crocus scandal and the cover-ups that are involved there. The government doesn't want to call a public inquiry and be forthright with all Manitobans.

In my view and in our view this is just another sign of another cover-up that a government is trying to hide things from Manitobans. I guess at the end of the day Manitobans will have a chance to come forward and say what they think about this particular government.

I'm just kind of curious in how the process develops. How do we get to the point of having these boil water advisories? Are there people out in the field with Manitoba Health who are doing samples on a regular basis, or is it people in your department, under The Drinking Water Act, that are actually going out and taking samples, and then from there determining if these advisories should be put forward?

\*(18:00)

**Ms. Melnick:** Well, now the member has shown his true focus here, and, in fact, it's not water. His comments on Crocus show us that he is not interested in water, that he is not interested in boil water advisories. He is simply trying to use any excuse he can.

Now, fortunately, Manitobans have a government that is interested in water. We have a government that is leading the way, certainly, across Canada and most places in North America. So, yes, we will see what the people think when we do go to the polls.

Now, I think you asked for the process around determining that a boiled water advisory would be issued. Is that part of your question?

Certainly, there are different processes that can be followed. If it's a public or a semi-public system, there's regular testing that goes on. We've made sure that there are certified operators who are well trained and who are working in these public systems. If there's a concern, they would be contacting the department. They would be contacting the Chief Medical Officer of Health, and there would be a

process of testing, retesting. If there was the thought that there should be notification given, that would be determined by the Chief Medical Officer of Health. Again, the notifications would be going out to the area that might be affected. There would be personal notification sent through the Canada Post system. There would be notification in public newsletters, newspapers, and there would also be postings in public places so that there would be information spread out for people to be cautious. There would be direction given as to what activities would be suggested.

If it is a private well, again, with our public education campaign which has been very successful, we encourage people to get testing done on an annual basis. Again, we brought in the subsidy that had been taken out during the '90s. It's 70 percent during a regular test, and 100 percent during a time when there may be risk of contamination.

So, depending on the water source, meaning a private versus a public system, there would be a couple of different courses followed. Then there is continual retesting. There is finding out what the problem is. Hopefully, working to resolve that problem and get the community off the boiled water advisory. Again, since '01, we've removed 70 communities from that boiled water advisory list. So, again, that shows that we are, in fact, working with communities around safe water.

**Mr. Faurshou:** Just to pick up on what the minister said that the public was highly aware of the water-testing program as promoted by the province. In the report, it says only 14 percent of those persons contacted were aware of this water-testing program.

Can the minister now validate her statement just made that we've increased significantly from that 14 percent?

**Ms. Melnick:** Sure. I believe that was from 2002. I think the report covered, roughly, the time period of 2002 up to June 2003. The latest figures that I have are an accumulation from 2006-2007, to date, over 51,000, in fact, close to 52,000 Manitobans have had their wells tested. The testing is voluntary. So that could be on an annual basis; it could be semi-annual. It could be if there's a concern. But those are individuals who have, since we brought back the subsidy which started in 2001, about 52,000 Manitobans who have had their private wells tested.

**Mr. Faurshou:** To refine my question though, has the department surveyed since June, 2003, to

effectively find out how many Manitobans know about the program of subsidized water testing, because in 2003 there was only 14 percent of well water users in the province that were aware of the program that had been in existence for more than two years at that juncture in time? Has the department surveyed again?

I also want to make certain that the 50-plus thousand tests that have been done—many of those tests would have been repeats for individuals doing it on an annual basis or semi-annually or quarterly.

**Ms. Melnick:** Again, as our public education campaign continues, we are getting more and more people responding, so if I could just go into a bit of what that campaign is. Every spring when there's the annual thaw, there is sent out by the Chief Medical Officer of Health a press release. That press release, I believe, is picked up by many local papers, is put in the papers, and then people on a voluntary basis will respond. It is not a mandatory testing exercise, but we do recommend, or the Chief Medical Officer of Health would recommend through the press release that there be annual testing. Again, we pay 70 percent of that.

In times of—I just want to finish this—in times where there would be concern that there is recent contamination or risk of it, we would have a much more focussed campaign to ensure that people are getting their wells tested, and, again, we pay the 100 percent.

**Mr. Faurichou:** Once again, I just want to ask the minister, though, have you confirmed, or through survey since 2003 as to whether or not this is an effective advertising campaign, or is it not? You had been doing the same thing for two years, and when the Auditor General surveyed, only 14 percent of well water users knew about the subsidy program. That is a very, very small uptake for two years of advertising.

So now we've had another three years of advertising. I am asking the minister: Has she or will she consider a survey to see whether or not those are well spent advertising dollars?

**Ms. Melnick:** Again, we haven't gone door-to-door to ask people who have wells whether or not they've had testing. I think what we need to focus on is public education really getting the word out, making sure that there are continual reminders to people, making sure that we are sending out every year when we know that that can be a time of high risk, making

sure that we are continuing to educate overall the importance of getting their wells tested.

When we look at the use of public dollars, I think we have to look for the areas that we believe we will reach most people in a most effective way, and, as we have seen the numbers, you know, 52,000 people since 2001, that's fairly good. There are about, I think, around 40,000 private wells in the province. So the number of repeaters, the number of people who one time would get a test, that would be voluntary. But our focus is public education and making sure people know to get the test, making sure they know that there are the subsidies, making sure that they know who to contact in times of wanting to get their wells tested.

**Mr. Faurichou:** I just want to leave, though, with the minister, I would think it would be incumbent, and she herself would like to know whether or not the advertising program is getting the job done. Two years, 14 percent, it wasn't getting the job done then, and you're continuing to do the exact same thing. I know you're a new minister to it, but I would highly suggest that you find out whether or not people really are aware of the program through survey to ascertain whether dollars in this mode of advertising are well spent.

**Ms. Melnick:** I understand what you are saying.

**Mr. Cullen:** A question regarding the Drinking Water Advisory Committee. Is that committee still involved, in action?

**Ms. Melnick:** The committee still meets. From their final report came the Water Protection Plan, and from the Water Protection Plan came the establishment of the Lake Winnipeg Stewardship Board, came the activity around legislation and regulation, drinking water safety, Water Protection Plan. So the committee meets. They are part of the overall picture, but we have a many-faceted approach to the protection of water in the province and they are a part of it, but there are a lot of other groups as well.

\* (18:10)

**Mr. Cullen:** Mr. Chair, is that advisory group then still chaired by the Chief Medical Officer? Then, second of all, what are the reporting qualifications for that committee? Whom do they report to?

**Ms. Melnick:** The group continues to meet. The director of the Office of Drinking Water meets with

the Chief Medical Officer of Health. The Chief Medical Officer of Health would report to the Minister of Health. The director of the Office of Drinking Water would report to the ADM in Water Stewardship, who would report to the deputy, who reports to myself.

**Mr. Cullen:** Yes. Those recommendations that the committee puts forward, are they made public at any point in time?

**Ms. Melnick:** My understanding is that the recommendations were made public.

**Mr. Cullen:** Okay. Well, that's good. We'll do some investigating on that.

I just want to switch gears a little bit. I mentioned the conservation districts a little while ago, and I know a lot of them are involved in filling up old and abandoned well sites. I'm assuming they're still involved in that process. Do you know if the Province is funding that particular program?

**Ms. Melnick:** The current funding provided from the Province to the CDs is \$4.4 million, and the program of sealing wells is one of the areas through which funding can be provided from the department to the CDs. Individual CDs would put together their own plan of what their activities will be.

**Mr. Cullen:** Mr. Chairman, does the Province have an inventory of what would be abandoned wells or other areas that are likely to be contaminated that we have an eye on, that we're monitoring, or that should be addressed? Do you have any kind of an inventory in regard to those environmentally sensitive areas?

**Ms. Melnick:** Yes. For a list of abandoned wells, there wasn't a record kept previous to 1970, I believe. So the list would be 1970 on, or sometime during the '70s on, for abandoned wells.

**Mr. Faurischou:** Just for public record, I want to acknowledge the former Member for Lakeside. The Honourable Harry Enns actually did undertake in the last year of his mandate as Agriculture Minister to update that 1970s' record and to put out field staff that contacted everyone in regard to their knowledge of abandoned or non-functioning wells. I want to compliment him for that effort and the Department of Agriculture for that initiative because it did significantly unearth, if I will say, quite a number of well sites that weren't previously registered.

I'd like to hearken back to the testing which the minister said was more than 50,000 tests that had been done. Just doing the math on that, over the

course of five years, divided by the figure the minister provided, we're looking at about 8,000 wells or only about 20 percent if people test on the annual basis, and a lot of people test semi-annually or even quarterly. So we're looking at a very small number of wells.

In the Auditor General's report, it states when the tests are actually conducted. Much of the recording of the results does not have a land legal description, so a database has gaping holes in it for the department to recognize a specific area of the province or locale that has a ground water contamination concern. Has that recommendation of the Auditor General been adequately addressed? In other words, are now department gathering land legal descriptions on every water test?

**Ms. Melnick:** Thanks for that information about the previous minister. I didn't know that, but it is in fact very important work.

The Province conducts what's called pattern surveillance, so that if there's an area where there are tests showing any particular type of sensitivity, they are looked at according to the postal code. Does that answer your question?

**Mr. Faurischou:** I do want to, though, be very specific on this. Even though the department may be registering the information that it receives by postal code, the Auditor General found that the actual testing labs in many cases were not reporting the land legal description as attributed to the test results. So there was a disconnect between the actual water test results and the location of the water that was tested. I'm wondering whether or not now the department is receiving the connected information.

**Ms. Melnick:** I just need to clarify now: Are you talking about information from individuals who are getting their wells tested, for their location? Again, that can be a bit tricky. It can be a bit tricky to get forms filled out in their entirety. Certainly, the department does go back to individuals on a regular basis to get more specific information. Again, they do pattern surveillance based on the postal code, and in that way are able to see if there's anything of concern that might be developing in any particular area, based on that geographic designation from Canada Post.

**Mr. Faurischou:** I'll just quote to the minister, under section 5.5 of the Auditor General's recommendations: there is the need to have—"the ability to link test results to geographic locations is critical for

effective pattern surveillance and early detection of potential contamination." Has the department adequately addressed this recommendation?

**Ms. Melnick:** Well, I certainly believe that they are addressing this. Again, the method that they're using is the postal code. I'm not quite sure what more there is to your question. That's the method that they're using.

**Mr. Faurshou:** So we're down to a postal-code basis of pattern surveillance.

So I'm just making certain that the minister understands the recommendation because the test results, if we've got approximately 8,000 tests in a year that we are able to effectively link potential contaminated areas that are made aware of by testing, that we can then look at further evaluation of that area if in fact we do have a test that is hot.

Now, the situation with the overall testing. It was also noted by the Auditor that there was concern as to the turnaround time between water samples being drawn and the labs conducting their testing and getting their results back to the person that has submitted for the test. Can the department offer a surety to this committee that that concern has been addressed?

\* (18:20)

**Ms. Melnick:** Yes, that's another important point, knowing that when you take the samples certain tests have to be performed within 24 hours. You also have to make sure that, in the process of taking the sample, you haven't contaminated the sample. So this can be a bit of a tricky business.

The department did work with civil litigation to ensure that the contracts with all of the labs recognize the need for not only timely testing, but timely response, particularly if there is an issue of concern. The turnaround time is about 24 hours that the results would be made available. If there is a serious concern, staff will actually go out to an individual home. There are attempts at phoning. There are attempts at reaching the person as soon as possible, so I believe that this has been dealt with well by the department. There has been a renegotiation of contracts with the labs that stress these important items, making sure that we're getting correct information. If there is concern, that information is taken back to the individuals very quickly.

**Mr. Faurshou:** Mr. Chairperson, I do appreciate the minister's response and sincerity in her concern about making persons aware if there is a potential health risk, but in the Auditor General's report, in their evaluation, there were only 36 of 100 water tests that actually did that turnaround in the prescribed amount of time. Has the minister's department—perhaps I might use the term "secret shopper" to evaluate the turnaround time currently by the labs that are now contracted to the Province. In other words, has this other recommendation, which is extremely alarming to me and, I'm certain, to other committee members, been addressed?

**Ms. Melnick:** Yes, as I had said, there was renegotiation of contracts. These were worked out with civil litigation that ensured that the issues of receiving samples, testing samples within the time period—certain samples have to be run within a 24-hour time period if there is a response that is concerning; the individuals would also be notified within a 24-hour period. There could be phone calls made, there could be staff actually going out to the home to talk to people. So I believe that this has been dealt with seriously, and I believe it's being dealt with effectively within the department.

I think it's important to recognize again that the time frame of this report is now several years, almost full well next month, I guess, about four years old, and there has been action on these recommendations. Again, I think it's important to recognize that this is a government that does take water very seriously.

**Mr. Faurshou:** I'm glad the minister recognizes the time frame between discussion of the report now when the actual period in time to which the report is attributable, and which is again recognizing that the minister must be herself very concerned that many parts of the water safety act are yet to be proclaimed, which is obviously that the government is not walking the walk, even though they're talking the talk, on being green. It is very concerning to me that we have yet to see the regulations.

I know the minister has committed herself. I will recognize, once again, that the minister is new to the portfolio and is not to take the entire blame, but the government itself must take the blame for this length of time to enact the regulations, even though they may be the very first in Canada.

Getting back to the specific question that I asked, has the department, in fact, audited the contracted companies that do the water testing here in the province of Manitoba to make absolutely

certain that we are getting the results that we have contracted with?

**Ms. Melnick:** There is ongoing monitoring of the department of the contracts. There is monthly reporting from the labs to the department. There is continual contact between the department and the labs, so I believe that the department is, in fact, monitoring the work done by the labs. Certainly, there is close communication around the results of all of the tests, particularly those that show there may be a concern. So I believe that the department is doing their job in monitoring the samples, as well as ensuring that the labs that we are contracting with are living up to what they said they would be doing.

**Mr. Faurchou:** I'll have a fair amount of interest when the Auditor General, again, conducts their review of performance in 2008. The other alarming point here, too, is that there is an identification by the Auditor General that the water testing that isn't taking place, that there are no cautionary notes made between past test results and current test results that may indicate a trend. In other words, if one is looking at a certain level of E. coli and then, consistently, as year-over-year testing, the level is continuing to rise, there should then be—and I'm wondering if the department is putting in place a statement that, if this trend continues, this well may be, in fact, unusable in two years time, for instance.

**Ms. Melnick:** Well, again, our database tracks all results, and there is the pattern surveillance that takes place. If any test is showing any concerns which could be getting close to a level or seeing a level rising, there would be the response of going out and letting the individuals know that there is a concern identified, working with those individuals around ways that they can deal with the situation, and ways that they may be able to protect their water.

I have to tell you that, in areas where a well may be deemed unsafe and an individual is refusing for whatever reason to protect the well, Drinking Water officers do have the legal ability to seal up a well. So, if they feel that there is a concern that the individual owner is not willing to work on and be responsible with, they can seal up that well.

**Mr. Cullen:** The Auditor's report makes quite a few recommendations in dealing with the licensing of well drillers and monitoring of well drilling activities. There was an amendment to The Ground Water and Water Well Act passed back in June of 2005, and I am wondering if the minister can tell me if that particular amendment has been proclaimed.

**Ms. Melnick:** We believe it has been, but we can get back to you on that.

**Mr. Cullen:** Certainly, I think we all in the committee would be very interested to see if those amendments have been proclaimed.

I guess my next question was going to deal with the regulations under that particular act. I know it may be a little unfair for the new minister here, but, clearly, the Auditor made reference in a number of areas to regulations that should be changed under that particular act dealing with licensing of well drillers and, of course, well drilling activities itself.

So, does the minister know if any regulations were changed in dealing directly with the Auditor's recommendations in this report?

\*(18:30)

**Ms. Melnick:** There has been a review going on within the department, a review of the current act as well as legislation across Canada, throughout the U.S. and Europe. We are looking at ways that the act may be changed. We are looking at the most effective way of doing that.

There has also been ongoing discussion with the Manitoba Water Well Association around the act, so we are looking at the recommendations of the Auditor General. We're also looking at current legislation again, in those various different jurisdictions, and also working with the well drillers themselves, working with their official association to make sure that we are focussing in the right areas, that we're getting the information that would be most helpful.

**Mr. Cullen:** Mr. Chairman, the department indicated back in this report that they would be expeditiously proceeding with the staffing of a well driller inspector. Can you advise the committee if that particular inspector has been appointed?

**Ms. Melnick:** Yes, he has. My understanding is he has been working very effectively with the association as well as the drillers on an individual basis. One of the things that he does is he meets with drillers on a regular basis. They review any concerns, any issues and, I think, it has been a very effective and very positive working relationship.

**Mr. Cullen:** Mr. Chairman, does this particular inspector work under the auspice of the Office of Drinking Water? Also, I guess the second part to that is that particular department, would they be responsible for changes to that Ground Water and

Water Well Act? Would that fall under their purview?

**Ms. Melnick:** He works under the water quality research and management branch and also works very closely with the Office of Drinking Water.

**Mr. Cullen:** Mr. Chairman, the Auditor here has put forward quite an extensive list of recommendations for the province to carry out, and I'm certainly looking forward to what the Auditor brings forward in the next report. Now I realize it's going to take some staff time within the department to accomplish all these goals and these recommendations, but we've heard recently that there has been quite a number of staff removed from the Department of Water Stewardship. I would like the minister's comments on the recent move. So how many staff have been removed from Water Stewardship? Out of which branches have they been taken, and where are they now?

**Ms. Melnick:** No staff have been removed from the Office of Drinking Water. Approximately 32 staff years have been moved from the regional offices to I and T, and approximately 20 staff years from the Water Services Board have been moved to Infrastructure.

**Mr. Cullen:** Mr. Chairman, so for clarification, 32 regional staff have been transferred? Could you clarify those numbers for me, please?

**Ms. Melnick:** No staff from the Office of Drinking Water; 32 staff years.

**Mr. Cullen:** I just want to clarify here; 32 staff years from regional offices. I'm trying to get a big picture here. In terms of the movement of staff that were under the purview of Water Stewardship have now been taken out of whatever branch they were in and moved over to, I believe, Infrastructure. Those are the kinds of numbers I'm looking for.

**Ms. Melnick:** Okay, I'll go through it all again. No staff from the Office of Drinking Water. Okay, that's clear; 32 staff years from regional offices, recognizing a lot of the work is seasonal. Okay? I just want to make sure we're communicating here. About 20 from the Water Services Board have gone to Infrastructure and Transportation. Is that clear? Do you want me to go through it again?

**Mr. Cullen:** Mr. Chair, that's good for now, thank you. I know that we're limited for time here, so I'd certainly like to turn the floor over to my colleague.

**Hon. Jon Gerrard (River Heights):** I have a question for the minister on nitrate contamination. Could the minister tell us the number of sites where wells are presently contaminated by nitrates?

**Ms. Melnick:** I don't have that exact number, but we do know that the area with most prevalence is the agricultural area in Manitoba. Our department has worked with the Department of Health, as well as the Department of Agriculture, on a campaign to make sure that folks are aware of this. There is also, through public health nurses, information provided to individuals when they are visiting the public health nurse.

**Mr. Gerrard:** Is that location of nitrate contamination available anywhere from the department or on the Web site or anywhere else? I'm puzzled that you don't have the information.

**Ms. Melnick:** There are fact sheets provided on the Agriculture Web site, and I believe, also, on the Health Web site. We are also going to be posting one on Water Stewardship.

**Mr. Gerrard:** The "agricultural area" is a pretty broad area. Can the minister be more specific in terms of areas that are affected? Are, for example, there any issues in the region of Stonewall or Rockwood Municipality?

**Ms. Melnick:** The areas that are broadly covered through an education campaign and through notification are the agricultural areas of Manitoba. We recognize that it's very important that we have a broad campaign there. We recognize it's very important that we work with Health; we recognize it's important that we work with Agriculture. The areas that make the best agricultural land here in Manitoba often have very shallow aquifers. It is in that sort of setting that there can be concerns about nitrate contamination.

\* (18:40)

**Mr. Gerrard:** Yes, Madam Minister, the nitrate contamination can be quite serious, and it's disappointing that you don't have very much in the way of specific information rather than a broad statement about agricultural areas. We would expect that you would have specific information about sites, that you would have specific information so that people would know if there are concerns in their particular region, in their particular location. I would ask the minister what action is taken when nitrate contamination is found. What measures are taken to notify people and to clean up these sites?

**Ms. Melnick:** Well, it would be the same process when there would be other concerns. There would certainly be testing. There may be retesting. There would be notification of the individual with the well. There would be, if it's a public or semi-public treatment centre, there would be working with that centre to make sure that the individuals who are using that public or semi-public system would be notified either individually through notices. There would be notice put in newspapers, there would be notices posted in public places. Any concerns about water safety at all are taken very seriously. There is quick response and there is quick notification to individuals who may be affected.

**Mr. Gerrard:** And what measures are taken to prevent the nitrate contamination from occurring?

**Ms. Melnick:** Again, there is continual monitoring of public and semi-public systems. There is a public education campaign for the private well owners. We do strongly advise that they get an annual test done. We also recognize that if there is a test that comes back that is of concern, that there would be action taken to determine what the level of risk is and what the proper response would be.

**Mr. Gerrard:** Let me try once more. Nitrate contamination is serious for pregnant mothers and infants, and therefore there should be specific information available about contaminated sites so that people can know where the problems are and make sure that pregnant women and children are not drinking the nitrates. Can you provide us with the specific information about contaminated sites?

**Mr. Chairperson:** Just before Madam Minister answers, I would just like to ask Dr. Gerrard to direct his questions through the Chair, please.

**Mr. Gerrard:** Mr. Chairperson, can the minister provide the specific information about where these contaminated sites are?

**Mr. Chairperson:** Thank you.

**Ms. Melnick:** Well, again, I think I've answered this question a couple of times now. There is continual monitoring that goes on in the public and semi-public systems. We encourage people to get their water tested. The area that is of concern is the agricultural area of Manitoba. I know the member would like to reduce that area to a specific location. However, being a minister, I think it's important that we recognize that there has been a lot of work done around this and that we have to look at the broad

area, because if we looked at a very specific area, we might leave out another area where there might be a risk.

So, again, it's important that we recognize the broadness, that we recognize that there is information passed on through public health nurses. We recognize that there is information passed on through the Web site, through fact sheets. This is information that is available through Agriculture, through Health. Water Stewardship is also working these communication pieces. Also, that if there is a test that shows any concern at all about water safety in any way, that that is taken very seriously, that individuals who may be affected are notified immediately, that there is also public notification through public newspapers, public newsletters. There are postings in public places. It is a very serious issue; it is a very important issue, and I think we have to keep a very broad perspective on how to deal with this issue.

**Mr. Chairperson:** The hour being 6:45, we will now move to consideration of the letter that was tabled by Mr. Hawranik. But before we do, shall the Auditor General's Report – Environmental Audits – Review of the Province of Manitoba's Management of Contaminated Sites – The Protection of Well Water Quality in Manitoba, dated November 2005, pass?

**Some Honourable Members:** Pass.

**Some Honourable Members:** No.

**Mr. Chairperson:** No? So we will move on to now the letter that was tabled by Mr. Hawranik.

**Mr. Hawranik:** I would like to move a motion.

I move

THAT the Public Accounts Committee request that the Auditor General of Manitoba conduct an audit into the "Spirited Energy" campaign.

**Mr. Chairperson:** Order. The motion is in order. It has been moved by Mr. Hawranik

THAT the Public Accounts Committee request that the Auditor General of Manitoba conduct an audit into the "Spirited Energy" campaign.

**Mr. Hawranik:** Yes, I would like to speak to that motion. Of course, the letter from the Leader of the Official Opposition (Mr. McFadyen) speaks to the same matter in terms of asking for an audit of the "Spirited Energy" campaign.

The Premier (Mr. Doer) has clearly said he has nothing to hide. He said that he is not afraid of an audit. He said, bring it on. So that is what we are asking, Mr. Chairperson. We're asking for the Auditor General to conduct an audit into the "Spirited Energy" campaign. The choice is quite clear: either the government is going to be accountable, open and transparent, or, secondly, they're going to run and hide, one or the other. It's their choice.

We brought the motion because we've asked the questions in the House in Question Period. We've had Freedom of Information requests, and we either get no answers or insufficient answers or inconsistent answers. We need some answers to some very serious questions in the "Spirited Energy" campaign. We need to have copies of all invoices that were involved in terms of the "Spirited Energy" campaign. We need to know what the specifications of what work was done and what was ordered, the hourly rates that were charged for work that was completed, who was billed for work and services that were completed and what research was completed prior to the "Spirited Energy" campaign. We also want to know results of any polling and focus group work and the results obtained from those groups; the level of involvement in terms of Crown corporations, whether they, in fact, paid for part of the "Spirited Energy" campaign or whether they didn't. The total amount that they spent on the "Spirited Energy" campaign would be nice to know, both directly and indirectly, and the amount of money spent by private institutions versus public institutions, Mr. Chairperson. The total amount spent in the province and the total amount spent out of the province would be nice to know as well, and what advertising was done both in the province and outside the province.

We continue to ask those questions in the House. We ask those questions by way of FIPPA request. We need an audit. I would ask that the members opposite support our motion today.

#### Point of Order

**Mr. Chairperson:** Excuse me. On a point of order, Mrs. Mitchelson?

**Mrs. Mitchelson:** On a point of order, Mr. Chair, the government had already indicated that they are going to support this motion, when I asked for clarification earlier in the committee process. So I don't even believe we have to encourage them. I think we could just have the vote.

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

**Mr. Chairperson:** Order, committee, please. This is not a point of order. It's just a dispute over some facts, but if we can continue to deal with it, perhaps we can conclude it by 7 o'clock.

\* \* \*

**Mr. Andrew Swan (Minto):** Mr. Chair, I would like to propose an amendment which I hope we can pass and then refer the matter on to the Auditor General.

I will just read what the amended resolution would sound like: This committee requests that the Auditor General, in accordance with her discretion under section 16(1) of The Auditor General Act, consider an examination and audit into the "Spirited Energy" campaign.

\*(18:50)

**Mr. Chairperson:** Do you have a copy of the amendment, please?

It has been moved by Mr. Swan

THAT the motion be amended to read: The committee requests that the Auditor General, in accordance with her discretion, under section 16(1) of The Auditor General Act, consider an examination and audit of the spirit into the "Spirited Energy" campaign.

The amendment is in order. Mr. Swan, do you wish to speak to it?

**Mr. Swan:** Yes, well, I'd just like to put some thoughts on the record. Of course, this matter was raised by the opposition today without notice to us after the agenda for this meeting had been set. But, led by the Finance Minister, we indicated that we were prepared to forward this to the Auditor General for her determination as to what she should do. Certainly, that was why we wanted to deal with this tonight, and I think this amendment will take that into account.

We do want the Auditor General and her staff to give it due consideration, to deal with it in a way that she and her staff believe is appropriate. We're prepared as government members of this committee to let that happen. Of course, as an independent office, we as a committee can't direct, nor should we direct, the Auditor General to do anything. We can, certainly, provide it to her, and then they will give it the due weight to be able to determine their ambit and their scope for their examination. If they believe that an audit is warranted, they'll proceed. If, as an

independent office, they choose that no audit is warranted, that will be their decision that they can make without political interference, so to speak, from either side.

Certainly, we've got respect for the Auditor General's office, and I appreciate the opposition sort of governs their schedule by what appears on page 6 of the *Sun*. This wasn't important when we set the agenda 10 days ago. I suppose it was only important this afternoon when they realized this meeting was on. I say the people of Manitoba will give them another four years in opposition to try to get their facts straight, but, in any event, that's my political comment.

**An Honourable Member:** Arrogance.

**Mr. Swan:** Well, the Member for River East (Mrs. Mitchelson) calls it arrogance. We call it, on the government side, of being prepared to let the Auditor General and her staff determine what is appropriate and we will certainly go from there. We know that Manitoba's branding exercise has been a success. We know that everybody from business leaders that coach the Blue Bombers to the Opposition Leader himself, of course, uses the term "Spirited Energy" to reflect the positive energy in this province, but we're not sure where he was in 1995, and apparently, neither was he. Certainly, we have great respect in all seriousness for the work that the Auditor General's office does, and their staff can take it away and do with what they believe is appropriate.

**Mr. Lamoureux:** Mr. Chairperson, this government has changed our buffalo into a bull, and I'll leave it at that in terms of the comments from the former member, or the Member for Minto.

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

**Mr. Chairperson:** Order, please.

**Mr. Lamoureux:** If that was a bit unparliamentary, I withdraw the comments.

**Mr. Chairperson:** Thank you, Mr. Lamoureux. I think we should just choose our words a little wisely.

**Mr. Lamoureux:** Absolutely.

**Mr. Chairperson:** Thank you.

**Mr. Lamoureux:** Mr. Chairperson, I would like to assure this committee that I haven't read the *Winnipeg Sun* today. I do know that my constituents are very much concerned with the way in which

"Spirited Energy" came about and the types of tax dollars that are being spent.

There was concern, I must say, in regard to the government saying that we have all these private contributions coming, and I think my constituents, I know, want to know what type of private contributions were they. We were led to believe, initially, that it's almost like cash in hand. Then, through Question Period, we find out that it wasn't cash in hand. You know, it's "we'll hang a banner here; we'll do some bonus advertising." There is some very strong merit to find out what these costs were and, in fact, were there any cash contributions from the private sector. Manitobans were told that there was. There's a strong argument. We would ask that the provincial auditor and the Public Accounts is the right forum to do this, to ask the provincial auditor to investigate and to report back to this committee. Thank you, Mr. Chairperson.

**Mr. Selinger:** Yes, thank you, I'm glad we've come to this point in the agenda, and we do support the motion as amended. We note that this wouldn't have even been possible unless we'd amended The Auditor General Act under the previous government. They had no language like this in The Auditor General Act either for investigating Crocus, which we've done under The Auditor General Act, or to undertake the motion that we have in front of us here tonight.

But I do note that the legislation is very clear. The Auditor General is not obliged to do so if he or she is of the opinion that it would interfere with the primary responsibilities of the Auditor General. I want to underline that the motion tonight is in no way intended to compromise the integrity of the Auditor General's office as being an independent office of the Legislature not to be directed by any political party in the Legislature. I think the motion is properly drafted to respect that as in the legislation, and I'm therefore ready if the committee is ready to call the question.

**Mr. Chairperson:** Are we ready for the question?

**An Honourable Member:** Question.

**Mr. Chairperson:** Mr. Faurchou, are you raising your hand or are you not?

**Mr. Faurchou:** I'm requesting that you read the amendment.

**Mr. Chairperson:** Oh. We will do that.

The amendment. We will vote on the amendment first. Moved by Mr. Swan

THAT the motion be amended to read:

This committee requests that the Auditor General, in accordance with her discretion under section 16(1) of The Auditor General Act, consider an examination and audit into the "Spirited Energy" campaign.

Shall the motion pass? I'm sorry, shall the amendment pass?

*Motion agreed to.*

**Mr. Chairperson:** Now we will vote on the amended motion, and I will read the amended motion.

THAT this committee request the Auditor General, in accordance with her discretion under section 16.1 of The Auditor General Act, consider an examination and audit into the "Spirited Energy" campaign.

Shall the amended motion pass?

*Motion agreed to.*

**Mr. Chairperson:** Now, ladies and gentlemen we have one other little piece of business to do, and I'm not sure that we are able to do it tonight. However, section 121 of our Rules states: "Requests to the Auditor General for reviews or special tasks shall be passed as a motion by the whole Committee and terms of reference should be provided to the Auditor General in writing."

Those terms of reference must come from this committee.

How does the committee wish to proceed on the terms of reference?

**Mr. Selinger:** If I remember the motion correctly as you read it out, Mr. Chairperson, we left the discretion on how to conduct the audit to the Auditor General's office itself. I think, therefore, the instructions have been given in the main motion as we've just passed it, and no further discussion is required. Comments have been put on the record by other members as to things they would hope would be looked at, but we left it to the discretion of the

Auditor General's office to conduct an audit as the Office of the Auditor General sees fit.

**Mr. Lamoureux:** Mr. Chairperson, to that end then, I would suggest, then, that we give leave, if necessary, in order to enable the provincial auditor to do just what has been explained to us.

**Mr. Chairperson:** I'm going to clarify and ask a question.

Number 1, if there is agreement that no terms of reference other than what has been provided in this motion be given to the Auditor General, then I will ask for agreement from the committee if that is the case.

Is that agreed? [*Agreed*]

It is agreed, therefore, I am going to ask that there be a letter sent from the co-chairs of the PAC committee to the Auditor General indicating the agreement that has been reached here this evening. Okay? Thank you.

Madam Auditor has requested a moment.

**Ms. Bellringer:** Just very brief. All the members know, I think each and every one of you knows, that I have a great deal of respect for every single member of the Legislature and what you do and what you represent. It actually is a bit of a historical moment. I think this is the first request that's officially come from the Public Accounts Committee to our office, and I very much would encourage that to happen as often as possible. We always listen to any member who has any request for us. It certainly makes it much easier to have it come to us through what was contemplated when the legislation was put into place. So thank you for the opportunity.

**Mr. Chairperson:** Thank you, Madam Auditor General.

Before the committee rises, before we rise, I would like to say, that if there are members who have these copies of the reports before them and don't need to take them with them, you leave them behind so that they can be reused at our next meeting, please.

The hour being 7 o'clock. Committee rise.

**COMMITTEE ROSE AT: 7 p.m.**

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